



WHIRLPOOL OF INDIA LIMITED
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May 29, 2026

<p>The Manager Listing Department BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai, Maharashtra - 400001</p> <p>Scrip Code: 500238</p>	<p>The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra – 400051</p> <p>Symbol: WHIRLPOOL</p>
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Dear Sir/Madam,

Subject: Transcript of the Conference Call for Investors/ Analyst for Q4 FY 2025-26

This is further to our intimation letter dated May 18, 2026 wherein we had informed the schedule of the Conference Call, please find enclosed herewith a copy of the transcript of the Conference Call of the Company held on May 22, 2026.

The same will also be uploaded on the Company's website at <https://corporate.whirlpool.in/financial-information/>.

Yours faithfully,

For Whirlpool of India Limited

Sweta Srivastava
Company Secretary and Compliance Officer

Plot No. 40, Sector 44,
Gurugram, Haryana

Encl: as above



“Whirlpool of India Limited
Q4 Financial Year FY26 Analyst Conference Call”
May 22, 2026



MANAGEMENT: **MR. ARVIND UPPAL – CHAIRMAN –
WHIRLPOOL OF INDIA LIMITED**
**MR. NARASIMHAN ESWAR – MANAGING DIRECTOR –
WHIRLPOOL OF INDIA LIMITED**
**MR. ADITYA JAIN – CHIEF FINANCIAL OFFICER –
WHIRLPOOL OF INDIA LIMITED**
**MS. SWETA SRIVASTAVA – COMPANY SECRETARY –
WHIRLPOOL OF INDIA LIMITED**

MODERATOR: **MR. DEEPAK AGARWAL – AXIS CAPITAL LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Analyst Call of Whirlpool of India Limited. We wish to inform you that all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal the moderator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Deepak Agarwal from Axis Capital Limited. Thank you and over to you, sir.

Deepak Agarwal: Thanks. Good evening, ladies and gentlemen. On behalf of Axis Capital Limited, we welcome you all to Whirlpool of India analyst call for the fourth quarter financial year FY26. From the management side, we have the Chairman of the Board, Mr. Arvind Uppal; Mr. Narasimhan Eswar, Managing Director; Mr. Aditya Jain, Chief Financial Officer of the company; and Ms. Sweta Srivastava, Company Secretary joining the call.

We thanks, Whirlpool of India to give us the opportunity to host this call. Now, I hand over the floor to Sweta ma'am. Thanks, and over to you, ma'am.

Sweta Srivastava: Thank you, Deepak. Good evening, everyone. I would like to welcome you to the Q4 financial year 2025-2026 analyst call of Whirlpool of India Limited. Please note that the call is being recorded and the audio call and transcripts will be available on the website of the company. Also, the presentation to be made by the Managing Director and Chief Financial Officer is available on the website of the company as well as the stock exchanges.

Before we move forward, I would like to remind you of the cautionary statement that forms part of the presentation. During this call, certain forward-looking statements may be made. These forward-looking statements are based on certain expectations, assumptions, and other factors which may affect the business results. Please read the cautionary statements carefully and the contents of this call should be interpreted accordingly.

With that, I would now like to hand it over to Mr. Eswar.

Narasimhan Eswar: Thank you, Sweta. Good afternoon, everyone. I'm Narasimhan Eswar, Managing Director of the company. I'd like to welcome you to this analyst call. Thank you very much to Axis Capital for making this happen. Thank you to everyone for taking out your time to join us.

Without any further delay, I'll start with the update. So the update as usual, we split it up into three areas; the business overview, the strategic imperatives and how we're doing against them, and lastly, the financial performance. I shall cover the first two and Mr. Aditya Jain, the CFO, will cover the last one.

If you move to Slide 6 of the presentation, please, and you can see the slide numbers at the bottom right-hand side of the page. We'd just like to start off with some key highlights of 2025-2026 Q4. This is for the India standalone results. We're happy to see that we delivered a revenue growth of about 7.4% versus last year. Happy because the first two quarters of this

year, because of a lot of competitive pressure that happened in the market, which was extraordinary, we had a revenue drop versus a year ago in Q1 and Q2 of this fiscal. Q3 we made our way back and Q4 we've grown by 7.4% versus last year.

We're also quite happy that even if temporarily, only for a month, but in March 2026, in refrigerators and washing machines combined, in the multi-brand outlets volume market share, we secured the number two position. The reason why we're happy about this is not just because of the number two position, but because it shows us in our organization and people who believe in us that it's possible to get here and also gives you the confidence that once you get here, you can aspire for even more.

Now, how we got to that position was basically because we had some share leadership in a couple of different areas where we made some progress. In direct cool refrigerators, in multi-brand outlets volume market share, we got market leadership straight for three months in a row, in fact, four months from December 2025, number one position there. We secured after a very long time the number two position in top load in quarter four market share for multi-brand outlets volume market share. And we also secured for the quarter the second position in semi-automatic washers.

Now, these were the three top categories in which we secured good market share positions. In front load washers, where our market shares are much lower as we launched only in 2022, coming in late into this category, we're happy to note that our volumes have actually doubled in this quarter and we showed a triple-digit increase in market share consistent with the past several quarters, again on multi-brand outlets volume market share.

In our relatively smaller business of aircon, and I know that many companies have declared very strong results of million units and so on and so forth, but for us, we exceeded 100,000 units in the March month, which considering where we were three years ago, is a fairly good achievement. And it also shows the power of what we can go on and achieve in the coming months and years because our quarter volume growth was more than 50%.

Elica had a wonderful quarter. Revenue was up 30% and profit for Elica was up 48% -- PBT. Also, what was very nice to cap it all off was March 2026 marked the highest-ever shipment month in the history of Whirlpool of India Limited, handsomely beating the last great record which was in April 2019. All-in-all, from a revenue and a volume growth point of view, a much better picture than the previous months.

Margins were impacted in this quarter as you would have seen already from the reports due to energy change regulations in refrigerator and aircon, which we moved into quicker than most others because of our lower inventory, and also the incremental e-waste impact that we continue to accrue for in line with government mandates.

We continue to closely monitor the supply situation. As everybody knows, the supply situation arising from the Middle East war is of concern to not only us but all industries across the country. Both with respect to cost and supply of components, products, etcetera, it is quite challenging and we continue to work on that very, very seriously and diligently.

Coming to the last part before we move into the detail, we're happy to report that even in this quarter, we got a negative networking capital in our ref and washer business. Any increase in our networking capital was only because of planned investments in air conditioners, which was obviously on the positive side because aircon works on different number of days of receivables compared to -- and inventory compared to our ref and washer business.

Could we go to Slide number 7, please? So, this is the chart that I always share. I'm not going to walk you through the entire chart because there's a lot of detail in there. But the industry continued to basically grow with very low single-digits in Jan 2026 to March 2026, so subdued industry growth. Decline in refrigerators so far for the whole year, driven by decline in direct cool refrigerators. I'm now talking about the industry.

In terms of big highlights for us in this quarter, which is the extreme right column, Q4 2025-2026, Jan 2026 to March 2026, I think the biggest highlight was our bringing in the new ranges of refrigerators both in direct cool and frost free into the market.

So, for those who are unaware, there's a big energy change that happened in January on both refrigerators and air conditioners. What that really means is every refrigerator and every air conditioner had to be replaced with new technical models, every single SKU that we have. And this is what we call as a phase-in phase-out.

And when you do this phase-in phase-out, those who enter it at a slightly earlier stage end up having to lose some amount of display share and stock share in the market as they transition their products to the new products. And this is quite a monumental thing for the entire industry. We were into it a little bit earlier than the others because we had lesser inventory on refrigerators as we closed out the year and air conditioners.

We also introduced some very exciting new products that I'll talk to you about later. We introduced the new three-door Protton, which is doing very well in the market. We introduced a new 9 kilogram with steam option in the front load washing machines, and we introduced new models in the direct cool auto-defrost premium refrigerators. We also added some amount of retail executives to further drive our business and our ROI, and we had a very good quarter in terms of air conditioner and front load washer scale-up.

Our volume market shares for this quarter declined by double-digit basis points versus last year, predominantly driven by refrigerators where we had this phase-in and phase-out, as well as significant competitive pricing activity still happening, which we have chosen not to follow completely, which is a deliberate strategy.

But as we recover our phase-in phase-out, as we move faster than others on the phase-in phase-out in the month of April, May, June, I hope to be able to recover that market share back again as we ramp up our display shares and our stock.

Next slide, please. So, this is the breakup that I always share of the shares -- market share by segment. As you can see there, three reds mean -- three dashes basically means triple-digit basis points, two dashes means double-digit basis points.

Overall, if you take a look, in front load washers, we continued to grow triple-digit basis points for the seventh -- sixth or seventh quarter in a row, and we continue to do very well there. In top load washers, we were able to grow strong double-digit basis points in quarter four 2025-2026 behind some incremental initiatives that we've put in with respect to new products.

In semi-automatic, we were able to report triple-digit basis points growth. So, overall in washers, we had strong growth and in air conditioners as well in terms of shares. We declined triple-digit basis points in direct cool refrigerator and frost free refrigerator in volume market share in Jan 2026 to March 2026.

Like I said, the primary driver was a regulatory changeover that we moved faster than others, which we will make up for pretty soon. And the secondary driver was competitive pricing, which continued to be very aggressive and we didn't follow to the same extent to balance between market share and profitability.

Next slide, please. Slide number 9. Let's now talk about the top line. In terms of sales growth in the first half of the year, we had a minus 4% as you can see on the left side of the chart. We started off with minus 3% and minus 5%, so it was pretty much tough between April and October -- April and September because of very heavy competitive pricing on the one hand.

And on the second hand, the industry was -- impact was quite significant because of a delayed onset of summer and early monsoons last year. So, it was a very tough year for -- a very tough first six months of the year for the entire industry, which any part of the industry which relies on cooling products like refrigerators or air conditioners.

We started making a recovery in Q3 as you know with a 4% growth in revenue and in Q4 we've now made a 7% growth. And our second half momentum is actually driven by three things. One is a significant scale-up in our air conditioner business, which is fledgling compared to some of the big players.

Significant scale-up in our front load, we call it HA, Horizontal Axis, but it's the front load washing machine business, and overall share gain in washers. We've also had significant accelerated growth in premium products across refrigerators and washers. So, this is what drove our top line.

In H2 2025-2026, refrigerators remain challenging like I said because of the regulatory product changeover in Q4 that we're right now going through, which should end very soon for us, and the competitive pricing impact.

Next slide, please. We move to Slide 10. We look at margins versus last year. These are the gross margins. So, just to remind you, 2022-2023, we had 27.6% margin, 2023-2024, we went to 29%, 2024-2025, we improved to 30.6%. This year, we've arrived at a 29.9% margin, driven by basically the air conditioner mix in our margin.

So, just to explain, if air conditioners for us grows disproportionately, then our overall gross margin goes down because the gross margin percentage of air conditioners is lesser than that of refrigerators and washers, which we are fully aware of.

However, air conditioner is able to provide scale to us, which helps alleviate fixed costs, and air conditioner is able to provide significant revenue to us, both of which matter a lot. So, it's a very conscious choice that we took to drive the air conditioner business at the right time.

And so you can see that without the air conditioner mix impact, our gross margin would have continued to grow. And the reason that is the case on refrigerators and washers is because of our P4G, the Productivity for Growth cost saving program that we do and continue to do and believe in extremely fiercely.

Next slide, please. Slide number 11 now talks about the profit before tax margin. If you look at Q4, last year Q4, we had a 7.6% PBT margin in 2024-2025. This year, we would have been slightly higher than that except for two significant costs that I had already highlighted at the beginning of the year -- in January -- beginning of the calendar year.

One is the energy cost upcharges because of the refrigerator and air conditioning, which has not yet been compensated by pricing as of March 31. And the second is a very significant incremental e-waste provision that we do to make sure that we are conservatively accruing for potential e-waste cost. If e-waste costs are sorted out going forward between the recyclers, the producers, and the government, obviously, then that would be a help in the future for us.

If I go to the right on the full year PBT margin, last year PBT margin was 5.6%. If you just take out the incremental e-waste provision we have made versus last year, we would have held our margin. So, this is purely the incremental e-waste provision that we've made, not the base e-waste, the incremental e-waste provision that we've made this year that is basically reducing the margin on a full year basis.

Next slide, please. We continue to remain efficient in working capital. This is a slightly complex slide, so kindly stay with me. As you can see on the first three columns, the blue columns, in March 2022, March 2023, March 2024, as a company we were operating on a positive networking capital, which obviously is not the ideal way to operate. A negative networking capital is a wonderful way to operate.

By September 2024, with a concerted effort across the company, we had brought it down to a negative networking capital, kept it there in December 2024. In March 2025, it was slightly positive, but much lower than the previous years. June again it was negative. And then if you see today, if you look at March 2026, the first column is our actual networking capital, which has gone up versus the previous year. But if you just take a look at the little piece next to that in green on the right that is our refrigerator and washer and our regular T2 business. That is now operating on a negative networking capital.

So, if you compare March 2026 excluding AC with March 2025, we are actually better off on networking capital on refrigerators and washing machines. The planned investment of air conditioners networking capital is what took our networking capital up in this quarter and obviously, it would be recovered in the coming quarter.

Next slide, please. I now move on to our strategic imperatives. We are now on Slide number 14. Our strategic imperatives continue to be the same; one, inspire generations with our

brands; second, win with product leadership; third, build a competitive and resilient supply chain; and lastly, excellence in execution.

Moving to Slide number 15. This is just a bit of our history. We introduced pedestals to the country. We introduced auto-defrost in direct cool refrigerators. We were one of the early pioneers in providing colors and finishes in refrigerators from the drab and dreary kind of only steel, only gray or white refrigerators in the past.

We were the first to introduce three-door refrigerators in the country. We were the first to introduce dark interiors with the Platina range, which are extremely premium, and we were the first to introduce heaters in top load washing machines.

Net, a pioneer in the Indian durables industry, we've continuously done innovations that are made for India by Indian engineers, by our Indian workforce, inspired by Indian consumers with Indian consumer knowledge. And I hope to show some of that again as we go through the next few slides. Our focus has been to premiumize our business.

Going on to the next slide, please. Let's start with direct cool refrigerators. In direct cool refrigerators, the premium end of direct cool refrigerators, we have the auto-defrost range. Auto-defrost range we've rebranded to call it "No Tension" refrigerators because the single biggest pain point for direct cool consumers is the ice that forms in the freezer section for any direct cool refrigerator. And it causes a lot of trouble. So, you can see some of the creatives that we put out there, but in essence, we introduced a new launch, a black steel that's been doing really well for us in Vitamagic Pro, which is the brand name for the auto-defrost range. And that's doing really well for us.

Next slide, please. Moving on to the top load washing machine business. In the top load washing machine business, you will recall that in previous meetings, I have basically said that within refrigerators and washing machines, we'll make sure that within some amount of time, we will cover all the gap areas that we have in our portfolio where we can add value to consumers, grow our market share, and grow it profitably.

In the top end, the BloomWash series, we had up to 10 kilograms. We've now introduced a high capacity top load washing machine in line with consumer demand. This is an 11 kg BloomWash and there are some amazing new features in this. The first one is that this new 11 kg BloomWash has got a Quick Sense technology. Now, there are many top end top load washing machines that have quick wash cycles, but usually they are one wash cycle whatever be the load. This one has got 30 minute cycle for a small load, 35 minutes for a medium load, and 40 minutes for a large load. And the machine automatically senses what type of load it is and takes care of it. So, this is the Quick Sense feature.

We also have in the same machine Soft Sense, which automatically releases the right amount of softener at just the right time. Lastly, we've brought this into a brand new and beautiful Juniper Green CFM, which actually brings out the premium look in an even better way and offers an amazing new color to the premium top load washing machine consumer.

Next slide, please. Moving to Slide 18, we now talk about premiumization in two categories, this is the third one; semi-automatic. Our Dynamix technology in our mid and premium range is doing really, really well and driving the semi-automatic category. This is the technology that promises and delivers on zero detergent patches for those who are using powder in semi-automatic washing machines, which is the number one pain point of Indian consumers; the patches that stay on in the clothes after you use the detergent in the wash.

This business is doing really, really well for us. It was just introduced two years ago, in 2024 in June, if I recall right, and it is now a significant proportion of our business. Nearly half of our business is in this technology and it's driving triple-digit basis points share gain in its segments.

Next Slide, please. Continuing with the premiumization story. Triple doors are the premium end of frost free refrigerators in the middle to premium area. And here we've launched -- relaunched our Protton three-door model with the Protton NXT series. We've not only done a technological and design upgrade, but we've also done a capacity upgrade, providing even more value to the consumers. This is doing really well for us and the magic of the three doors is that with this technology, we now have 43% lesser cold air loss versus the top loads that you normally get because of the three doors and the need to open each door much lesser.

Second, your fruits and your vegetables stay as they are supposed to because the fruits and vegetables have a separate drawer as you could see, and there is no odor mixing with other things that might be there in the refrigerator compartment. And of course, there's 360 degree enhanced cooling with Fresh Flow.

Next Slide, please. We go to Slide 20, our front load washer. Now, this is premium by itself, whether it's 7 kg, 8 kg, or 9 kg, or 10 kg. The front load washers accelerated for us in 2025-2026. Our total business has grown about 60% more than last year. We've had triple-digit basis points market share growth pretty much through the year. This uses 6th Sense technology like all of our premium products do, and this business is doing quite well for us and we hope to grow it more and more in the coming months, quarters, and years.

Next Slide, please. And of course, our AC business. Like I said, maybe a small number for others, but a giant number for us from where we're starting out. We've been able to bring in some really good technology and drive some really good go-to-market. And for the first time, we've been able to cross 100,000 units in monthly sales in March 2026. Our air conditioner business, even in a relatively tough year, has gone up by more than 40% versus last year, following quite a strong 80%-odd growth in the previous year.

Next Slide, please. And of course, our fantastic Elica products. The new product ranges continue to drive premiumization, whether we're talking about the filter-less kitchen hood or we're talking about the ductless kitchen hood that has been launched recently, or indeed this beautiful product, the built-in hob with four burners, which has got heavy duty full brass burners, multi-flame direct, with cast iron pan support.

And this cast iron pan support is also backed with a heat guard to make sure that you don't feel any heat while operating the knobs. So, all of these wonderful products continue to drive our premiumization strategy very strongly.

This is probably the most exciting news of the lot. This might look like the cloak of Darth Vader, but what it is actually is a black cloak that we've deliberately used to cover our new products that we're launching. Many of you have asked us when are we launching into the frost free large capacity space? Well, the answer is in Q2 of 2026-2027, thereby filling a significant gap in our frost free portfolio.

Please stay tuned for this. In the next quarter, I hope to show you all of the different models that we're bringing in and the features of this. But this is something that we're extremely proud of. We've waited for more than two years to deliver this and we are very happy to announce that we are going to be in play in the large capacity frost free, which was one of the big chunks missing from our portfolio.

Next Slide, please. We continue to focus very strongly on driving excellence in execution with visibility of our premium lines, with a very strong sales and service incentivization program that focuses on driving premiumization and value, focusing on very strong customer relationships that we've built over the last 40 years, and a very, very good management of our supply chain in a very complex environment.

On the service front, we're continuously improving in our service KPIs. The chart that you see there is the Net Promoter Score. As you know, the Net Promoter Score is the score difference between when consumers after installation or after service give you a score on a scale of 10. 9 plus 10, whoever gives you -- what percentage of people give you 9 and 10 scores out of 10, minus the people who give you ratings between 1 and 7.

So, this is continuing to grow for us very strongly. And this is despite the fact that we're starting to sell a lot more air conditioners where the requirement for service and getting Net Promoter Scores is even tougher because people want instantaneous installation, instantaneous service, very difficult, especially in this Delhi heat that we are facing right now to live without an air conditioner for most people. Despite that, our service organization is doing a tremendous job in keeping the scores up.

Now, we move on to our supply, two big things in this; quality and cost. And quality, as you know, we follow the world-class manufacturing practices. We continue to follow that. We've achieved a Silver in Pune and Bronze in the other two manufacturing sites with our Puducherry and Faridabad, and we hope to take them to a Silver across the course of the coming quarters and years.

On cost leadership, basically we have, if you see from 2022-2023 to today over three years, we've done a standalone gross margin improvement of 220 basis points across these three years. And that's all because of the P4G program that we do, Productivity for Growth, which is a very systematic program that covers all lines of the P&L, involves almost everybody in all of procurement, engineering, innovation, and manufacturing, as well as supply chain. And this

program continues to do strongly for us, covering off many of the other cost impacts that we get in other areas.

Next Slide, please. And with that, I'd like to hand over to Mr. Aditya Jain. Aditya?

Aditya Jain:

Thank you, Mr. Eswar. Good afternoon, everyone. My name is Aditya Jain and I am the CFO of the company and I'll take you through the financial performance of Whirlpool of India Limited.

I'm on Slide 27. This slide covers the financial performance on consolidated basis for Q4, i.e., Jan to March 2026. In this quarter, we delivered a revenue of INR 2,181 crores, which is a high single-digit growth versus last year. As we heard from Mr. Eswar, industry was not a big help in this quarter. Industry grew in low single-digits. And on top of that, the entire refrigerators portfolio was impacted by the new energy regulations which came into force from 1st January 2026. As a result of which, a massive amount of phase-in phase-out was supposed to be done.

Despite those headwinds, we were able to grow revenue in high single-digits and the factors which drove our revenue growth are as follows; A, our washer business did pretty well and we grew share in the washer business. We attained a number two position in semi-automatic as well as top load washers.

And on HA, which is a small business for us right now, we grew market share, which is the MBO volume market share in triple-digits in this quarter. This was driven by the commercial and the consumer-focused product innovations and our mantra of executional excellence.

Our AC business did pretty well. In AC, we grew by 50% in this quarter. And AC being a high ASV product, which is the average selling price of AC is roughly 2x of other core business that also helps in driving your top line.

Third big element was the segment premiumization. What it means is our focused interventions and our ROI-based ideas are focused on driving incremental growth in mid and premium segments of each of our categories, which again helps us driving premiumization within the category and hence driving the revenue growth.

Last but not the least, it was a fabulous quarter for our Elica cooking business, which grew revenue by 30% in this quarter.

On the profitability side, we delivered an EBITDA of INR121 crores at 5.6%. The EBITDA was lower by 33.7% versus last year. And our profit before exceptional items was at INR110 crores at 5% and our profit declined by 29% versus last year. The big reason for decline in our profits versus last year was on account of regulatory cost upcharges. There were two big items which impacted our profitability in this quarter. One was the incremental e-waste expense, which we accrue as per the e-waste notification which came in September last year. And B, the aircon and the ref energy upgrade cost.

Let me give you a little bit more color why we were a little bit more impacted by this energy change cost impact. As you would have noticed on the working capital slide, in December we

had a negative working capital, which meant that we were managing our inventories very efficiently and there was very limited quantity of inventories which we carried forward from 2025 into 2026.

And as a result of which, most of our Q1 business came in from the production of the current quarter, which was BEE upgraded refrigerators production on which we had to account for the new energy cost. And this was not supported by commensurate pricing in the market till March because of multiplicity of factors and the varying level of inventories which everyone would be carrying.

And just for perspective, outside of these two items, which is the energy cost upcharge and incremental e-waste provisions, our profit would have been higher than last year. Our Elica, as I said, had a fabulous quarter and they delivered a revenue growth of 32% and a profit growth of 48% in this quarter.

Next Slide. I'm on Slide 28. In this slide, I'll cover the financial performance on a full year basis. We crossed the INR 8,000 crores numbers from a top line perspective and delivered a top line of INR 8,034 crores, which is a growth of 1.4% versus last year.

Just to give you a little bit of color, this came on a backdrop of a flattish or a muted industry because the industry for the whole year was roughly flattish. And in fact, the ref industry declined largely due to the direct cool as there was delayed onset of summer and the monsoons got advanced. So we had -- the industry had a pretty bad season. And on top of that, there was a big energy change in the back half of the year, which again impacted the refrigerator business.

So, despite those headwinds, we were able to offset those headwinds and still grow our revenue by 1.4%. The various factors which led to this growth was A, our washers portfolio which we spoke about did well even on an annual basis. Aircon continued to be a good story on an annual basis. We grew aircon business by 40% despite that the summer was pretty soft and not conducive to the aircon growth, but then we managed our business very well.

And Elica again did well on an annual basis with the double-digit revenue growth of 12%. Other factors were segment premiumization, which is a high focus area for us and our ROI based investments continued to deliver good returns.

Coming onto margins, we spoke about our P4G program that's running through the length and breadth of the organization that is lifeline of the organization in which we look at cost takeouts across all lines of the P&L. That continued to generate cost efficiencies and as a result of which, we were able to offset the commodity cost headwinds as well as the impact of the currency depreciation, which we have seen during the year. And because of this P4G program, our core T2 business margins, which is ref and washers business, improved versus last year.

Our overall reported gross margins stroke material margins were lower versus last year by 50 basis points, largely on account of aircon mix because at a material margins level, the profile of aircon -- the margins of aircon are relatively lower than the T2 business, but then you get a lot of leverage both on revenue growth as well as fixed cost leverage.

On profit side, we delivered an EBITDA of INR481 crores at 6%. It was lower by 12.6% versus last year, roughly 100 basis points. And our profit before exceptional items came in at INR426 crores at 5.3%, lower by about 12% versus last year and 80 basis points versus -- lower by 80 basis points versus last year.

The single biggest factor which led to the decline in profits versus last year was the incremental e-waste provisions. And let me just remind you that the new notification for e-waste came in middle of September last year -- middle of September 2024, correct.

Last year had pre-September rates which were based on market-driven rates and the post-September 2024 e-waste provisions based on the new circular which came into effect. And in the current year, we are accounting for the e-waste as per new circular and hence we have an incremental material year-over-year impact. And outside of that e-waste impact, our profit margins were flat to last year.

Our reported PBT declined by 19% as we accounted for the one-time impact of wage Code provisions of INR38.8 crores on a consolidated basis. Elica continues to do well, grew revenue in double-digits at 12% and its profit on an annual basis grew ahead of revenue at 15%. That's it on the results.

With this, I will pass it back to Sweta for the next session -- for the Q&A session.

Sweta Srivastava: Thank you, Mr. Eswar and Mr. Jain. I would now request the moderator to open the Q&A session.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question comes from the line of Priyank Chheda with Vallum Capital. Please go ahead.

Priyank Chheda: Yes, hi. Thank you, Eswar and team. Firstly, keeping your promise to do the call and handholding the minorities along with you and what a wonderful performance. First, clarifying for the incremental regulatory e-waste provisioning and whatever the electric energy upcharge.

So, what was this, if you can quantify for the cost for Q4 and FY 2026? And also the rationale behind doing it, would it be an incremental means that would it be it for the whole of the following year based on the volume assumptions we have accounted for the following year or would it be repeated also, the cost would get further repeated for FY 2027?

And have you seen this channel inventory now matching up with the norms and the regulatory on the ground so that you can recover that cost because everyone would also have a like-to-like impact on the cost?

Narasimhan Eswar: Sure, thank you. I'll take that one. So, we're not giving any further breakups within the regulatory piece on what is the incremental e-waste and what's the energy upcharge because that would be a very, very high level of getting into the detail which we're not keen on doing.

But to answer your question, sir, Mr. Priyank, on the e-waste, let me take each of those separately. On e-waste, we are providing at the highest possible rate that we can provide for.

And the way I would look at this is at this point in time, there's a lot of discussion between the Ministry, producers like ourselves, and the recyclers in terms of what would probably make the most sense. And there's quite a bit of discussion on this topic.

If there was any rationalization of these costs, then obviously we would stand to benefit. If there was no rationalization of these costs going forward, then we wouldn't lose anything. So, that's the best way that I can put it and the magnitude obviously depends on what the rationalization is. And those kind of requests and discussions are ongoing as we speak because the industry -- the entire industry, not only this industry but all industries, but specifically this industry is feeling the heat a lot from this incremental e-waste provision. So, that's on the first part.

On the second part, if you look at the energy upcharge, the energy upcharge is a permanent upcharge to the BOM, right? And this is because the bill of materials cost goes up when you go -- basically what happens is last year's three-star becomes this year's two-star. So, in essence, what you have to do is if you want to have a one to five-star range in your portfolio, you have to basically upgrade each of the levels one star. And when you do that, you have to use more expensive compressors, more expensive insulation, more expensive vacuum panels, and etcetera. And therefore, basically with regulatory changes like this energy upgrades, cost goes up unit-by-unit.

The logical thing would be that when the cost is actually gone up, that logically if it was one company that was just doing this and there was only one company in India, then that company would take up the price because it is a cost incremental to your business, right? And you would recover the price. It's a very competitive market.

And while I'm saying that, let me also add on that I had kind of said that the cost situation would be challenging this year for the entire industry and also for us because of the regulatory upcharges because the energy changes even in the last quarter. But of course, on top of this, we now have the impact of the war effect basically on costs as well as supply.

So, yes, I believe the industry has taken whatever actions it has to take. Each individual company obviously does what they deem best. We have done what we deemed best and you can figure it out from the market. I don't want to talk about what we've done in April and May because that would not be appropriate, but it's out there in the market.

And we will have to see what happens with the market and what the market does. We always have to keep in mind that we have to cover our costs and keep ourselves profitable, at least to a reasonable extent.

At the same time, we're in a very competitive market and we need to make sure that we're not outpriced. So, if it comes to a place where we're outpriced and we start having an impact on volumes in a material way, then we will have to do what we need to do to protect our business. So, it's always that delicate balance that we need to do between managing our volume and our market shares and our value and managing our profits.

So, I hope I answered your question. The energy upcharge is here to stay. I think the next energy upcharge is supposed to be three years from now. So, every time there is an energy upcharge, there will be a cost upcharge.

And theoretically, the best way to do that is to recover it by pricing. Practically, that is decided by what individual players do in the market and what other individual players do in response to what, you know, their competition does.

Priyank Chheda:

Perfectly. So, hence my follow-up question and I thought so, I will take your perspective what can be the scenario that can play out with the Middle East raw material and freight charges going up as well as regulatory cost further loading up.

So, the two scenarios which we can think of it can happen is maybe a competition rationalizes and the pressure eases and then this is followed with the pricing growth and then this scenario would lead to maybe a market share consolidation within -- gains to the incumbents.

Or do you think that there can be a downtrading itself by consumer where the cost loading happens so high and it would overtake all the efforts that we would be doing? I mean, just your thoughts on what can be the possible scenario that you think can be playing out in our industry?

Narasimhan Eswar:

Yes, it's a great question. I wish I knew the answer to this question. Anything could happen. It's very difficult to predict the macroeconomic environment. What we are focused on is not so much on what's happening at a too macro level because obviously we have zero influence on anything.

We as a company, I'll tell you what we are focused on. We are focused on figuring out what's happening on the supply situation from two points of view. One is what's happening with respect to availability of products, right? Quite a few of the products are dependent on coming through the Straits of Hormuz. Oil is dependent on that, which is required for a lot of things that we do in our industry. Many of the materials, plastics are built on based of oil. EPS that we use for packing is based on oil. Methyl isocyanate that we may use is based on oil. So, there's a lot of things that's based on that.

And the second thing that obviously is a very big impact other than the price of oil is obviously the forex rate. And that is also important because typically in this industry, we make almost all of our products in India, which is incredible, but obviously there is some amount of imported components for all industry players because all the components are not made in India, right? So, typically between, depending on the company, between 20% and 35% of products components may be imported, right, depending on the company. And so that part of it is subject to forex.

So, both of these is what we are monitoring on a daily basis, making our plans against that, making sure that we're talking and working very, very closely with our suppliers on an hourly basis because what you actually have to do is make sure first of all that you have supply of components to be able to make your products. If you don't make your products, then there's nothing to sell. So, this is the first point.

And the second point is how do you manage your costs? Both are significant challenges for all players in not only in our industry but pretty much in every industry and pretty much around the world because this is something that affects everyone. And it's up to individual people how individual companies how this is being managed. We're working a huge amount on this to make sure that we can keep our factories going, produce great quality products at the best possible cost that we can make it.

Then the second part is obviously there is a certain amount of pricing that maybe the market will bear. It's a very competitive market. And beyond that, also the question is what the consumer will do. So, there are so many variables on this that to actually guess what is going to happen, I think it's like a roll of the dice.

So, what we are doing is focusing on what we can control and what we should be delivering, which is our everyday work and staying close to the ground in terms of managing our supply, looking and taking the right decisions that we feel on costs and on pricing, and then monitoring the market very closely and we will keep on modifying dynamically our actions as we go through because it's an incredibly dynamic time.

Priyank Chheda: No, wonderful. One--

Moderator: Just a moment Priyank. We request you to please rejoin the queue if you have any further questions. Thank you. Our next question is from the line of Naushad Chaudhary with Aditya Birla Mutual Fund. Please go ahead.

Naushad Chaudhary: Yes, hi. Thank you for the opportunity and congrats for a decent set of number in a very challenging time. First, wanted to understand on the AC piece of business, what would have been the full year revenue contribution from AC? What is our aspiration for next two, three years in this category? And how much capital it would require to reach to our aspirational number?

Narasimhan Eswar: Thank you very much, Mr. Chaudhary. I would not be able to share the exact AC contribution because we don't lay out that number, but AC is still a small proportion of our total business. As you know, refrigerators still covers more than 50% of our total business, washing machines covers about 25%, 30% of our total business. AC would be the next big play basically along with Elica. That would be the kind of thing.

Our aspiration on AC I can certainly answer that. I think we would like to grow in AC across the years strongly, but responsibly. And what I mean by that is that we would obviously like to increase our market share in this very dynamic and fast-growing -- and I'm talking about the last five years, fast-growing industry of air conditioners. It's something in which we have low shares and therefore for us the sky's the limit.

But having said that, we are very, very conscious that this is also a category in which working capital is very heavily utilized, at least in certain quarters. And it's also not at the margin profile -- even for the most established players, it's not at the margin profile of our refrigerators or washing machine business.

And therefore, I would say that we would like to grow this business very responsibly. We would like to grow this business very strongly, but focused on offtake, focused on making sure our products are selling out and we are putting in as much products as are selling out. So, the focus is not so much on loading huge amounts of inventory into the market and hoping for it to sell. We are trying to sell much more to offtake, a closer relationship to offtake.

And that way we can make sure that we will grow, we will grow responsibly, and we will make sure that we are not stuck in a situation where we're sitting on a lot of inventory which we then have to liquidate with, you know, taking whatever actions which may not be helpful for the P&L, if that makes sense. That's what I would say would be our strategy; responsibly, strongly growing the AC business.

Naushad Chaudhary: Any specific market where you will be more aggressive on the AC business?

Narasimhan Eswar: Oh no, we love all of India. So, we are actually just to be very straightforward on that, Whirlpool is a completely pan-India brand. So, we don't have any particular places. There are some places where of course we are stronger than in other places, but the split of the AC business is also slightly different. And therefore, we are focusing where we need to focus. Obviously, we focus where the markets are strong.

And the second type of area that we focus, for example, are the markets where our market shares are very strong in other categories. So, A, where the category itself is strong, and B, those markets where our market share is very strong in refrigerators and washers, which means we have very strong brand profile. Those are the two kind of areas that we focus on, but that is a significant proportion of the country, it is not three or four states.

Naushad Chaudhary: The second question on the cash balance which we have on the balance sheet, any thought on that in terms of utilizing that cash either for, you know, building or acquiring some additional category or if at all any buyback plans to use that?

Narasimhan Eswar: Yes, I'll pass this on to Mr. Aditya Jain. Aditya?

Aditya Jain: Yes, thanks for your question. From a cash perspective, the first thing I'll say, it's a good problem to have, you know. So, it's good to have good cash on the balance sheet. And the second piece is like our approach to investments is a little different since the time we've become an Indian origin company wherein now we don't have any budgetary constraints, etcetera, and our decisions are purely guided by the right projects, the right ROIs, and the right paybacks. So, there's no constraint given that we don't have a constraint on cash and no budgetary constraints, so that's the only factor which drives the decision making.

And couple of areas wherein we're looking forward to investing a little bit more aggressively than we've done in the past. A, it is on the ongoing business, especially driving the product innovation. We invested a lot of money in setting up a front load factory a few years back. Mr. Eswar spoke about the premium frost free refrigeration, so a large capex has been spent in setting up that facility as well. And as you get into the future, having the cash on balance sheet gives us that flexibility to bridge all the portfolio gaps which exist today and accelerate our innovation pipeline.

The second area which we're looking at right now is the entire automation in our factories. It not only helps the process and the quality, but would help us give us a lot of cost savings as well. And hence, that is the other area is what we're evaluating to see that how can we utilize our cash.

Third important area is the entire cost management and the projects wherein we can trade off a little bit of capex with the cost with the right level of paybacks. As we've seen that the cost environment is going to get more and more challenging, while we have P4G programs, but then this regulatory cost and other pieces headwinds keeps coming in. And hence, finding out lot more projects wherein we can invest in capex and get our cost down, be it factories, be it product, be it network optimization, etcetera, etcetera.

Fourth area for us which we're evaluating is all about, you know, as you said about getting into adjacent categories, looking at backward integration. And why are we looking at those kind of options is given I think the geopolitical situation and supply chain uncertainty is going to stay in some or the other manner. And then doing that piece A not only helps us get us a little bit more certain from a supply chain stability point of view but again can get us a lot of cost efficiencies as well.

Now, outside of this, there are always options to go into the market and look at inorganic opportunities like we did Elica about six, seven years back. And probably just from a sheer cash point of view, it is just sufficient enough to look at a company of a similar size. So, these are some of the options.

Now, do we have an exact timeline in terms of what we're doing? Ongoing business, we do it in day-in and day-out and we're looking at all those opportunities on an ongoing basis. But when it comes to a little bit more inorganic, we're looking into all those options, we've started work, and along with guidance from our board members, we're taking appropriate steps in that direction. We assure you as a management and with the inputs from the board, we're looking at investing cash in a manner which generates the long-term value for the shareholders.

Naushad Chaudhary:

But one thing on the cash is very clear to our head that we are going to use this in the business in either of these forms, either organically or inorganically, but this is not going to the shareholders in either form of dividend or buyback.

Narasimhan Eswar:

So, buyback is something that we've not looked at, at this point in time because we think there is lot of opportunity that we can actually take. Like I was saying, especially on innovation, there is so much more that we plan to do across the next 12 to 18 months in terms of bringing innovative products to the market -- and I would say 12 to 24 months actually as we invest.

Plus, like Aditya was saying, we are very interested in looking at other opportunity areas in the market which can add overall value to the company. And obviously, if those opportunity areas come through, then it would be a really good use of cash. If those opportunity areas are not to be found across the next year or so, then obviously then that is not, you know, incrementally available.

But we do believe that we are at that type of -- at that time of our existence where aggressive investment across the next 12 to 24 months can really take us into a different level of growth on both revenue and profitability.

Naushad Chaudhary: Sure, sure. Wish you all the best.

Narasimhan Eswar: Thank you. Thank you, sir.

Moderator: Thank you. Our next question comes from the line of Atul Mehra with Motilal Oswal Asset Management. Please go ahead.

Atul Mehra: Yes, hi sir. Good evening and thanks for the opportunity. Sir, firstly wanted to get a sense of now that we are an independent company away from the parent, what is the vision that we have aligned out for the next three years, five years? Because like I think Aditya was mentioning, we are not constrained now like how we were in the past, right? So I'm sure when you are looking at the drawing board, you guys would have had a three-year, five-year strategy roadmap. So, if you can outline that, that is my first question, sir.

Narasimhan Eswar: Absolutely. So, I have not outlined that except to the board. I'll try to give you a very top order thing without going into the numbers and stuff like that because I think that's less critical. As you might have seen at the beginning of the presentation, sir, we are quite excited about the fact that even if it's for a month, we are number two in the refrigerator and washing machine space.

If you were to ask me what is my dream, which I think is a better way of putting it, I would say that obviously holding that position for a long span of time, and it may not be the next month, it may not be the next three months or four months because this is a hard fought battle with very tough, very well-established competitors.

But for me, it's wonderful to be number three, it's even more wonderful to be number two, whether it's for a month or for a quarter or for more, let us see. But we will continue to keep fighting to be in that position and hopefully improve on it. But all of this is only a stop towards the eventual position.

So, we would like to be the best in refrigerators and washing machines. And we know that it's going to take us years to do that. We are humble enough to recognize that, but we are very clear in our vision to be the best in refrigerators and washing machines, which is something that we've done globally for many years across the world in many markets. So, it's not like it's the first time, but we need to do that in India. And that is why all the men and women of Whirlpool get up every day in the morning and come to office. It's not for this quarter's results, it's not for today's results or tomorrow's results, it's for what we eventually want to become.

And would it take five years, would it take eight years, would it take 10 years? That's a good question. I would hope to say definitely less than 10 years, but that's why we come to office, to be honest with you. We've never publicly said that before, but I say today, that's our dream: to basically become the number one player in refrigerators and washing machines, which is why we need to be there across all the segments.

While doing that, we will hope to have a healthy business in other aspects as well. For example, in the air conditioner space, and I'm now not getting into the detail, but I don't think right now we have an aspiration to be number one in air conditioners because it's too much to chew on.

But for me, refrigerators and washing machines, which we've played for 40 years, know this space very well, have the ability, have the knowledge, have the experience, now have the resources, the energy for sure, and have the organization. We need to march steadily towards that goal across the next few years.

Having said that, we also need to do that in a profitable manner. It's not about just getting to market share, spending money left, right, and center, and we don't have anybody to support us, you know, on the financials or anything of that sort. So, it's all got to be self-generated. We will do that in a responsible way.

So, it may take us a little bit longer to get there. It will not be five years, it will probably be more than five years to get to the leadership position in refrigerators and washers, we know that, but one day we hope to get there. And we hope to get there while improving our profitability across time.

I've already mentioned that this is not the short-term, this is more the long term thing I'm talking about. I have already said to you that 2026-2027 will be difficult financially for the entire industry and also for Whirlpool because of all the energy changes, because of all the war impacts that are happening, which are very, very significant and kind of continuing to be not so clear as we go along. But all these things will end one day. What will not end is our passion to be the best at what we do.

We would therefore like to grow our business, grow our air conditioner business, maybe have some associated other business which are synergistic in a go-to-market perspective but add value to us from both a revenue growth and a profitability standpoint, which is I think what Mr. Chaudhary's question was, which we answered.

We would absolutely love to have businesses like we acquired Elica. There could be other businesses that could be very interesting, but it's got to be also similar on go-to-market ideally, though we're not closed to other options. And we want to do that profitably over time.

Atul Mehra:

Got it. Sir, secondly my question is, you know, in this thought process of utilizing cash towards potential synergistic acquisitions, etcetera, etcetera, my only apprehension on this is, you know, you have a stock which is according to you trading at attractive valuations because you have bought stock in the open market, right? So, as a CEO, you believe the stock is undervalued and you have bought it in the open market, but for some reason it appears that you don't want to deploy that cash for a buyback.

So it is very strange from the perspective that you have a stock which is trading at, you know, one-third its valuation it was trading at in the past. The management believes it's undervalued, you guys have bought the stock in your own personal portfolios, right? But despite that, you are not considering a buyback. So, it is very strange and bizarre why despite having no use of

cash and despite a very attractive in terms of valuation on the stock, the Board and the management is not considering a buyback. It's really not understandable if you can elaborate a little bit on that.

Narasimhan Eswar:

No, thank you sir for that and I'll just give my little perspective and then, you know, I will ask Aditya who understands this topic a lot more than I do, I can assure you. I think I certainly believe that Whirlpool India has a bright future, there's absolutely no doubt, which is why as you might have noticed -- and thank you for noticing, some of us did pick up with our own money basically the stocks, Whirlpool of India stocks basically.

Having said that, I think there are quite a few opportunities in front of us that we're considering. And these opportunities can add a lot of value. It's early days, I'm not saying we are anywhere close to anything significant, but it's early days and there are opportunities that we think, and I think as a businessman, that could add significant value to Whirlpool of India without going into the detail of what those opportunities are. And we continue to evaluate those opportunities.

It would be remiss of me not to really play that out. And please keep in mind that it's November when the transaction happened where Whirlpool Corporation went below 50%. Following which, we've had one energy change which has probably taken a lot of energy out of all of us, and we've also had impact of war.

And in the middle of all of this, you can imagine the amount of work required to keep things going, we need to do our day jobs and then look at other things as well. It's going to take us a little bit of time to consider that.

I -- obviously, we want to do what's best for our shareholders, but we really do think what's best for our shareholders in the long run, and we're not looking at today's share price and feeling depressed or demoralized at all. We are looking at what we're doing and saying if everything was to come back to status quo in other aspects, we should be, when times get right with the kind of momentum that we are trying to build, with the kind of discipline that we're trying to work with, we should be able to achieve quite a few of our goals. And there could be significant opportunities that we want to pursue. We will not be able to pursue that if we do some things in a rush or in a hurry under pressure.

So, I'm going to ask you to trust us a little bit more on this. We have a very well-informed Board that is also looking at these things. And we've not had a huge amount of time post this acquisition -- post this transaction, as you can imagine. But I think Whirlpool India can do a lot more in the coming 12 to 24 months in terms of utilizing quite a few of the assets that we have that you mentioned. And I would like to help grow this business as my primary kind of source of excitement and happiness. That's what we would like to do. Happy to listen to Aditya's point of view on this if you have anything more to add.

Aditya Jain:

No, I think Mr. Eswar you said it all. I think the limited point here is that we have a vision, we have a vision to grow and we have the vision to be the number one. And in that vision, there

are opportunities on the way to deploy this cash in a manner which can take our company to the next level.

So, it is a question of a little bit of short-term versus long-term. And we believe that with our vision to grow, we would need that on the way to make our company successful and which would ultimately lead to a long-term value creation for the shareholders. And that's where our thought process is as of now. And we will evaluate that in a little bit more detail in the next 12 to 24 months and take the right decisions.

Atul Mehra: Right. Thank you very much. My only feedback is the focus should be on shareholder growth and not just business growth, right? At the end of the day, shareholders want return on the company's investment, right? So, do consider a buyback in terms of as part of the many avenues that you are considering, while you are considering many other potential M&A, etcetera. Do also keep in mind that a potential acquisition is just acquiring your own shares which could be undervalued. So, just keep that in mind as a suggestion and thank you very much.

Narasimhan Eswar: Sure, sir. Thank you.

Moderator: Thank you. Our next question is from the line of Umang Mehta with Kotak Securities. Please go ahead.

Umang Mehta: Hi, thanks for the opportunity. My first question was on your capital work in progress. We heard that premium ref frost free is something which is on cards, but anything else which is ongoing in terms of capacity expansion? And any plans of any capex for room ACs because what we understand is globally because Whirlpool didn't have any manufacturing, we always were kind of on the back foot. Is it possible to commit any capex and start production in India in the near future? That's the first question.

Narasimhan Eswar: Sorry, Mr. Mehta, your voice broke a little bit. Could you just repeat in brief, the question, I'm so sorry. Your voice broke.

Umang Mehta: No worries. Sorry. I hope I'm audible now. Just whatever capacity expansion plans are currently [inaudible 1:06:56] CWIP of INR200 crores. Can you share some thoughts or insights? And any plans to expand AC capacity or put up AC manufacturing in India in the near future?

Aditya Jain: I'll take the first question which your question was on basically the CWIP. The CWIP right now pertains to the premium refrigerators we spoke about. Since we've not started -- since it's going to come in the next quarter, so the capex is still lying in CWIP and has not got capitalized. Just want to clarify that piece.

Narasimhan Eswar: Yes. Sorry. So, basically, Mr. Mehta, we hope to bring in a few things across the next 12 to 24 months. And I say 12 to 24 months because some buttons have been pushed, but as you know, this is a high engineering business and it's not very easy to bring everything into market in 12 months.

There's quite a few buttons that have been pushed by the Board with the Board's advice by us in terms of what we will do. And like I said, our accent will be firstly to make sure that we cover all portfolio gaps that we have in refrigerators, washing machines.

We are also open to looking at other areas of investment where there are significant opportunities in the near future in terms of expansion into those categories, right, associated categories.

In terms of the air conditioning investment into capex, this will be a commercial and strategic decision. The reason I'm saying that is because there is quite a bit of capacity in the country available with 3PL players who can supply air conditioners to you with your design, to your specification, to your technical requirement. And you've got to balance that off with investment into capex of your own plant.

Now, that does make sense at a certain volume possibly and we are continuously evaluating that decision. And when we need to make the decision, we absolutely will do that. But for me, I just need to make sure that if I get into a new plant, then I should make sure that the depreciation does not hurt my P&L any more than it needs to. So, the short answer to the AC question is it totally depends on how we go across the next few years and it depends on what happens with the 3PL manufacturers that we have, what kind of partnerships we can strike, what kind of deals we can strike, and what economics would make sense for us.

So, long as economics is making a lot of sense for us, we are fine. If at some point in time the economics of setting up your own plant is better than the economics of sourcing it from a 3PL, then we certainly would not hesitate to take the decision at that point in time.

Umang Mehta:

Got it. And the second question was on your margins. So, two points to it. One was what is the e-waste expense absolute number in 2026 and where is it likely to land in 2027? And any crystal ball gazing you can do in terms of what margins can we look at either in terms of gross or EBITDA in FY 2027? I know there are many moving pieces, but as of now, what would be your best assessment?

Narasimhan Eswar:

Yes, sir, as far as e-waste is concerned, we're not giving out -- you will see the e-waste data, you know, I can't remember it off the top of my head, but you will actually see it, you know, when we're publishing our annual report. It'll all be there because it's statutory to declare that.

Margins, to be honest, we can't give any guidance right now. Like I said before, this is an incredibly unusual time. If it had been a normal year, even then I probably would be loath to give any guidance on margins because it's so -- it's such a competitive market, right?

It's not like, you know, I don't want to say which category, but there are some industries where you take a price increase for one year and then, you know, everybody is clear. This is the kind of business where the price list changes on a monthly basis. So, this is not the kind of place where we can just give out any margin guidance, honestly. I wouldn't do that.

Also in this current context, I would say it's almost impossible to predict. Like I said, we are focused on making sure that we're doing the right things for the short and the long-term, taking

all of cost and all of revenue into account. But any guidance I would absolutely not be able to give on margins.

I will say that as I said before, before the war impact started, I said 2026-2027 would be a challenging year because of energy regulations coming in, because of these incremental e-waste provisions that all people have to make. It would be a challenging year because of the competitive thing. The war is there on top. So, we're just praying for good outcomes and we're working incredibly hard to make sure that we make as best an outcome as possible out of what we have in front of us.

Umang Mehta: Sure, sir. Thank you and all the best.

Narasimhan Eswar: Thank you, sir.

Moderator: Thank you. Our next question is from the line of Nattasha Jain with PhillipCapital. Please go ahead.

Nattasha Jain: Thank you for the opportunity. Sir, first question is on refrigerator. So, the past couple of years we've seen that the industry growth here has been pretty much flat despite it being a cooling product and summers being good. So could you throw some light as to what's happening in this category? I understand even penetration is not that great here. So, why is this category being a laggard in terms of appliances?

Narasimhan Eswar: Yes, ma'am, it's a great question. I'd say I can't give you a definitive answer to this question, but what you've observed is true. At the entry level, the direct cool refrigerator business, the industry has not done well in the last five years. I'm not talking about market shares and movement between players, I'm talking about the entire industry.

I think post-COVID, in terms of the recovery that's happened from the economy, I think that's one of the factors that you had a situation where it's a little bit like a K-curve. It's not been one-sided kind of growth for everybody. It's been a bit of a K-curve. The downward part of the K-curve is basically impacted DC, the direct cool business, and the semi-automatic business as you know, because these are entry-level products at the entry of DC and then of course there's a middle and a premium as well.

Now, you also have a situation where if the bottom part of the K-curve is not moving as fast, and I'm really, really hoping and looking forward to that moving up fast because that trickle down has to happen. Plus, you know, with all of the recent activities that have been opened up, you know, with income tax slabs opening up, GST being brought down on products, not so much for refrigerator and washing machines, but certainly for air conditioners and panels and cars and so on and so forth. There's a lot of housing programs being done by the government. I think it's around the corner. Now, is it three months, six months, 12 months, 18 months from now, I do not know, but it's certainly not three years away where penetration should start growing again.

As the trickle down happens, the penetration starts growing again also because of all these other events that I mentioned. And when that happens, I think DC will start picking up, SA will start picking up. These are not sunset categories, absolutely not in this country.

What actually I think, ma'am, practically speaking in my view is happening is a lot of the people who have refrigerators that are eight years old or 10 years old or 11 years old and you would expect them to upgrade to a new model are potentially saying, hang on, let me just maybe carry on for another two years by doing some amount of repairing and some amount of managing somehow because we do a lot of jugaad innovation in our country.

And I think that's probably happening here as well, where decision making on buying the next refrigerator is getting postponed. It cannot be postponed forever because at some point in time, you know, machines that you bought 15 years ago, 14 years ago, 20 years ago, you know, for sure, you know, you can't repair it beyond a point in time, all machines have a life.

So, I think it's a matter of time before it comes in. So, there are two big things that I think are going to happen. I think the bottom half of the K-curve is going to start lifting because of all the impact that the government is putting in, but also because of the fact that, you know, the trickle-down effect has to happen.

And the second part of it is that as people have postponed their purchases, but now there is a point beyond which you cannot postpone. So, when it comes back, you should hit -- I think mathematically you should get a double whammy help, which would be very nice to see, especially for somebody like us who's very strong in DC and in semi-automatic. We would love to see that take up.

Nattasha Jain:

Got it. So do you think a BEE rating kind of a thing in refrigerator could pump up the demand?

Narasimhan Eswar:

Ma'am, it's a very nice question, it's a very probably a tricky one to answer. I think what is really important in DC and semi-automatic is making sure that the price point makes a lot of sense for the consumer for the value that they're getting, right?

On the one hand, you know, having more energy efficient products is very good because it helps save, you know, energy, it helps conserve energy for the country. It's a wonderful thing. On the other hand, if you increase -- keep on increasing star ratings, then the cost also goes up, right? The refrigerator will not be the same cost for a two-star and a three-star and a four-star. Basically, it's impossible to be at the same cost.

So, energy rating cannot increase without a commensurate increase in cost. And if there is a commensurate increase in cost, then over time there has to be a commensurate increase in pricing. It may not be immediate, but over time it has to happen.

And therefore, as we know, when price goes up, demand could potentially go down. So this is a very complex relationship. We are doing the right thing as a country, as an industry by upgrading our energy-efficient machines and so on and so forth.

It might have beyond a point in time, if overused, then it could potentially have an impact of pulling down demand instead of pushing it up. And that's where I think that tight balance is, which is what industry is always speaking with to the ministries about.

Nattasha Jain:

Understood. Sir, one last question and one feedback. So, in terms of washers, the question is, you know, fourth quarter and the first quarter continues to be a good quarter. Could you throw some light in terms of how Whirlpool's performing there and especially your front load fully automatic front load category? And a feedback, sir, saw very strong traction for your RAC on the ground and good feedback in terms of both product quality and cooling. So, just wanted to leave you with that. Thank you so much.

Narasimhan Eswar:

Thank you very much, ma'am. On washers, like I said, our front load washers, washers overall we've had some pretty solid results. We've had share increases in the last quarter as I said in the presentation. There's been volume market share increases and obviously value market share increases in all three categories in the last quarter: in fully automatic, in semi-automatic, and in front load.

Specifically on our front load washers, as you might have seen, we have strong double-digit shares in top load, nearly close to our DC shares actually. We've got pretty strong double-digit growth in semi-automatic, but our front load washing machine share is still only single-digit. So, we have tremendous opportunity in that because we are known as a washing machine company, we invented the washing machine globally.

So, I would say it would almost be an unfulfilled potential if we don't take our front load washing machine to where it needs to be, which is the top echelon of front load washing machines. But it's an incredibly competitive market. A lot of existing -- very strong players have big stakes there. So, it's not going to be easy, but we are moving ahead one step at a time.

And like I said, in the last six or seven, probably eight quarters, which is over the last two years, we've had either high double-digit or triple-digit basis point share growth in every quarter versus the previous year. And thank you for your comment on the room air conditioner. Much appreciated.

Nattasha Jain:

Thank you, sir. All the best.

Narasimhan Eswar:

Thank you.

Moderator:

Thank you. Since we're nearing the closing time for the meeting today, we'll take one last question from Mr. Achal Lohade with Nuvama Institutional Equities. Please go ahead.

Achal Lohade:

Yes, thank you for taking my question, sir. Just two questions. First, I know the industry and the company has gone through lots of ups and downs, but if you were to look at from a steady state perspective, what is the margin range one should look at for Elica and for rest of the business? That's my number one question.

And secondly, you know, in terms of the adjacency, is it fair to say that it will be in the kitchen appliances or you could also evaluate something in the small appliances? Those are my two questions. Thank you so much.

Narasimhan Eswar:

Thank you very much, sir. Like I said, you know, we're not really giving out any margin guidances now for the future, but just to be very, very top line, I had said even two years ago, our intent over the long run would be to grow the business high single-digit, you know, year-on-year compound growth rate. I think maybe we can up that a little bit and go into early double-digits as we think about the future. At least that's our ambition and let's see where life leads us on the base business.

Now, margins, I think to be honest in the long run in this category because of the modeling that -- you know, if you do your modeling on the regulatory impacts and if you do the modeling on the competitiveness of this industry, you can see today that there's hardly anybody who's in double-digit margins, right? It was not the case six, seven years ago in what we call 'the good old days', right? Those were the days where you would be sitting on 11%, 12%, 13% margin.

Honestly, I think that's going to be very, very difficult for any player to do. Whether or not you are sitting on double-digit margin today, I think is not that relevant. What is relevant is it's an incredibly competitive market in which there is a significant regulatory cost component, energy changes that are kind of slated to come, you know, across the years.

And therefore, over a long span of time, I think to get to a high single-digit margin is probably what is likely in the refrigerator washing machine air conditioner space, right? And I think that kind of is probably the best that I can tell you.

Now, what Whirlpool will do or will not do, we will see as we go along, but that's kind of in line with what I said and that would be long-term, it's not definitely not -- I'm not saying medium term at all.

As far as Elica's concerned, as you know, it's already in a strong double-digit kind of range. I think with Elica, the key for us is Elica is such an incredible brand. And I would say compared to Whirlpool, it's not, you know, nowhere near that level of distribution because it's a more niche category. And I think there's plenty of potential for Elica across the next decade to be in many, many, many more homes as India premiumizes, as India aspires more.

Elica is this incredibly, incredibly designed product, made in India, conceptualized in India, delivered in India, inspired by Italian design. And that is something that I think, you know, as we look to that business, I would always hope to keep it in the double-digit margin range, but over the next maybe five to seven years, I would love to take a little bit of that margin and put it into driving revenue growth because I think there is a significant opportunity to drive that category whose penetration is probably less than 5% today, much less than 5%.

And I think, you know, to get to a washing machine level of close to 20% or to a refrigerator which is in the mid-30s to sub-40 level, Elica's got tremendous potential for growth as well, like ACs have in this country, like washing machines have in this country, and like refrigerators have in this country. So, I hope I answered that question.

On the adjacency, I think like I said, we started looking at it early days. We have to look at a lot of factors. I think the overall obviously any business that we get into, whether it's an adjacency or an acquisition or whatever it is, a merger, we have to become better owners of the business than the current, you know, business. And that I think is what is going to be the key.

So the obvious things to look at is where are the synergies with respect to go-to-market, where are the synergies, you know, with respect to what kind of business you want to get. For example, we've not been really interested in very low margin businesses. That's not of any interest to us because Elica is a classic example of the kind of business that we would definitely like to have, which is really good margin business, capable of growing very strongly.

We have, you know, a lot of potential to grow that business. We have the margins with which we can invest into that business. That's a classic example of the type of business and by the way, similar go-to-market, similar go-to-market, not the same, but a similar go-to-market. And therefore, that's the kind of profile of adjacency or acquisition or whatever you want to call it that we would like to look at, not something which is completely off the wall. So, is it large? Is it small? I think that's less important than is it beautiful? Is it profitable? Is it synergistic? I hope I answered your question.

Achal Lohade: Very well, sir. Thank you so much. Wish you all the best.

Narasimhan Eswar: Thank you, sir.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to Ms. Sweta Srivastava for closing comments.

Sweta Srivastava: Thank you, everyone, for joining the call. With that, we would like to draw this call to a close. Thank you.

Narasimhan Eswar: Thank you.

Aditya Jain: Thank you.

Moderator: On behalf of Whirlpool of India Limited, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.