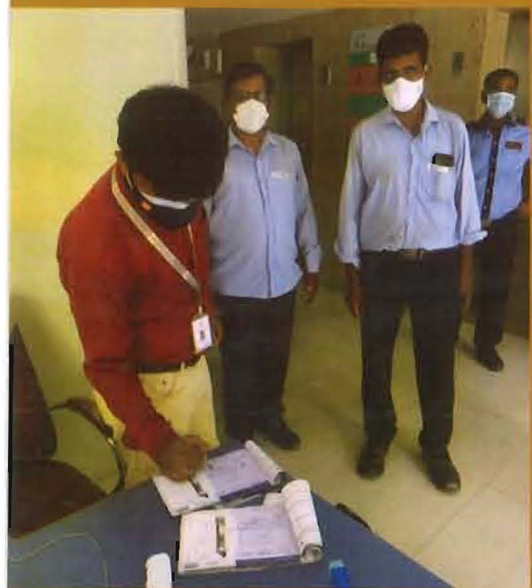
ANNUAL REPORT 2020-21

OTIS

OTIS INDIA HEROES -

keeping essential workers and people on the move.

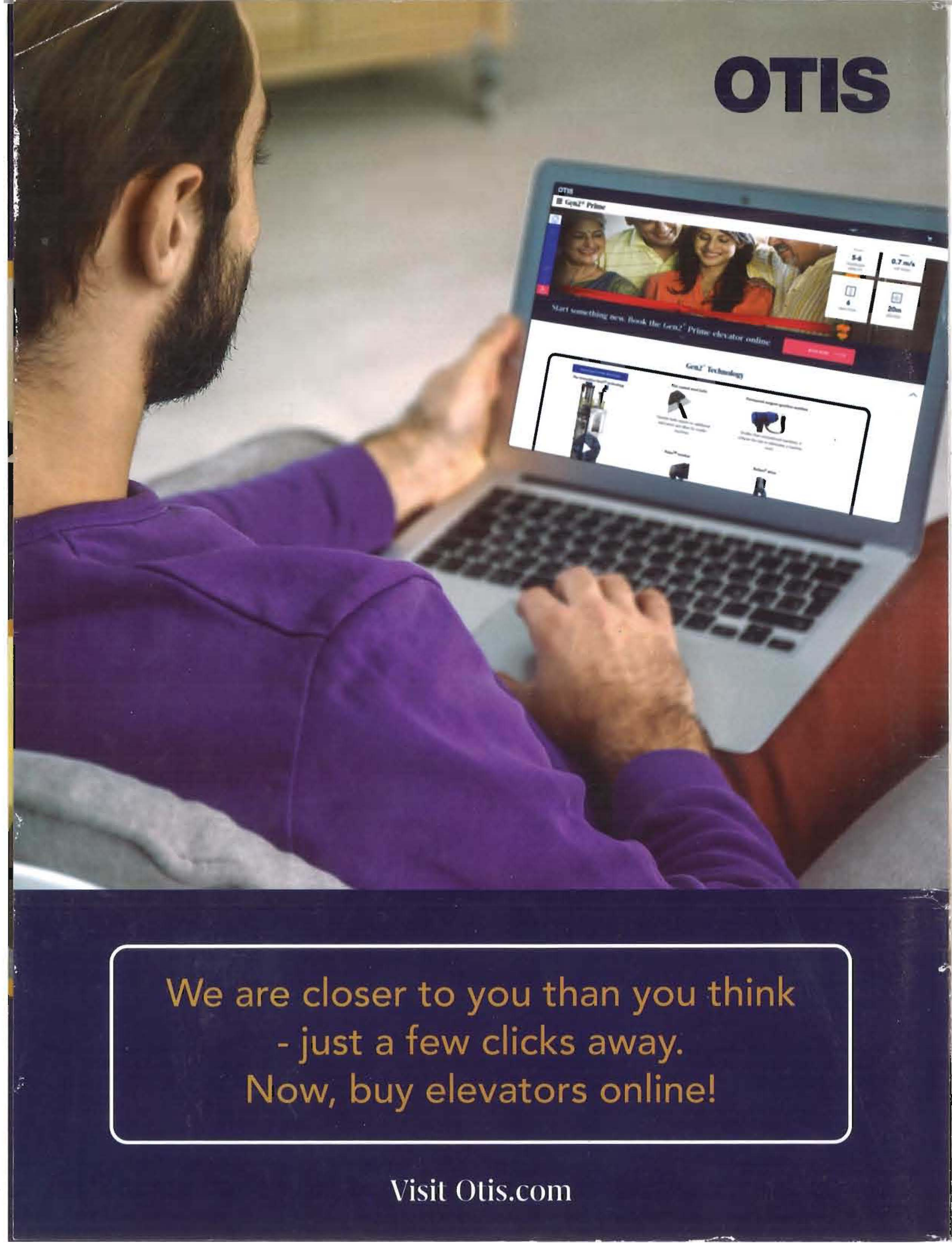



As the country came to grips with the devastation of the second COVID wave, our Otis India brave hearts were at the frontline of the battle assisting essential services workers and hospitals. Our teams on ground were constantly on standby for action, no matter when and where. Otis India is humbled by their dedication and passion.

Otis India efforts focus on STEM based learning

Last year, we partnered with Samarthanam Trust for the Disabled, SMILE Foundation and FUEL (Friend Union for Energising Lives) to promote STEM (Science, Technology, Engineering and Math) based learning in line with the global CSR initiatives of Otis Worldwide Corporation. We have funded and supported the initiatives through these partners with commitment to extend the STEM based learning among beneficiaries. Here is a quick glimpse.


OTIS
We are closer to you than you think
- just a few clicks away.
Now, buy elevators online!
Visit Otis.com

CORPORATE INFORMATION

Registered Office & Head Office

9th Floor, Magnus Towers,
Mindspace, Link Road,
Malad (West),
Mumbai - 400 064
Maharashtra
Tel: 91-22-2844 9700/ 66795151
Fax: 91-22-2844 9791
CIN: U29150MH1953PLC009158

www.otis.com

Manufacturing Facility

Otis Elevator Company (India) Limited
92, KIADB Industrial Estate Phase II,
Jigani Industrial Area Anekal Taluk,
Bengaluru - 560 105

National Service Centre

'Sai Dhara', Block D2, Warehouse No. 3 & 4,
Mumbai-Nashik Highway (NH3),
Opp. R.K Petrol Pump,
Next to Shangrila Resort,
Kuksha Village,
Bhiwandi - 421 302
Dist: Thane.

Regional Offices

9th Floor, Magnus Towers,
Mindspace, Link Road,
Malad (West),
Mumbai - 400 064
Maharashtra

Victoria Park, Level 2,
Block: GN, Plot no. 37/2,
Sector V, Salt Lake,
Kolkata - 700 091

Unit Nos. 171, 172, 173 on 1st Floor,
Unit Nos. 271 and 272 on 2nd Floor,
Aggarwal Cyber Plaza - II,
Plot No C-7, Netaji Subhash Place,
Pitampura, Delhi - 110 034

Otis House, MK Towers,
#27, Langford Road, Shanti Nagar,
Bengaluru - 560 027

Bankers

Citibank N. A.

Standard Chartered Bank

Deutsche Bank

HDFC Bank Limited

Canara Bank

Bank of America

State Bank of India

Auditors

M/s. BSR & Co. LLP
Chartered Accountants

Cost Auditors

M/s. Kishore Bhatia & Associates
Cost Accountants

Secretarial Auditors

M/s. JSP Associates
Company Secretary

Registrar & Share Transfer Agents

Link Intime India Pvt Ltd.
CIN: U67190MH1999PTC118368
Link Intime India Private Limited
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai – 400 083

Tel.: +91 22 49186000
Fax: +91 22 49186060

Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

OTIS

BOARD OF DIRECTORS

Sebi Joseph	- Managing Director
P. S. Dasgupta	- Independent Director
Anil Vaish	- Independent Director
Suma P N	- Whole-time Director
Bharatkumar Nayak	- Director

CHIEF FINANCIAL OFFICER

Bharatkumar Nayak

COMPANY SECRETARY

Rutika Pawar

AUDIT COMMITTEE

P. S. Dasgupta	- Chairman
Sebi Joseph	- Member
Anil Vaish	- Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sebi Joseph	- Chairman
Suma P N	- Member
P. S. Dasgupta	- Member

NOMINATION AND REMUNERATION COMMITTEE

P. S. Dasgupta	- Chairman
Sebi Joseph	- Member
Anil Vaish	- Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Anil Vaish	- Chairman
Sebi Joseph	- Member
Suma P N	- Member

CONTENTS

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Sixty Seventh Annual General Meeting of the shareholders of **Otis Elevator Company (India) Limited** will be held on Monday, September 27, 2021, at 2.30 pm through Video Conferencing (VC) or Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited standalone financial statements of the Company for the financial year ended on 31st March, 2021 and the Reports of the Board of Directors and the Auditors thereon;

2. To receive, consider and adopt the audited consolidated financial statements of the Company for the financial year ended on 31st March, 2021 and report of the Auditors thereon;

3. To appoint a director in place of Mr. Bharatkumar Sanjiva Nayak (DIN: 01919252), Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. Ratification of Remuneration to Cost Auditor

   To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT M/s. Kishore Bhatla and Associates (Firm Registration No.: 00294), Cost Accountants, Mumbai, appointed by the Board of Directors of the Company as Cost Auditor for conducting the audit of the cost records of the Company, for the financial year ended on 31st March, 2021, pursuant to the provisions of Section 148 of the Companies Act, 2013 ("the Act") and all other applicable provisions of the Act, the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and at the recommendation of the Audit Committee, be paid the remuneration as set out in the explanatory statement annexed to the Notice convening this Meeting.

   RESOLVED FURTHER THAT Mr. Bharatkumar Sanjiva Nayak (DIN: 01919252), Director and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.

By Order of the Board of Directors

Rutika Pawar
Company Secretary
M.No. A17248

Mumbai, August 26, 2021

Registered Office:
9th Floor, Magnus Towers,
Mindspace, Malad Link Road
Malad (W), Mumbai- 400 064
Website: www.otis.com
Tel: 91-22-2844 9700/ 66795151
Fax: 91-22- 2844 9791

Notes:

1. An explanatory statement pursuant to Section 102 of the Act, relating to special business to be transacted at the 67th Annual General Meeting (AGM), is annexed hereto.

2. In view of the situation arising due to COVID-19 pandemic and resultant restrictions on the movement of persons at several places in the country, the Ministry of Corporate Affairs ("MCA") vide its circular dated 13 January, 2021 read with circulars dated 8 April, 2020, 13 April and 5 May, 2020 (collectively referred to as "MCA Circulars") permitted the companies to conduct their AGM through video conferencing (VC) or other audio visual means (OAVM), and has dispensed with the requirement of personal presence of the members at a common venue. Accordingly, the AGM of the Company will be held through VC / OAVM (e-AGM). Link Intime India Private Limited ('LIIPL'), the Registrar and Share Transfer Agent of the Company ('RTA'), will be providing the facility for voting through remote e-voting, VC/ OAVM facility for participation in the AGM and facility for e-voting during the e-AGM. The members can attend and participate in the AGM through VC / OAVM only.

   The AGM shall be deemed to be held at the Registered office of the Company at 9th Floor, Magnus Towers, Mindspace, Malad Link Road, Malad (W), Mumbai 400064.

3. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with and in terms of MCA Circulars, the facility for appointment of proxies by the Members will not be available for the e-AGM and hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. The Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 17th September 2021 through email to Company Secretary at e-mail id: 'rutika.pawar@otis.com'. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.

5. The Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body resolution/authorisation etc., authorising their representatives to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution/ authorization shall be sent to the Company Secretary.

6. For any queries / grievances in respect of the shareholdings, the shareholders are requested to send their communication to the Company's Registrar and Share Transfer Agents (RTA) – Link Intime India Private Limited located at C 101, 247 Park, LBS Road, Vikhroli.

NOTICE OF ANNUAL GENERAL MEETING

(West), Mumbai- 400089, Tel No: +91 22 49186270 Fax: +91 22 49186060 Email Id: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in.

Further, Members are requested to:

i. Quote their folio number/client ID no. in all correspondence with the Company/RTA.

ii. Members holding shares in physical form are requested to intimate the following directly to the Company's RTA:

a. Changes, if any, in their address with pin code numbers.

b. Quote their ledger folio no. in all their correspondence.

c. Request for nomination forms for making nominations.

7. The amount outstanding in unpaid dividend account in respect of financial year ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018, March 31, 2019 and March 31, 2020 will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government after the end of seven years from the respective date of transfer of the same to the Company's unpaid dividend account. The shareholders are advised to send all the un-encashed demand drafts/dividend warrants pertaining to the above years to the RTA for revalidation or issuance of fresh demand drafts/dividend warrants.

8. Registration of email ID and Bank Account details: In case the shareholder's email ID is already registered with the Company, RTA or Depositories, log in details for e-voting are being sent on the registered email address.

   In case a shareholder has not registered his/her/their email address with the Company/ RTA/Depositories and or has not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

   (I) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR

   (ii) In the case of Shares held in Demat mode: The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

9. The Notice of the Annual General Meeting is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars. Members may note that the Notice of AGM will be available on the Company's website.

10. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, September 20, 2021 to Monday, September 27, 2021 (both days inclusive).

11 Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on cut off date i.e. Monday, September 20, 2021, are entitled to vote on the Resolutions set forth in this Notice.

   Anyone who has acquire shares and become the member of the Company after the dispatch of the Notice and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means, be sending an e-mail to rutika.pawa@otis.com or rnt.helpdesk@linktime.co.in by mentioning their Folio No. / DP ID and Client ID No.

12. The Company has appointed M/s JSP & Associates, Practising Company Secretaries, to act as the Scrutinizer, for conducting the remote e-voting and physical voting at the AGM in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

13. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

14. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's report shall be placed on the website of the Company and RTA within two days of passing of the resolutions at the AGM.

15. The facility for voting through electronic voting system be made available at the AGM and the members attending the AGM through VC/OAVM, who have not already cast their vote by remote e-voting, may exercise their right to vote through e-voting at the AGM. The Company has entered into an arrangement with the RTA (InstaMeet) for facilitating remote e-voting at the AGM

Instructions for Shareholders/Members to attend the AGM through InstaMeet:

The Members will be provided with InstaMeet facility wherein Member shall register their details and attend the AGM as under:

i. Open the internet browser and launch the URL for InstaMeet <https://instameet.linktime.co.in> and register with your following details

   a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company

   b. PAN: Enter your 10 digit Permanent Account Number (PAN)

   c. Mobile No.

   d. Email ID

ii. Click "Go to Meeting"

NOTICE OF ANNUAL GENERAL MEETING

Notes:

The Members are encouraged to join the AGM through tablets/ laptops connected through broadband for better experience.

The Members are required to use internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Members connecting through mobile devices or tablets or through laptops connecting via mobile Hotspot may loose the audio/video clarity due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case the Members have any queries or issues regarding e-voting, they can write an email to instameet@linkintime.co.in or Call us: - Tel :(022-49186175)

Instructions for Shareholders/Members to Vote during the AGM through InstaMeet:

- Once the electronic voting is activated by the scrutiniser during the AGM, the Members who have not exercised their vote through the re vote through the remote e-voting can cast the vote as under:
  a. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
  b. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
  c. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
  d. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/ Against'.
  e. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
  f. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently
- The Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.
- The Members who have voted through Remote e-Voting prior to the AGM will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.
- In case the shareholders/members have any queries or issues regarding e-voting, can write an email to instameet@linkintime.co.in or Call us: Tel:(022-49186175)
- The instructions for remote e-voting are as under: The instructions for members for voting electronically are as under:-

I. The voting period begins on September 23, 2021 at 09.00 am and ends on September 26, 2021 at 05.00 pm. During this period, the shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 20, 2021, may cast their vote electronically. The e-voting module shall be disabled by Link Intime for voting thereafter.

ii. Visit the e-voting system of RTA. Open web browser by typing the following URL: https://instavote.linkintime.co.in.

iii. Click on "Login" tab, available under 'Shareholders' section.

iv. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

v. Your User ID details are given below:

a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID
b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID
c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company.

vi. Your Password details are given below:

If you are using e-Voting system of RTA: https://instavote.linkintime.co.in for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number as recorded in your demat account or in the company records for the said demat account or folio number. Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of RTA: https://instavote.linkintime.co.in, and/or voted on an earlier voting of any company then you can use your existing password to login.

NOTICE OF ANNUAL GENERAL MEETING

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA) and Click on "SUBMIT".

In case shareholder is having valid email address, password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by shareholders holding shares in demat mode, for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

Cast your vote electronically

i. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.
ii. On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
iii. Cast your vote by selecting appropriate option i.e. Favour/ Against as desired.
iv. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
v. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
vi. After selecting the appropriate option i.e. "Favour/ Against" as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.
vii. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
viii. You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

General Guidelines for shareholders:

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to e-Voting system of RTA: https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'.
- They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.
- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or write an email to enotices@ linkintime.co.in or Call us :- Tel : 022-49186000.
- The Chairman shall at the end of discussion on the resolutions on which voting is to be held, allow voting for all those members who are present at the AGM through VC/OAVM but have not cast their votes through the remote e-voting and otherwise not barred from doing so, shall be eligible to vote through e-voting system provided during the AGM.

Explanatory Statement as required under Section 102 (1) of the Companies Act, 2013

Item No. 4

The Board of Directors, at its Meeting held on 26th August, 2021, on the recommendation of the Audit Committee approved the appointment of M/s. Kishore Bhatia and Associates (Firm Registration No.: 00294), Cost Accountants, Mumbai, as the Cost Auditor of the Company for conducting the audit of the cost records of the Company, for the financial year ended on 31st March, 2021 at a remuneration of Rs. 385,000/- (Rupees Three Lakhs Eighty Five Thousands Only) plus reimbursement of out of pocket expenses incurred during the course of audit and applicable taxes.

Pursuant to Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Members of the Company are required to ratify the remuneration to be paid to the cost auditor of the Company for conducting the audit of the cost records of the Company, for the financial year ended on 31st March, 2021.

The Board recommends passing of the Resolution at Item No. 4, as an Ordinary Resolution. None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way deemed to be concerned or interested, in this item of business.

By Order of the Board of Directors

Rutika Pawar
Company Secretary
M.No. A17248

Mumbai, August 26, 2021

Registered Office:
9th Floor, Magnus Towers,
Mindspace, Malad Link Road
Malad (W), Mumbai- 400 064
Website: www.otis.com
Tel: 91-22-2844 9700/ 66795151
Fax: 91-22- 2844 9791

BOARD'S REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Your Directors have pleasure in presenting the Sixty Seventh Annual Report of the Company, together with the Audited Financial Statements for the Financial Year ended March 31, 2021.

FINANCIAL HIGHLIGHTS:

Financial highlights of the Company are presented in the table below:

(Rs. in millions)

	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operation	17,041	17,609	17,101	17,673
Other Income	617	543	616	542
Total Income	**17,658**	**18,152**	**17,717**	**18,215**
Profit before tax	2,210	2,831	2,213	2,866
Provision for Tax	572	1,023	576	1,042
Net Profit after tax	**1,638**	**1,808**	**1,637**	**1,824**
Surplus brought forward	2,156	1,861	2,107	1,796
Profit after tax available for appropriation	**3,794**	**3,669**	**3,744**	**3,620**
Items of Other Comprehensive Income	(36)	(18)	(36)	(18)
Appropriation:				
Interim & Proposed Dividend	1,771	1,240	1,771	1,240
Dividend Distribution tax	-	255	-	255
Transaction with Non-controlling Interest	-	-	-	-
Surplus carried forward	**1,987**	**2,156**	**1,937**	**2,108**

DIVIDEND

Your Company paid interim dividend of 1500%, being INR 150 per equity share of INR 10 each fully paid up in November 2020 for the financial year 2020-21. In view of this, no final dividend is recommended for the year under review. The Register of Members and Share Transfer Books shall remain closed from Monday, September 20, 2021 to Monday, September 27, 2021 (both days inclusive) for the purpose of Annual General Meeting.

TRANSFER TO RESERVE

During the year under review, an amount of Rs. 1,987 million is proposed to be carried forward to the Statement of Profit & Loss and no amount was transferred to General Reserve.

REVIEW OF OPERATIONS

FINANCIALS

On Standalone basis, Sales from operations for FY 2020-21 at Rs. 17,041 million, was Rs 568 million or 3% lower than previous year mainly due to impact of COVID-19. While new equipment revenues dropped by 4% over last year due to lower shipment and field activity, repair and modernization revenues dropped by 22% driven by deferment of spends. Maintenance revenues was 4% higher driven by the portfolio growth. Profit after tax ("PAT") for the year at Rs. 1638 million was lower than prior year by 9.40% due to COVID impact coupled with increase in commodity costs and foreign exchange impact.

On Consolidated basis, Sales from operations for FY 2020-21 at Rs. 17,101 million was lower by 3.24% over the previous year (Rs.17,673 million in FY 2019-20). Profit after tax ("PAT") for the year was Rs. 1,637 million recording a fall of 10.25% vis a vis the PAT of Rs.1,824 million of FY 2019-20.

BUSINESS

For the fiscal 2020-21, GDP contracted by 7.3% which had an impact on the construction industry and thereby the elevator segment. While the real estate industry was showing signs of stability, the current crisis of COVID-19 has made significant impact for the industry from lockdowns, labour shortages, supply chain disruptions and infection levels.

Despite the Challenges posed by COVID and varying lockdown imposed by states, our Field Experts continue to be part of the frontline workers in this war against COVID-19 across India. Otis Customer Care helplines are open 24*7 and our field experts are attending emergency breakdowns across India in hospitals, isolation wards and residences every day and are involved in the noble act of keeping the essential services in working condition and in maintaining the social wellbeing of our customers. We have Business Continuity Plan across our sales, operations and support functions to address the multiple challenges posed by the COVID situation.

To facilitate our fight against COVID-19, your Company has launched a series of initiatives to help customers, employees and field partners and this included mental wellbeing of our employees.

Your Company has progressed on digitalization road map, digitalizing both our sales and field operations to further enhance customer experience and efficiency in our operations. We are pleased to share that your Company launched the Online Booking website for our Gen2 Prime, our entry level elevators. Customers can book this product from anywhere and at any time. This is the first time in the elevator industry that such a complete online booking experience is available to the customers.

NEW EQUIPMENT SALES

Despite the contraction in segment size, your Company has taken significant steps this year to further grow the share of segment. Expanding the product offerings from our Bengaluru factory and also enhancing our sales coverage are the key contributors to share growth. The Company has also increased its sales footprint to improve its presence across India. To support the product sales, the Company launched a digital marketing campaign. During the year, the sales teams adapted rapidly to the COVID related restrictions and switched to customer engagement by video calls and closing orders over email.

SERVICE

Your Company continues to be the largest Company in terms of service portfolio and revenue, in India. Today, we have a network of service centres spread across India, serving more than 300 cities and towns. 24/7 call centre and extensive service network ensures speedy and efficient response to customers. Your Company has registered healthy portfolio growth in the year under review. To stay ahead of competition and retain our leadership position, we are investing in digitalization, technology, skill development and enhance our service offerings.

MODERNISATION (MOD) and UPGRADATION

With new modernization and upgradation Packages, we are poised to accelerate the growth in our modernization and repair business. The Company continues to expand MOD and repair

BOARD'S REPORT

offerings to cater to different customer segments. The Company also launched Staywell Packages eCall touchless elevator access using mobile phones, air purifiers for elevators and Handrail sanitisers for escalators. Your Company is also augmenting our Sales force in mod and repair business for improved coverage.

CURRENT OUTLOOK:

For the current fiscal year, GDP is expected to grow by 9.5% which will fuel growth in construction industry and elevator segment.

After a subdued April – June 21 quarter, we are seeing a recovery in the sector with focus on residential market, mainly driven by affordable housing. Growth in infrastructure sector is another contributor with development of metros, airports and medical facilities. The policies announced by the central and state governments, and the Reserve Bank coupled with the incentives provided by the developers to their customers are fueling the growth. Although the residential sector is witnessing green shoots of recovery, developers are still navigating through issues such as limited availability of credit, tax and regulation complexities, construction delays due to labor shortage caused by reverse migration (though abated to a large extent), higher input costs leading to rising construction costs

We will continue to localize elevator and escalator products from our Bengaluru factory and this will help drive the initiative of "Make in India" and Atma Nirbhar programs. Continuous improvement in sales coverage and sales efficiency continued enhancement of aesthetics offerings will be drivers for our New Equipment growth. We are enhancing our service offerings and developing innovative solutions in our modernisation and repair business to align with customer expectations. We are also exploring export of our products to other parts of the world. We continue to work on our digitilization road map of products and process, which will help enhance customer experience and improve efficiency.

SAFETY

Your Company continues to strive to ensure that its products and services are safe; its workplaces are safe from hazards. During the year under review the Company continued to maintain high safety standard. Safety is one of the three absolutes of the Company.

CERTIFICATION

Your Company is certified for ISO 9001:2015 (Quality Management System) and ISO 14001:2015 (Environmental Management System).

CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statement of the Company prepared in accordance with the applicable Accounting Standards along with all relevant documents and the Auditors' Report forms part of this Annual Report.

REVIEW OF SUBSIDIARIES AND ASSOCIATES

Your Company has one Wholly-Owned Subsidiary Company - Supriya Elevator Company (India) Limited. Financials of the Subsidiary Company are disclosed in the Consolidated Financial Statements, which forms part of this Annual Report.

A Statement containing salient features of the Financial Statements of the Subsidiary Company is attached to the Financial Statements pursuant to section 129(3) of the Companies Act, 2013 and Rules made thereunder as amended in the prescribed Form AOC-1.

There has been no change in the nature of business of the Company and its Subsidiary Company during the year.

The Company has obtained a Certificate from the Statutory Auditors of the Company for the year under review certifying that the Company is in compliance with the provisions of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 issued vide Notification No. S.O. 3732(E) dated 17 October 2019 and related amendments thereof (referred to as 'RBI Regulation') (the 'Circular') for downstream investment by the Company.

The Company operates from its establishments in India and its branch office at Dhaka, Bangladesh.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:

i. in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures if any;
ii. the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2021 and of the profit of the Company for the year ended March 31, 2021;
iii. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
iv. the Directors had prepared the annual accounts on a going concern basis.
v. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
vi. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

PARTICULARS OF LOANS GUARANTEES OR INVESTMENT

Details of Loans, Guarantees and Investment covered under the provisions of Section 186 of the Companies Act, 2013 read with the Rules framed thereunder as amended, are given in the notes to the Financial Statements. The Company has complied with the requirements of Section 186 of the Companies Act, 2013 read with the Rules framed thereunder as amended.

FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time and as such, no amount on account of principal

BOARD'S REPORT

or interest on public deposits was outstanding as on the date of balance sheet.

RISK MANAGEMENT POLICY

In today's economic environment, Risk Management is a very important part of business. Your Company's risk management is embedded in business. The Company has formulated and implemented a mechanism for Risk Management and has adopted a Risk Management Policy. Risks are classified in different categories such as Business and Compliance related risks. These risks are reviewed on a periodic basis and controls are put in place and mitigation planned with identified process owners and defined timelines.

DIRECTORS

Mr. Bharatkumar Sanjiva Nayak (DIN: 01919252) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Attention of the Members is invited to the relevant items in the Notice of the Annual General Meeting seeking your approval to the aforesaid appointment.

Mr. P. S. Dasgupta (DIN: 00012552) and Mr. Anil Vaish (DIN: 00208119), the Independent Directors of the Company have furnished declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year.

Mr. P. S. Dasgupta (DIN: 00012552) and Mr. Anil Vaish (DIN: 00208119), the Independent Directors of the Company have furnished declarations that they meet the criteria of Independence as laid down under section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year.

REMUNERATION POLICY

The Board on the recommendation of the Nomination and Remuneration Committee had adopted the policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management.

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act and rules framed thereunder as amended, has been disclosed on the website of the Company https://www.otis.com/en/in

NUMBER OF MEETINGS OF THE BOARD

The Board met four times during the Financial Year 2020-21 on September 09, 2020, November 23, 2020, February 16, 2021 and March 17, 2021. The Board Members were provided with the facility of attending the Board meeting through video conferencing mode. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceeded 120 days.

Details of attendance of directors at the Board Meetings and Annual General Meeting (AGM) during the financial year 2020-21 are provided below:

Name	Designation	Number of Board Meetings attended	Whether attended last AGM held on October 14, 2020
Mr. Sebi Joseph	Managing Director	4	Yes
Mr. P S Dasgupta	Non-Executive Independent Director	4	Yes
^Ms. Suma P N	Director	3	Yes
Mr. Anil Vaish	Non- Executive Independent Director	4	Yes
Mr. Bharatkumar Sanjiva Nayak	Director	4	Yes

^ Ms. Suma P N did not attend the Board meeting held on February 16, 2021.

AUDIT COMMITTEE

The constitution of the Audit Committee, its scope, role and terms of reference are as per the provisions of the Companies Act, 2013, and the Rules framed thereunder as amended.
The members of the Audit Committee are as under:

1. Mr. P S Dasgupta, Independent Director -Chairman
2. Mr. Anil Vaish, Independent Director – Member
3. Mr. Sebi Joseph, Managing Director -Member

All members of the Audit Committee possess strong knowledge of accounting and financial management. The Chief Financial Officer, the Internal Auditors and Statutory Auditors are regularly invited to attend the Audit Committee Meetings. The Company Secretary is the Secretary to the Committee. The significant audit observations and corrective actions as may be required and taken by the management are presented to the Audit Committee. The Board has accepted all recommendations made by the Audit Committee from time to time.

AUDITORS

M/s. B S R & Co. LLP, Chartered Accountants (FRN 101248W/W-100022) were appointed as the Statutory Auditors of the Company at the Sixty Third Annual General Meeting held on September 22, 2017 till the conclusion of the Sixty Eighth Annual General Meeting to be held in the year 2022, subject to ratification by members every year.

However, as per the provisions of Section 40 of the Companies (Amendment) Act, 2017 pertaining to amendment of first proviso of Sec 139(1) being notified only on 7th May 2018, ratification of the appointment of auditor every year during their tenure is no longer applicable and hence no ratification will be required and their tenure will last till 2022.

The Auditors' Report for the financial year 2020-21 does not contain any qualifications, reservations or adverse remarks.

COST AUDITORS

The Board of Directors at its Meeting held on 26th August, 2021, based on the recommendation of the Audit Committee, re-appointed, M/s. Kishore Bhatia & Associates, (FRN: 00294) Cost Accountants, Mumbai as the Cost Auditor of the Company for

BOARD'S REPORT

undertaking cost audit of the Cost Accounting Records to be maintained by the Company for the financial year 2021-22 at a remuneration not exceeding INR 3,85,000 (Rupees Three Lakhs Eighty Five Thousand) plus applicable taxes and out of pocket expenses at actuals. The said Auditors have given their eligibility certificate for appointment as Cost Auditors. The remuneration payable to the said Cost Auditors needs to be ratified by members at the ensuing 67th Annual General Meeting.

SECRETARIAL AUDITOR

Pursuant to the provision of Section 204 of Companies Act, 2013 read with the Rules framed there under, the Board has appointed M/s. JSP Associates, Company Secretaries in Practice (having Firm Registration Number S2004MH073200), to undertake Secretarial Audit of the Company for the Financial Year 2021-22. There are no qualifications in the Secretarial Audit Report for the year under review. Report of the secretarial auditor is annexed as Annexure-A which forms part of this report.

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

The particulars as required under Section 134(3 m) of the Companies Act, 2013, and Rules made thereunder as amended are set out in Annexure-B to this Report. Report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule (5)(2) and Rule (5)(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules is annexed as Annexure- C to this Report.

ANNUAL RETURN

The Annual Return in Form MGT-7 for the financial year ended 31st March, 2021, is available on the website of the Company at https://www.otis.com/en/in.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has been supporting charitable and social causes in the communities, where it does business. The Company, in every financial year, in line with the Companies Act, 2013, spend minimum 2% of the average net profits made during the three immediately preceding financial years towards the CSR initiatives. The Company has constituted a Corporate Social Responsibility (CSR) Committee comprising Mr. Sebi Joseph - Chairman of the CSR Committee, Mr. P S Dasgupta, Independent Director and Ms. Suma P N, Director.

The focus of the present CSR initiatives is on promoting education In the areas of Science, Technology, Engineering and Mathematics (STEM). These initiatives are recognised activity mentioned in Schedule VII of the Companies Act, 2013. The Company's CSR policy is available on the website of the Company and the report on Corporate Social Responsibility (CSR) activities as required under Section 135 of the Companies Act, 2013 is annexed as **Annexure-D** to this Report.

During the year under review, the Company has spent Rs. 4,77,42,218 as CSR contribution to the implementing agencies.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and at arm's length basis. During the year, the Company had not entered into any contract, arrangement and transactions with related parties which could be considered material or not at arms' length basis. In view of the above, the requirement of giving particulars of contract, arrangement and transactions made with related parties, in Form AOC-2 is not applicable for the year under review.

The Directors draw attention of the members to note no. 44 to the standalone financial statement which sets out related party disclosures.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to the Financial Statements. The Audit Committee of the Board reviews the internal control systems including internal financial control system, the adequacy of internal audit function and significant internal audit findings with the management, Internal Auditors and Statutory Auditors.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a 'Prevention of Sexual Harassment at Workplace (POSH) Policy', in line with requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment and also to work towards ensuring a safe and secure work environment by conducting employee awareness and sensitization sessions. The policy has set guidelines on the redressal and enquiry process that is to be followed by complainants and the ICC, whilst dealing with issues related to sexual harassment at the work place. All employees (permanent, contractual, temporary, trainees), third parties who deal with our Company are covered under this Policy and awareness sessions are being conducted across locations at periodic intervals. The Company has not received any complaint during the year.

ACKNOWLEDGEMENTS:

Your Directors acknowledge the support and wise counsel extended to the Company by analysts, customers, bankers, government agencies, members, investors, suppliers, distributors and others associated with the Company as its business partners for their continued and unstinted support. The Directors would also like to place on record their appreciation of the dedicated efforts put in by employees of the Company.

For and on behalf of the Board of Directors

Sebi Joseph	**Bharat Nayak**
Managing Director	Director
DIN 05221403	DIN 01919252

Mumbai, August 26, 2021

ANNEXURE A TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Otis Elevator Company (India) Limited
Magnus Tower, 9th Floor,
Mind Space, Link Road
Malad (West),

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by Otis Elevator Company (India) Limited (hereinafter called 'the Company') for the audit period covering the financial year ended on 31st March, 2021 (the 'audit period'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, and subject to my separate letter attached as Annexure I; I hereby report that in my opinion, the Company has, during the audit period generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the Rules made thereunder;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment;

(iv) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and notified by the Central Government.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Standards mentioned above.

During the period under review, provisions of the following regulations were not applicable to the Company:

During the period under review, provisions of the following regulations were not applicable to the Company:

(i) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
(ii) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(iii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
(v) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
(vi) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
(ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No change took place in the composition of the Board of Directors during the period under review.

Proper notice was given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. The change in the composition of the Board of Directors that occurred during the period under review was carried out in compliance with the provisions of the Act.

Proper notice was given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda

ANNEXURE A TO THE BOARD'S REPORT

were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that –

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations.

I further report that during the audit period, no specific event took place which has major bearing on the Company's affairs.

For JSP Associates
Company Secretaries
[Firm Regn. No. S2004MH073200]

Jatin Popat
Proprietor
FCS 4047/ CP No. 6880
UDIN: F004047C000839849

Place: Mumbai
Date: August 26, 2021

ANNEXURE A TO THE BOARD'S REPORT

Annexure I to the Secretarial Audit Report for the financial year ended 31st March, 2021

To,
The Members
Otis Elevator Company (India) Limited
Magnus Tower, 9th Floor,
Mind Space, Link Road
Malad (West),
Mumbai – 400 064

My secretarial audit report of even date is to be read along with this letter.

1. Maintenance of secretarial records and compliance of the provisions of corporate and other applicable laws, rules, regulations, standards are the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records and compliance based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. Due to continuance of lockdown situation on account of the spread of Covid-19 pandemic, the verification of all the documents and relevant records has been done based on soft / scanned version provided by the Company and have relied on the same to be the true copies of the original / physical records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.

4. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.

For JSP Associates
Company Secretaries
[Firm Regn. No. S2004MH073200]

Jatin Popat
Proprietor
FCS 4047/ CP No. 6880

Place: Mumbai
Date: August 26, 2021

ANNEXURE B TO THE BOARDS' REPORT

Information Pursuant to Section 134 (3) (m) of the Companies Act, 2013 Read with Rule 8(3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2021.

(A) Conservation of energy

(i) The steps taken or impact on conservation of energy:

The Company's focus remains on energy conservation through challenging existing processes and finding ways for lower energy consumption

a) In the factory shop floor, high wattage MV lamps were replaced with LED light fixtures thus saving more than 50% of energy used for lighting.
b) Shut it off program practiced for office air-conditioning & lighting to optimize energy usage.
c) Energy conservation awareness in factory and offices by constant communication and involvement of employees.
d) Promotion of energy saving components in elevators and while erecting the same.

(ii) The steps taken by the Company for utilizing alternate sources of energy: Nil

(iii) The capital investment on energy conservation equipment: Nil

(B) Technology absorption -

(i) The efforts made towards technology absorption:

Research & Development (R&D)

The Company continues to carry out R&D w.r.t. elevator and escalator equipment.

The Company has strengthened R&D engineering team and also invested on Test Tower that provides strong capability for system & component level evaluation & qualification of the elevator systems.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

a) Improvement of overall performance, reliability, service, maintenance and safety of existing products
b) Cost reduction primarily by the efficient use of indigenous raw materials, & local eco- system and extensive value analysis/ value engineering.
c) Continuous optimization exercises to improve products and reduce costs, thereby maintaining market competitiveness.
d) Finding innovative products and technologies which are energy and environment friendly.
e) Improvement in installation method for elevator and improvement of maintenance practice of elevator

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) – Not Applicable

(a) The details of technology imported;
(b) The year of import;
(c) Whether the technology been fully absorbed;
(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) The expenditure incurred on Research and Development: Revenue expenditure of Rs. 2,123 Lakhs & Capital expenditure Rs. NIL

(C) Foreign exchange earnings and Outgo -

The details of foreign exchange earnings and outgo are given in the Notes to the accounts.

For and on behalf of the Board of Directors

	Sebi Joseph	**Bharat Nayak**
Place: Mumbai	Managing Director	Director
Date: August 26, 2021	DIN 05221403	DIN 01919252

ANNEXURE C TO THE BOARD'S REPORT

Pursuant to section 197 (12) of the Companies Act, 2013, and Rules 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

A. The name of the top ten Employees employed throughout the Financial year and were in receipt of remuneration aggregating to not less than Rs. 1,02,00,000 per annum

Name	Designation	Remuneration (in INR)	Date of commencement of employment	Age (years)	Qualification	Experience in years	Last Employment	Designation in Last Employment
Dheeraj Vohra	Sr. Director - Operations & FOD	26,804,340	1st April 2012	51.1	MBA, BE (Production)	29	UTC India Pvt Ltd	Director - Operations
Wilfred Stephen Dsouza	Director - West Region	13,054,976	9th November 1987	55.0	BBA, Diploma in Electrical Engg	34	-	-
Sebi Joseph	President Otis India	80,300,223	1st March 2012	58.7	MBA, BE (Mech)	34	Otis SEMA UAE	Area Director - Gulf Region
Suma P N	Director - Human Resources	17,780,208	5th August 2013	52.1	MBA, PG in personnel Mgmt & IR	32	UTC India Pvt Ltd	Director - HR
Bharatkumar Sanjiva Nayak	Director - Finance	18,849,833	5th October 2017	57.9	CA	36	Otis Singapore	Director - Finance
Sridhar Rajagopal	Director, Sales, Marketing,Strategy & Business Development, Otis India	18,702,825	16th May 2011	50.1	PhD (Business Strategy), MSc. (Tech)	23	Armstrong World Industries India Limited	Executive Director and Business Head (Flooring)
Alok Mahajan	Director - North Region	15,923,086	2nd January 2013	50.7	BE (Electrical)	32	Otis Malaysia	MD - Malaysia

B. Employed for part of the Financial year and were in receipt of remuneration aggregating to not less than Rs. 8,50,000 per month

Notes:

1. The nature of employment of the above mentioned employee is full time employment.
2. Remuneration received as shown in the statement includes salary, dearness allowance, other allowances, incentive payment, commission, bonus, house rent allowance, or value of perquisite for company owned accommodation, employer's contribution to provident fund and superannuation scheme, group insurance scheme, leave encashment, leave, travel policy, education subsidy, merit award, reimbursement of medical as applicable but excludes provision/ payment under approved voluntary retirement scheme, gratuity provided or paid.
3. The above employee is not a relative of any Director of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 26, 2021

Sebi Joseph
Managing Director
DIN 05221403

Bharat Nayak
Director
DIN 01919252

ANNEXURE D TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) FOR THE FINANCIAL YEAR 2020-2021.

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

   Otis Elevator Company (India) Limited has been supporting charitable and social causes in the communities. In line with the requirements of Section 135 of the Companies Act, the Company has adopted a CSR Policy, duly approved by the Board. The policy highlights the key areas of focus for the Company. The present CSR initiatives focus is on promoting education, a recognised activity mentioned in Schedule VII of the Companies Act, 2013.

2. The Composition of CSR Committee

Sl.No.	Name of Director	Designation / Nature of directorship	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1	Mr. Sebi Joseph	Chairman & Managing Director	1	1
2	Mr. P S Dasgupta	Independent Director	1	1
3	Ms. Suma P N	Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.

   The weblink for CSR committee composition, CSR Policy and CSR Projects are as under:
   https://www.otis.com/en/in

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).
   Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.
   Not Applicable.

6. Average net profit of the company as per section 135(5) – Rs. 2,387,110,908

7.

(a) Two percent of the average net profit of the Company as per section 135(5)	47,742,218
(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years	0.00
(c) Amount required to be set-off for the Financial Year, if any	0.00
(d) Total CSR obligation for the Financial Year (7a+7b-7c)	47,742,218

8. a) CSR amount spent or unspent for the financial year

Total amount spent for the FY (in Rs)	Amount Unspent (in Rs)				
	Total amount transferred to Unspent CSR A/c as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4,77,42,218	-	-	-	-	-

ANNEXURE D TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) FOR THE FINANCIAL YEAR 2020-2021.

b) Details of CSR amount spent against ongoing projects for the financial year

Sl. No.	Name of the project	Item from the list of activities in Sch VII to the Act	Local Area (Y/N)	Location of the project		Project duration	Amount allocated for the project (in Rs)	Amount spent in the current FY (in Rs)	Amount transferred to Unspent CSR A/c for the project as per Section 135(6) (in Rs)	Mode of implemntation - Direct (Y/N)	Mode of implementation -Through Implementing Agency
				State	District						
-----Not Applicable---											

c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No.	Name of the project	Item from the list of activities in Sch VII to the Act	Local Area (Y/N)	Location of the project		Amount spent for the project (in Rs)	Mode of implemnt-ation - Direct (Y/N)	Mode of implementation - Through Implementing Agency	
				State	District			Name	CSR Rgn. No
1.	To establish Mini science centers in schools in Mumbai, Pune, Bangalore, Chennai, Hyderabad and Delhi.	Education	Y	Karnataka, Andhra Pradesh, Maharashtra, Tamilnadu, State of Delhi	Bangalore, Belgaum Delhi, Ananthpur (AP), Delhi, Mumbai, Guntur and Chennai.	2,57,13,688	N	Samarthanam Trust for the Disabled (Samarthanam)	CSR 0000 0063
2.	To install STEM Centers in 7 government run and low income schools in the Mumbai Metropolitan Region, prioritizing schools in locations such as Panvel and Karjat..	Education	Y	Maharashtra, Delhi	Mumbai, Delhi	49,32,730	N	United Way	CSR 0000 0762
3.	To establish STEM centers at Pune to provide STEM leaning access for students studying in class X in 15 Govt./Govt. aided/Low income schools.	Education	Y	Maharashtra	Mumbai	97,85,600	N	Friends for Energising lives	CSR 0000 0051
4.	STEM project in 3 schools and the location will be Mumbai, Kolkata and Hyderabad for 1360 children from difficult circumstances, economically weaker families, socially disadvantaged communities	Education	Y	Maharashtra, Telangana, West Bengal	Mumbai, Kolkata, Hyderabad	73,10,200	N	Smile Foundation	CSR 0000 1634
	Total					4,77,42,218			

ANNEXURE D TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) FOR THE FINANCIAL YEAR 2020-2021.

d) Amount spent in Administrative Overheads: Nil

e) Amount spent on Impact Assessment, if applicable: Nil

f) Total amount spent for the Financial Year (8b +8c +8d+ 8e): Rs. 47,742,218

g) Excess amount for set off, if any: Nil

Sl. No.	Particulars	Amount (in Rs)
(i)	Two percent of average net profit of the company as per Section 135(5)	47,742,218
(ii)	Total amount spent for the Financial Year	47,742,218
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. a) Details of Unspent CSR amount for the preceding three financial years

Sl. No.	Preceding FY	Amount transferred to Unspent CSR A/c u/s 135(6) (in Rs)	Amount spent in the reporting FY (in Rs)	Amount transferred to any Fund specified under Sch VII as per section 135(6), if any			Amount remaining to be spent in succeeding FYs (in Rs)
				Name of the Fund	Amount (in Rs)	Date of transfer	
1	FY 2019-20	NA	38,900,673	PM CARES Fund	7,359,415	04/06/2021	Nil

b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Project duration	Total amount allocated for the project (in Rs)	Amount spent on the project in the reporting FY (in Rs)	Cumulative amount spent at the end of reporting FY (in Rs.)	Status of the project (Completed / Ongoing)
-----Not Applicable---							

10)

a) Date of creation or acquisition of the capital asset(s)	Nil
b) Amount of CSR spent for creation or acquisition of capital asset	Nil
c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Nil
d) Provide details of capital asset(s) created or acquired (including complete address and location of the capital asset)	Nil

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – Not applicable

For and on behalf of the Board of Directors

Place: Mumbai
Date: August 26, 2021

Sebi Joseph
Managing Director
DIN 05221403

Bharat Nayak
Director
DIN 01919252

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Otis Elevator Company (India) Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information in which are incorporated returns from a branch in Bangladesh (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so..

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies(Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branch not visited by us;

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account and with the returns received from the branch not visited by us;

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;

e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act; and

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 46 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 20, Note 24 and Note 25 to the standalone financial statements;

iii. There has been no delay in transferring amounts required to be transferred, to the Investor Education and Protection Fund by the Company; and

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank

INDEPENDENT AUDITORS' REPORT

notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 01248W/W100022

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN: 21116008AAAAAL7835

Place: Mumbai
Date: 26 August 2021

OTIS ELEVATOR COMPANY (INDIA) LIMITED

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT - 31 MARCH 2021

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report the following:

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

(b) The Company has a regular programm of physical verification of its fixed assets (Property, Plant and Equipment), by which all fixed assets (Property, Plant and Equipment) are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the above programm, the Company has verified certain fixed assets (Property, Plant and Equipment) during the year and no material discrepancies were noticed in respect of assets verified during the year.

(c) According to the information and explanations given to us, we report that, the title deeds, of immovable properties comprising of freehold land and buildings as listed in Note 4 of the standalone financial statements, are held in the name of the Company.

(ii) As explained to us, the inventories have been physically verified (except for goods in-transit and stock with third parties) during the year by the management at reasonable intervals. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been dealt with in books of accounts. For stock lying with third parties at the year-end, written confirmations have been obtained by the management from the parties and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties.

(iii) The Company has granted unsecured loan to two companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Other than these loans, the Company has not granted any loans to any other parties covered in the register maintained under Section 189 of the Act.

(a) According to the information and explanation given to us and based on the audit procedures conducted by us, we are of the opinion that the rate of interest and other terms and conditions on which the unsecured loans have been granted to the companies listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.

(b) According to the information and explanation given to us and based on the audit procedures conducted by us, we are of the opinion that the schedule of repayment of principal and payment of interest has been stipulated. The terms of loan repayment have been extended by the Company time to time as per mutual understanding and the payment of interest has been received by the Company subsequent to year end.

(c) According to the information and explanation given to us and based on the audit procedures conducted by us, we are of the opinion that the no amount of loan is overdue for more than 90 days as on date of balance sheet. Interest amount for the loan given to the wholly owned subsidiary amounting to Rs. 3,455,569 is overdue for more than 90 days as on balance sheet date.

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Section 185 and 186 of the Act with respect to loans given and investments made. The Company has not provided any guarantees or security to the parties covered under Section 185 and 186 of the Act.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including income tax, goods and services tax, duty of customs, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities except for employees' state insurance, labor welfare fund, provident fund and profession tax where there has been delay in few instances. As explained to us, the Company did not have any dues on account of sales tax, service tax and duty of excise.

(b) According to the information and explanations given to us, there are no dues of duty of customs, income-tax and goods and services tax which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of sales tax, service tax, duty of excise and value added tax have not been deposited as on 31 March 2021 by the Company on account of disputes:

OTIS ELEVATOR COMPANY (INDIA) LIMITED

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT - 31 MARCH 2021 *(Continued)*

Name of the statute	Nature of the dues	Amount (Rs in lacs)	Amount paid under protest (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty in dispute	2,079	-	FY 2000-01 FY 2003-04 FY 2004-05	The Honorable Supreme court of India
The Central Excise Act, 1944	Excise duty in dispute	53	-	FY 1992-93 to FY 1995-96 FY 1997-98 to FY 1998-99 and FY 2008-09 to FY 2009-10	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act 1994 (Service Tax)	Service Tax in dispute	24,362	230	FY 2007-08 to FY 2014-15	Customs, Excise and Service Tax Apellate Tribunal, Mumbai
Sales Tax/ Value Added Tax - As per the statutes applicable in the following states - Goa, Haryana, Bihar, Jharkhand, Kerala, Maharashtra, Punjab, Rajasthan, West Bengal, Uttar Pradesh	Sales Tax in dispute	27,377	1,675	FY 1995-96 FY 1998-99 to FY 2015-16	Assessing Authorities and First Appellate Authorities of Various States
Sales Tax/ Value Added Tax - As per the statutes applicable in the following states - West Bengal and Uttar Pradesh	Sales Tax in dispute	3,904	561	FY 2003-06 FY 2007-11 FY 2016-17	Apellate Tribunal
Sales Tax/ Value Added Tax - As per the statutes applicable in Rajasthan	Sales Tax in dispute	389	-	FY 2016-17	Honorable High Court

(viii) In our opinion and according to the information and explanations given to us, the Company did not have any loans or borrowing from any financial institution, banks, government and debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

(ix) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in Nidhi Rules, 2014. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

ANNEXURE A TO THE INDEPENDENT AUDITORS REPORT - 31 MARCH 2021 *(Continued)*

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN : 21116008AAAAAL7835

Place: Mumbai
Date: 26 August 2021

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Annexure B to the Independent Auditors' report on the standalone financial statements of Otis Elevator Company (India) Limited for the year ended 31 March 2021.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

[Referred to in paragraph 2 (A) f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date]

Opinion

We have audited the internal financial controls with reference to financial statements of Otis Elevator Company (India) Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 01248W/W100022

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN: 21116008AAAAAL7835

Place: Mumbai
Date: 26 August 2021

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Balance Sheet as at March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	5,913	6,275
Right of use assets	4(d)	2,064	3,486
Capital work-in-progress	4(a)	91	22
Other Intangible assets	4(b)	772	1,004
Financial assets			
(i) Investments	5	-	-
(ii) Loans	6(a)	51	55
(iii) Trade receivables	13(a)	217	523
(iv) Other financial assets	7	747	655
Deferred tax assets (net)	8	8,185	8,121
Income tax assets (net)	9(a)	823	4,121
Other non-current assets	10	6,621	6,679
Total non current assets		**25,484**	**30,941**
Current assets			
Inventories	11	15,799	19,153
Financial assets			
(i) Loans	6(b)	2,497	2,492
(ii) Contract work-in-progress	12	5,911	6,103
(iii) Trade receivables	13(b)	39,990	36,666
(iv) Cash and cash equivalents	14	50,000	47,128
(v) Bank balances other than (iv) above	15	740	581
(vi) Other financial assets	16	1,545	1,477
Current tax assets (net)	9(b)	618	-
Other current assets	17	1,614	1,524
Assets held for sale	4(c)	10	10
Total current assets		**119,324**	**115,134**
TOTAL ASSETS		**144,808**	**146,075**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	1,181	1,181
Other equity	19	24,090	25,493
Total equity		**25,271**	**26,674**
LIABILITIES			
Non-current liabilities			
Provisions	20	9,282	12,016
Financial Liabilities			
Lease Liabilities	23(a)	758	1,791
Other non-current liabilities	21	2,831	2,919
Total non-current liabilities		**12,871**	**16,726**
Current liabilities			
Financial liabilities			
(i) Trade payables	22		
(a) Total outstanding dues of micro and small enterprises		2,464	1,871
(b) Total outstanding dues other than micro and small enterprises		33,724	31,336
(ii) Lease liabilities	23(b)	1,441	1,698
(iii) Other financial liabilities	24	3,775	3,431
Provision	25	4,612	4,978
Employee benefit obligations	20	5,395	4,250
Liabilities for current tax (net)	27	-	357
Other current liabilities	28	55,255	54,746
Total current liabilities		**106,666**	**102,675**
Total liabilities		**119,537**	**119,401**
TOTAL EQUITY AND LIABILITIES		**144,808**	**146,075**

The above Standalone Balance sheet should be read in conjunction with the accompanying notes.

In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: August, 26, 2021

For and on behalf of the Board of Directors of Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August, 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

	Note	Year Ended March 31, 2021	Year Ended March 31, 2020
Revenue			
Revenue from operations	29	170,407	176,088
Other income	30	6,166	5,430
Total income		**176,573**	**181,518**
Expenses			
Cost of materials consumed	31	83,969	77,076
Employee benefits expense	32	35,428	36,396
Finance costs	33	382	768
Depreciation and amortisation expenses	34	2,829	2,824
Other expenses	35	31,870	36,147
Total expenses		**154,478**	**153,211**
Profit before tax		**22,095**	**28,307**
Income tax expense			
1. Current tax	43	5,700	6,560
2. Deferred tax	43	55	3,913
3. Adjustment of tax for earlier years		(36)	(247)
		5,719	**10,226**
Profit for the year		**16,376**	**18,081**
Other comprehensive income			
Items that will not be reclassified to Statement of Profit and Loss:			
Actuarial gains / (loss) arising from re-measurements of post-employment benefit obligations		(476)	(236)
Deferred tax income / (expense) related to above item		119	59
Other comprehensive income for the year, net of tax		(357)	(177)
Total comprehensive income for the year		**16,019**	**17,904**
Earnings per Equity Share - (Basic and Diluted) (Refer Note 36) [Nominal value of share Rs. 10 each] (Previous Year - Rs. 10 each)		138.68	153.12

The above Standalone Statement of Profit and Loss should be read in conjunction with the accompanying notes.

In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: August, 26, 2021

For and on behalf of the Board of Directors of Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August, 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Cash flows for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities:		
Profit Before Tax	22,095	28,307
Adjustments for:		
Depreciation and amortisation expense	2,829	2,824
Provision for expected credit loss and other financial assets	2,371	1,848
Unrealised loss/(gain) on fluctuation in foreign exchange (net)	(146)	177
Interest expense on delayed payments of taxes	-	119
Interest on lease liability (Ind AS 116)	326	430
Interest on:		
- Deposits with bank	(1,285)	(2,456)
- Income tax refund	(654)	(327)
- Loans to related parties	(290)	(611)
- Others	(5)	(6)
Profit on sale / disposal of property, plant and equipment (net)	(19)	(42)
Provision for product upgradation	-	54
Provision for contingency no longer required written back (net)	(2,709)	(1,408)
Bad debits provision utilise	(766)	-
Bad non-financial assets written off	31	316
Interest due on Micro, Small and Medium Enterprises	56	59
Unwinding of interest on deposits / retention money / employee loans	(108)	160
Mark to market on foreign exchange forward contracts	131	(168)
Share based payments to employees	290	394
Operating profit before working capital changes	**22,147**	**29,670**
Change in operating assets and liabilities		
(Increase) in trade receivables - current	(4,598)	(5,249)
Decrease / (Increase) in trade receivables - non current assets	306	(476)
Decrease / (Increase) in inventories	3,354	(6,697)
Increase in trade payables	3,071	268
(Increase) in other current financial assets	(131)	(320)
(Increase) / Decrease in other non - current assets	(159)	453
(Increase) / Decrease in other current assets	(90)	213
(Decrease) in provisions - non current	(25)	(1,821)
(Decrease) in provisions - current	(366)	(1,261)
Increase in employee benefit obligations - current	661	115
Increase / (Decrease) in other current financial liabilities	328	(318)
(Decrease) / Increase in non-current liabilities	(88)	1,552
(Increase) in other non-current financial assets	(127)	(278)
Increase in other current liabilities	509	90
Decrease in Contract work-in-progress	192	1,570
Operating profit after working capital changes	**24,984**	**17,511**
Taxes paid (net)	(3,341)	(5,253)
Net cash generated from operating activities (A)	**21,643**	**12,258**
Cash flow from investing activities		
Purchase of property, plant and equipment	(799)	(678)
Proceeds from sale of property, plant and equipment	67	64
Loans given to related parties	-	(2,450)
Loans repaid by related parties	-	25,197
Loans given to Supriya Elevator Company (India) Limited	-	130
Interest received	2,124	5,519
(Increase) in other bank balances	(159)	(294)
Net Cash flows generated from Investing Activities (B)	**1,233**	**27,488**
Cash flow from financing activities		
Dividend paid	(17,673)	(12,315)
Dividend distribution tax paid	-	(2,549)
Repayment of principal lease liabilities	(1,731)	(1,664)

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Cash flows for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest expenses - Others	-	(119)
Net cash (utilised) for Financing Activities (C)	**(19,404)**	**(16,647)**
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**3,472**	**23,099**
Cash and Cash Equivalents at the Beginning of the Year	47,128	24,029
Cash and Cash Equivalents at the End of the Year	**50,600**	**47,128**
Cash and Cash Equivalents comprise:		
Bank Balances:		
- In Current accounts	6,454	2,747
- In Demand Deposits	44,097	44,381
Cash on hand	49	-
	50,600	**47,128**

Notes:

1. The above Standalone Statement of Cash flows has been prepared under "Indirect Method" set out in Accounting Standard (Ind AS) 7 on the Statement of Cash Flow as notified under Companies (Accounts) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

2. The above Standalone Statement of Cash flows should be read in conjunction with the accompanying notes.

In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: August, 26, 2021

For and on behalf of the Board of Directors of
Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August, 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Changes in Equity (SOCIE) for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

A. Equity Share Capital (Refer Note18)

Particulars	Amount
Balance as at March 31, 2019	**1,181**
Changes in equity share capital	-
Balance as at March 31, 2020	**1,181**
Changes in equity share capital	-
Balance as at March 31, 2021	**1,181**

B. Other equity (Refer Note19)

Particulars	Reserve and Surplus			Other Equity	Total
	Capital redemption reserve	General reserve	Retained earnings	Equity contribution from Ultimate Parent-Share based payments	
Balance as at April 1, 2019	73	1,759	**18,607**	1,704	**22,143**
Profit for the year	-	-	18,081	-	**18,081**
Other comprehensive income	-	-	(177)	-	**(177)**
Total comprehensive income for the year	-	-	**17,904**	-	**17,904**
Dividends paid	-	-	(12,399)	-	**(12,399)**
Dividend distribution tax	-	-	(2,549)	-	**(2,549)**
Additions towards share based payments	-	-	-	394	**394**
Balance as at March 31, 2020	73	1,759	**21,563**	**2,098**	**25,493**

Particulars	Reserve and Surplus			Other Equity	Total
	Capital redemption reserve	General reserve	Retained earnings	Equity contribution from Ultimate Parent-Share based payments	
Balance as at April 1, 2020	73	1,759	**21,563**	**2,098**	**25,493**
Profit for the year	-	-	16,376	-	**16,376**
Other comprehensive income	-	-	(357)	-	**(357)**
Total comprehensive income for the year	-	-	**16,019**	-	**16,019**
Dividends paid	-	-	(17,712)	-	**(17,712)**
Additions towards share based payments	-	-	-	290	**290**
Balance as at March 31, 2021	73	1,759	**19,870**	**2,388**	**24,090**

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: August, 26, 2021

For and on behalf of the Board of Directors of Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August, 26, 2021

Rutika Pawar
Company Secretary
Membership No. 17248
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

1 Background of the Company

'Otis Elevator Company (India) Limited ("the Company") was incorporated on October 30, 1953 vide certificate of incorporation number U29150MH1953PLC009158 issued by the Registrar of Companies, Mumbai, Maharashtra. The Company is engaged inter-alia in the business of manufacture, erection, installation and maintenance of elevators, escalators and travolators.

The registered office and principal place of business of the Company is 9th Floor, Magnus Tower, Mindspace, Link Road, Malad (West), Mumbai - 400064.

2 Basis of preparation

(a) Statement of compliance

These Standalone Financial Statements of the Company have been prepared In accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable.

These standalone financial statements were authorised for issue by the Company's Board of Directors on August 26, 2021.

(b) Historical cost convention

These standalone financial statements have been prepared on the historical cost basis except for the following:
(I) Certain financial assets and liabilities (including derivative instruments) measured at fair value and
(ii) Defined benefit plans - plan assets measured at fair value

(c) Use of estimates and judgments

The preparation of the standalone financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.
The areas involving critical estimates or judgments are:

(i) Estimation of total contract revenue and cost of revenue recognition (Refer Note 52)
(ii) Estimation of defined benefit obligations (Refer Notes 26 and 32)
(iii) Estimation of current tax expense and receivables/payables (Refer Notes 9, 27 and 43)
(iv) Impairment of Investments (Refer Note 5)
(v) Impairment of trade receivables and other receivables (Refer Notes 6(a), 6(b), 7, 10, 13(a), 13(b), 16 and 17)
(vi) Recognition and measurement of provisions and contingencies (Refer Notes 20 and 25)

(d) Current vs non-current classification

Operating cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out In the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the supply of products/rendering of services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these standalone financial statements, unless otherwise indicated.

(a) Foreign currency translations

(i) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The standalone financial statements are presented in Indian rupee (Rs.), which is Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate prevailing on that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in standalone statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(b) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

A financial asset is (i) Cash; (ii) a contractual right to receive cash or another financial asset; to exchange financial assets or financial liabilities under potentially favorable conditions; (iii) or a contract that will or may be settled in the entity's own equity instruments and a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Recognition, measurement and classification

A financial asset is recognised in the standalone balance sheet only when the Company becomes party to the contractual provisions to the instrument. All financial assets are measured initially at its fair value plus, in the case of a financial asset not at fair value through Profit and Loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs of financial assets carried at fair value through Profit and Loss are expensed to standalone statement of profit or loss.

The Company classifies its financial assets into a) financial assets measured at amortised cost, and b) financial assets measured at fair value (either through other comprehensive income or through Standalone statement of profit and loss). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(1) Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in standalone statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

A financial asset is classified at amortised costs if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). amortised cost is arrived at after taking into consideration any discount or fees or costs that are an integral part of the EIR. The amortization of such interests forms part of finance income in the standalone Statement of Profit and Loss. Any impairment loss arising from these assets are recognised in the standalone Statement of Profit and Loss.

(2) Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is classified at fair value through other comprehensive income if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and for selling the financial assets and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment of gains or losses, interest revenue and foreign exchange gains and losses which are recognised in statement of profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to Standalone statement of profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

(3) Financial assets measured at fair value through profit and loss (FVTPL)

Any asset which do not meet the criteria for classification as at amortised cost or as FVTOCI, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in the Standalone statement of profit and loss.

(II) Financial Liabilities

A financial liability is (i) a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial instruments under potentially unfavorable conditions; (ii) or a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of its own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Recognition, measurement and classification

A financial liability is recognised in the balance sheet only when the Company becomes party to the contractual provisions to the instrument. Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification.

After initial measurement, such financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Standalone statement of profit and loss.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(iii) Equity instruments

An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(iv) De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership is transferred. A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

(v) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets.

The Company follows 'simplified approach' permitted by Ind AS 109, Financial instruments, for recognition of impairment loss allowance on Trade Receivables which requires expected lifetime losses to be recognised from initial recognition of the receivables.

At the time of recognition of impairment loss on other financial assets, the Company determines that whether there has been a significant increase in the credit risk since its initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance/ reversal is recognised during the year as expense/ income in the Standalone statement of profit and loss. In case of financial assets measured as at amortised cost, ECL is presented as an allowance. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount but is disclosed as net carrying amount.

(vi) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value through Standalone Statement of Profit and Loss.

(vii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

(c) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of components for service and repair inventories are computed on weighted average cost basis. Cost for components of elevators and Work-in-progress for components for elevators constructions includes materials, labour and manufacturing overheads and other costs incurred in bringing the inventories to their present location, and is determined using standard cost method that approximates actual cost.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty (up to the applicable date), and net of sales taxes (up to the applicable date), Goods and Services Tax (GST) and taxes collected on behalf of the third parties. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 2018. The Company has elected the option of the modified retrospective approach. The Company has applied the following accounting policy for revenue recognition:

Revenue from sale of contracts for supply and installation of elevators, escalators and trav-o-lators.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or

2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any sales incentives, royalties, and other forms of variable consideration.

When the Company satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Advances from customers, progress payments, amount due from and due to customers and retention money receivable.

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract.

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus margin recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (costs plus attributable margin) for the contract work performed till date.

Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

Revenue from construction and repair contracts is recognised on Percentage of Completion Method with reference to the stage of completion of the contract activity at the end of the reporting period. The stage of completion of a contract is determined as the proportion that contract costs incurred for work performed up to the year end bear to the estimated total contract costs. However, provisions are made for the entire loss on a contract irrespective of the amount of work done.

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable is considered to be a separate unit of account and accounted for separately. The allocation of consideration from a revenue arrangement to its separate units of account is based on the relative fair value of each unit. If the fair value of the delivered item is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item. Under contracts for supplies and installation, the Company provides free service / maintenance to its customers. The consideration received is allocated between the equipment sale and service relative to the fair value of free service offered. The fair value of the free service is deferred and recognised as revenue on pro-rata basis over the contract period.

Revenue from maintenance contracts is recognised on pro-rata basis over the contract period.

Revenue from the sale of raw materials and components, and sale of scrap are recognised when the significant risks and rewards of ownership of the goods have passed to the customer.

Price Adjustment Claims, if any, are recognised as income after considering reasonable certainty of collection.

(e) Other income

Interest Income from financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial asset (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in Standalone statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Recoveries from Group Companies include recoveries towards common facilities/ resources and other support provided to such parties which is recognised as per terms of agreement.

(f) Property, plant and equipment

Recognition and measurement

Freehold land is stated at cost. All other items of property, plant and equipment are measured at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The costs of the day-to-day servicing of property, plant and equipment are recognised in Standalone statement of profit or loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible assets is provided on written down value method at the rates and in the manner prescribed under Schedule II of the Companies Act, 2013. Depreciation is provided on pro-rata basis with reference to the month of addition/installation/ disposal of assets, except in case of assets costing Rs. 5,000 or less, which are depreciated fully in the year of acquisition. The Company has expensed all tangible assets equal to or below Rs. 150,000 post April 1, 2017 in the Standalone statement of Profit and Loss. The Company has estimated the useful lives of assets equivalent to the useful lives prescribed in Schedule II to the Companies Act, 2013 as below:

Particulars	Useful lives
Buildings	30 years
Plant and equipments	15 years
Furniture and fixtures	10 years
Electrical installations	10 years
Computers	3 years
Vehicles	8 - 10 years
Office equipments	5 years

The residual values are not more than 5% of the original cost of the asset. Depreciation methods, residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone statement of profit and loss.

Leaseholds improvements are amortised over the primary lease period on Straight line basis.

Assets classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in Standalone statement of profit and loss. Once classified as held-for-sale they are no longer depreciated.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(g) Intangible assets

Intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and accumulated impairment losses.

Softwares purchased are amortised over a period of 5 years on straight line basis.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone statement of profit and loss.

Research and Development:

Revenue expenditure pertaining to research is charged to the Standalone statement of profit and loss. Development costs of products are also charged to the Standalone statement of profit and loss unless a product's technical feasibility and other criteria set out in Ind AS 38 – 'Intangible assets' have been established, in which case such expenditure is capitalized.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(h) Impairment of non-financial assets

Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

(I) Leases

Operating lease

As a Lessee, leases in which significant portion of risks and rewards of ownership are not transferred to the Company are classified as operating lease.

Payments made under operating leases are charged to Statement of Profit and Loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Leases are accounted as per Ind AS 116 which has become mandatory from April 1, 2019

The Company, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date. The right-of-use assets is depreciated using the straight-line method from the commencement date to the end of lease term. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition to IND AS 116

The Company had adopted IND AS 116 - Leases effective April 1, 2019, using the modified retrospective approach - II. The Company had applied the standard to its leases considering the commencement date as April 1 ,2019. Accordingly previous period information has not been restated.

The Company had availed of following practical expedients as provided by the Standard:

(i) Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as a short-term lease.

(ii) Low value lease assets are recognized as operating expense on straight line basis over the term of lease.

(iii) The Company had excluded initial direct costs from the measurement of the right-of-use asset.

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(j) **Employee benefits**

i) Short term obligation

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Termination benefits are recognised as an expense as and when incurred.

ii) Other long-term employee benefit obligations

Compensated Absences

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Standalone statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) **Post employment obligations**

a) **Defined contribution plans**

A defined contribution plan is a post-employment plan under which an entity pays fixed contributions and will have no legal or constructive obligation to pay further amounts.

The Company contributes to Superannuation Fund, and has no further obligation beyond making its contribution. The Company's contributions to the above funds are charged to the Standalone statement of profit and loss.

(b) **Defined benefit plans**

Provident Fund

Contributions to Provident Fund and Employee's Pension Scheme 1995 are made to Trust administered by the Company. The Company's liability is actuarially determined (using the Project Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Company, is additionally provided for.

Gratuity (Funded)

The Company provide for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment of vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees' salary and the tenure of employment. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

The Company makes annual contribution to Otis Elevator Company (India) Limited Employees' Gratuity Fund which in turn invests in various permissible investments. The scheme provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of employment as per Company's Gratuity Scheme. Vesting occurs on completion of five years.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Standalone statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Standalone statement of profit or loss as past service cost.

(iv) **Termination Benefits**

Termination benefits in the nature of voluntary separation plan are recognised in the Standalone Statement of Profit or Loss as and when incurred.

(v) **Share based payments**

Share based compensation benefits are provided to employees by the Ultimate Parent Company without any cross charge.

The fair value of options granted is recognised as an employee benefit expenses with a corresponding increase in equity as contribution from the parent.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in the Standalone statement of profit or loss, with a corresponding adjustment to equity.

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(k) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Standalone statement of profit or loss except to the extent that it relates items recognised directly in equity or in other comprehensive income.

Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the company operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in the Standalone statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(l) Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value, wherever Company can estimate the time of settlement, of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provisions due to passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.

Wherever the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 - "Provision, contingent liabilities and contingent assets" is made.

(m) Segment reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

(n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

(o) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash flows, Cash and cash equivalent comprise of cash/ cheques on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, and bank overdrafts.

(p) Investments

Investments in subsidiary and associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary / associate, the difference between net disposal proceeds and the carrying amounts are

OTIS ELEVATOR COMPANY (INDIA) LIMITED

recognised in the Standalone statement of profit and loss. Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiary and associate at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

(q) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(r) Measurement of fair value

The Company measures certain financial instruments, such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:
A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(s) Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All the other borrowing costs are recognised in the Standalone statement of profit and loss within Finance costs of the period in which they are incurred.

(t) Rounding of amounts

All amounts disclosed in the standalone financial statements and notes have been rounded off to the nearest Rupees in lakhs as per the requirement of Schedule III, unless otherwise stated.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

4 Property, plant and equipment

(a) Tangible assets

Description	Gross Block				Accumulated Depreciation				Net Block
	As at March 31, 2020	Additions/ Adjustment	Deductions/ Adjustment	As at March 31, 2021	As at March 31, 2020	For the year	Deductions	As at March 31, 2021	As at March 31, 2021
Freehold land	250	-	-	250	-	-	-	-	250
Buildings	5,122	-	2	5,120	1,860	312	1	2,171	2,949
Leasehold improvements	691	38	13	716	487	56	12	531	185
Plant and equipments	4,641	103	42	4,702	2,316	479	25	2,770	1,932
Furniture and fittings	189	-	25	164	136	14	23	127	37
Electrical installations	294	-	1	293	225	16	1	240	53
Computers	98	521	1	618	80	87	-	167	451
Vehicles	16	-	11	5	13	1	9	5	-
Office equipments	359	-	11	348	268	33	9	292	56
Total	**11,660**	**662**	**106**	**12,216**	**5,385**	**998**	**80**	**6,303**	**5,913**
Capital work-in-progress	22	731	662	91	-	-	-	-	91

Description	Gross Block					Accumulated Depreciation				Net Block
	As at March 31, 2019	Additions/ Adjustment	Deductions/ Adjustment	Transfer in/ (out)	As at March 31, 2020	As at March 31, 2019	For the year	Deductions	As at March 31, 2020	As at March 31, 2020
Freehold land	250	-	-	-	250	-	-	-	-	250
Buildings	5,227	8	12	(101)	5,122	1,518	347	5	1,860	3,262
Leasehold improvements	494	243	46	-	691	460	70	43	487	204
Plant and equipments	3,999	560	19	101	4,641	1,797	530	11	2,316	2,325
Furniture and fittings	173	16	-	-	189	121	15	-	136	53
Electrical installations	294	-	-	-	294	202	23	-	225	69
Computers	107	-	9	-	98	66	22	8	80	18
Vehicles	19	-	3	-	16	12	1	-	13	3
Office equipments	277	82	-	-	359	214	54	-	268	91
Total	**10,840**	**909**	**89**	**-**	**11,660**	**4,390**	**1,062**	**67**	**5,385**	**6,275**
Capital work-in-progress	337	594	909	-	22	-	-	-	-	22

(b) Other Intangible assets

Description	Gross Block				Accumulated Amortisation				Net Block
	As at April 1, 2020	Additions	Deductions	As at March 31, 2020	As at April 1, 2020	For the year	Deductions	As at March 31, 2021	As at March 31, 2021
Software	1,544	84	-	1,628	540	316	-	856	772
	1,544	84	-	1,628	540	316	-	856	772
Intangible under development	-	-	-	-	-	-	-	-	-

Description	Gross Block				Accumulated Amortisation				Net Block
	As at April 1, 2019	Additions	Deductions	As at March 31, 2020	As at April 1, 2020	For the year	Deductions	As at March 31, 2020	As at March 31, 2020
Software	1,439	105	-	1,544	215	325	-	540	1,004
	1,439	105	-	1,544	215	325	-	540	1,004
Intangible under development	-	105	105	-	-	-	-	-	-

(c) Assets classified as held for sale

	As at March 31, 2021	As at March 31, 2020
Building (Net Block)	10	10
	10	10

Note:

The directors of the Company had decided to sell the Godown No. 12 & 13, garage no. 1 located at Seeta Mahal Co-op Housing Society Limited, Mumbai 400026 in the Board meeting held on August 8, 2018. Accordingly, the net book value of building apportionment thereto has been classified as assets held for sale. These assets were not sold during the current year and the Company continues to hold these asset for sale as re-confirmed by Board in their meeting held on August 26, 2021.

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

(d) Right of use Asset

Movements during the year

Description	Gross Block				Accumulated Depreciation				Net block
	Balance as at April 1, 2020	Additions	Disposal	Balance as at March 31, 2021	Balance as at April 1, 2020	For the Year	Deductions	Balance as at March 31, 2021	Balance as at March 31, 2021
Leasehold buildings	4,182	84	-	4,266	1,245	1,289	-	2,534	1,732
Leasehold Vehicles	585	21	24	582	154	186	12	328	254
Leasehold Office equipments	156	10	24	142	38	40	14	64	78
Total	**4,923**	**115**	**48**	**4,990**	**1,437**	**1,515**	**26**	**2,926**	**2,064**

Movements during the year

Description	Gross Block					Accumulated Depreciation				Net block
	Balance as at April 1, 2019	Additions on account of transition to IND AS 116 - April 1, 2019	Additions during the Year	Disposal during the year	Balance as at March 31, 2020	Balance as at April 1, 2019	For the Year	Deductions	Balance as at March 31, 2020	Balance as at March 31, 2020
Leasehold buildings	-	3,821	361	-	4,182	-	1,245	-	1,245	2,937
Leasehold Vehicles	-	344	241	-	585	-	154	-	154	431
Leasehold Office equipments	-	121	35	-	156	-	38	-	38	118
Total	**-**	**4,286**	**637**	**-**	**4,923**	**-**	**1,437**	**-**	**1,437**	**3,486**

Note:

(a) The Company had adopted IND AS 116 - Leases effective April 1, 2019, using the modified retrospective approach - II. The Company has applied the standard to its leases considering the commencement date as April 1, 2019.

This had resulted in recognising a right-of-use asset of Rs. 4,286 lakhs (including reclassification of deposits of Rs. 198 lakhs) and a corresponding lease liability of Rs. 4,088 lakhs in the previous year.

The weighted average incremental borrowing rate of 8% to 9.4% p.a. has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

(b) The Company incurred Rs. 297 lakhs (Previous Year Rs. 356 lakhs) for the year ended March 31, 2021 towards expenses relating to short-term leases and leases of low-value assets. Interest on lease liabilities is Rs. 326 lakhs (Previous Year Rs.430 lakhs) for the year.

5 Non-current investments (carried at cost)

	As at March 31, 2021	As at March 31, 2020
Unquoted:		
Subsidiary Company:		
268,700 Equity Shares (Previous Year 268,700) of Rs. 100 each fully paid-up in Supriya Elevator Company (India) Limited	564	564
Less: Provision for impairment	(564)	(564)
	-	-
Aggregate book value of gross unquoted investments	564	564
Aggregate book value of net unquoted investments	-	-
Aggregate amount of impairment in value of investments	564	564

6(a) Loans - Non-current

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Loans to employees	51	55
Unsecured, considered doubtful:		
Loans to related party:		
Supriya Elevator Company (India) Limited	130	130
Less: Provision for expected credit loss	(130)	(130)
	-	-
	51	**55**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Details of Loans to Related Parties

Particulars	As at March 31, 2021	Purpose	Rate of interest %	Repayable on or before
Supriya Elevator Company (India) Limited	130	Working capital	11.25	19-Sep-21
	130			

Particulars	As at March 31, 2021	Purpose	Rate of interest %	Repayable on or before
Supriya Elevator Company (India) Limited	130	Working capital	11.25	24-Sep-20
	130			

* Subsequent to the year end, terms of loans repayment has been extended by the Company from time to time basis mutual understanding.

6(b) Loans - current	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Loans to related parties		
Otis Global Services Centre Private Limited	2,450	2,450
Loans to employees	47	42
	2,497	2,492

Details of Loans to Related Parties

Particulars	As at March 31, 2021	Purpose	Rate of interest %	Repayable on or before*
Otis Global Services Centre Private Limited	2,000	Project financing and working capital	11.25	31-Dec-21
Otis Global Services Centre Private Limited	450	Project financing and working capital	11.25	31-Dec-21
	2,450			

Details of Loans to Related Parties

Particulars	As at March 31, 2021	Purpose	Rate of interest %	Repayable on or before*
Otis Global Services Centre Private Limited	2,000	Project financing and working capital	11.25	27-April-20
Otis Global Services Centre Private Limited	450	Project financing and working capital	11.25	21-Jun-20
	2,450			

* Subsequent to the year end, terms of loans repayment has been extended by the Company from time to time basis mutual understanding.

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

7 Other financial assets (Non - current)	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Security deposits	747	655
Unsecured, considered doubtful		
Receivable from related party:		
Supriya Elevator Company (India) Limited	1,036	889
Less: Provision for expected credit loss	(1,036)	(889)
	-	-
Security deposits	70	70
Less: Provision for expected credit loss	(70)	(70)
	-	-
	747	**655**

8 Deferred tax assets (net) (Refer Note 43D)	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets		
Provision for expected credit loss	2,889	2,485
Provision for compensated absences and gratuity	1,358	1,072
Provision for product upgradation	13	28
Provision for impairment	142	142
Disallowances under Section 40(a) of the Income tax Act, 1961	99	99
Depreciation / amortisation	181	150
Provision for contingency	2,336	3,024
Mark to market adjustment on derivative contracts	33	-
Provision for foreseeable losses on contracts	1,134	1,170
	8,185	**8,170**
Deferred tax liabilities		
Mark to market adjustment on derivative contracts	-	42
Ind AS 116 Lease impact	-	7
	-	**49**
Deferred tax asset (net)	**8,185**	**8,121**

9(a) Income tax assets (net)	As at March 31, 2021	As at March 31, 2020
Advance income tax	34,303	35,978
Provision for tax	(33,480)	(31,857)
	823	**4,121**

9(b) Current tax assets (net) [Refer Note 3 (k)]	As at March 31, 2021	As at March 31, 2020
Advance Income Tax	6,318	-
Provision for tax	(5,700)	-
	618	**-**

10 Other non-current assets	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Capital advances	9	48
Prepaid expenses	73	59
Balances with Government Authorities	6,539	6,572

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Unsecured, considered doubtful		
Balances with Government Authorities	1,313	1,166
Less: Impairment loss allowance	(1,313)	(1,166)
	-	-
	6,621	**6,679**

11 Inventories (at lower of cost and net realisable value)	As at March 31, 2021	As at March 31, 2020
Raw materials:		
Components [including Components In-transit Rs. 5,032 lakhs (Previous year Rs. 10,686 lakhs)]	15,799	19,153
	15,799	**19,153**

During the year, the Company has written down inventories by Rs. 98 lakhs (Previous Year Rs. 106 lakhs) in respect of provision for slow moving and obsolete items. These are recognised as an expense during the year.

Details of inventory

Following the industry pattern, the Company considers an Elevator as produced when total components comprising complete elevators are dispatched from the Shipping department. Accordingly, there is no closing stock of goods produced as of March 31, 2021 and March 31, 2020.

12 Contract Work-In-Progress [Refer Note 52]	As at March 31, 2021	As at March 31, 2020
Progress work	82,885	31,728
Less: Aggregate amount of progress billings	76,974	25,625
	5,911	**6,103**

13(a) Trade receivables - non current (Unsecured)	As at March 31, 2021	As at March 31, 2020
Receivables considered good	217	523
	217	**523**

13(b) Trade receivables - current (Unsecured)	As at March 31, 2021	As at March 31, 2020
Receivables considered good *	39,990	36,666
Receivables with significant increase in credit risk	8,290	7,017
	48,280	43,683
Less: Provision for expected credit loss	(8,290)	(7,017)
	39,990	**36,666**

'* This includes amount receivable from related parties Rs. 321 lakhs (Previous Year Rs. 86 lakhs). (Refer Note 44).

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 42.

14 Cash and cash equivalents	As at March 31, 2021	As at March 31, 2020
Balances with banks		
-In Current accounts	6,454	2,747
Deposits with original maturity of less than three months	44,097	44,381
Cheque on hand	49	-
Cash on hand	-	-
	50,600	**47,128**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

15	**Bank balances other than above**	**As at March 31, 2021**	**As at March 31, 2020**
	Unpaid dividend accounts	388	349
	Deposit with banks [towards security deposit against sales tax and other matters]	352	232
		740	581

16	**Other financial assets - Current**	**As at March 31, 2021**	**As at March 31, 2020**
	Receivables from related parties (Refer Note 44)		
	Interest accrued on loans		
	Otis Global Services Centre Private Limited	254	97
	Other receivables *	483	498
	Other receivables - Unsecured considered good		
	Deposits	641	495
	Interest accrued on fixed deposits	126	173
	Derivatives not designated as hedges - foreign exchange forward contracts	41	214
	Unsecured considered doubtful		
	Security deposits	603	578
	Less: Impairment loss allowance	(603)	(578)
		-	-
	Interest accrued on loan to subsidiary	37	25
	Less: Impairment loss allowance	(37)	(25)
		-	-
		1,545	1,477

"* This includes amount receivable from related parties Rs. 452 lakhs (Previous Year Rs. 464 lakhs). (Refer Note 44).

17	**Other current assets**	**As at March 31, 2021**	**As at March 31, 2020**
	Prepaid expenses	510	693
	Advance to suppliers	391	466
	Balances with Government Authorities	713	365
		1,614	1,524

18	**Equity share capital**	**As at March 31, 2021**	**As at March 31, 2020**
	Authorised		
	15,000,000 (Previous Year 15,000,000) equity shares of Rs. 10 each	1,500	1,500
	Issued, subscribed and paid-up		
	11,808,222 (Previous Year 11,808,222) equity shares of Rs. 10 each fully paid-up	1,181	1,181
		1,181	1,181

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

Particular	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	11,808,222	1,181	11,808,222	1,181
Additions/deletions during the year	-	-	-	-
Balance as at the end of the year	**11,808,222**	**1,181**	**11,808,222**	**1,181**

(b) The Company has one class of equity shares having a par value of Rs. 10 per equity share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Shares held by the holding company of the Company

	Relationship	As at March 31, 2021	As at March 31, 2020
11,599,819 (Previous Year 11,599,819) equity shares are held by Otis International Asia Pacific Pte. Ltd.*	Holding Company	1,160	1,160
		1,160	1,160

* Name changed from United Technologies South Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

(d) List of shareholders holding more than 5% shares as at the Balance Sheet date:

Name of the Shareholders	As at March 31, 2021		As at March 31, 2020	
	Number of shares	% holding	Number of shares	% holding
Otis International Asia Pacific Pte. Ltd.*	11,599,819	98.24%	11,599,819	98.24%

* Name changed from United Technologies South Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

19 Other equity

	As at March 31, 2021	As at March 31, 2020
Capital redemption reserve	73	73
General reserve	1,759	1,759
Retained earnings	19,870	21,563
ESOP reserve	2,388	2,098
	24,090	**25,493**
a. Capital redemption reserve		
Balance as at the beginning of the year	73	73
Closing balance	**73**	**73**
b. General reserve		
Balance as at the beginning of the year	1,759	1,759
Closing balance	**1,759**	**1,759**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
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c. Retained earnings

Balance as at the beginning of the year	21,563	18,607
Add: Profit for the year	16,376	18,081
Items of other comprehensive income recognised directly in retained earnings		
- Re-measurements of post employment benefit obligation (net of tax)	(357)	(177)
Less: Appropriations		
- Dividend (Refer note 47)	17,712	12,399
- Dividend distribution tax	-	2,549
	19,870	**21,563**
d. Employees Share Option Plan (ESOP) reserve		
Balance as at the beginning of the year	2,098	1,704
Add: Additions during the year (Refer Note 50)	290	394
Closing balance	**2,388**	**2,098**
	24,090	**25,493**

Nature and purpose of reserves:

a. Capital redemption reseve
Capital redemption reserve represents reserves created upon buy back of equity shares in earlier years, pursuant to the requirements of the Companies Act, 1956.

b. General reserve
General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

c. Retained earnings
Retained earnings are the profits that the Company has earned till date.

d. Employees Share Option Plan (ESOP) reserve
The ESOP reserve is used to recognise the grant date fair value of share based options issued to employees by the ultimate parent company. Refer note 50 for details.

20 Provisions - Non-current	As at March 31, 2021	As at March 31, 2020
Other provisions		
Provision for Contingency	9,282	12,016
	9,282	**12,016**

Provision for contingency
Provisions for contingencies represents estimates made for probable liabilities arising from pending matters pending with various tax authorities and these are reviewed on an yearly basis including having legal opinions where necessary. Outflow with regards to the said matters depends on exhaustion of remedies available to the Company under the law, and hence the Company is not able to reasonably assess the timing of the outflow.
In the previous year, under the Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019, announced by the Government of India, the Company had written back net provision of Rs. 362 lakhs as part of provision for contingency no longer required written back, against various disputed liabilities since the Company had settled these liabilities.
Maharashtra state Government had introduced Modified Value Added Tax Amnesty Scheme 2019 on July 9, 2019. Company availed the benefit under this scheme and settled various Value Added Tax (VAT) liabilities pertaining to different years and had written back net provision of Rs. 1,226 lakhs as part of provision for contingency no longer required written back.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

Provision for Product Upgradation (Refer Note 25):

Provision for product upgradation includes free product upgrade to be provided to the customers to enhance safety, quality and maintenance of elevators. The amount is determined based on the estimated cost of material and labour to be incurred on the affected units.

Provision for forseeable losses on contracts (Refer Note 25):

Provision for foreseeable losses represents estimates made for foreseeable losses on contracts. Outflow with regard to the said matters depends on the stage of the Contract and lapse of time and hence, the company is not able to reasonably ascertain the time of outflow.

Movement in provisions

Particulars	As at March 31, 2021			As at March 31, 2020		
	Provision for product upgradation	Provision for contingency	Provision for forseeable losses on contracts	Provision for product upgradation	Provision for contingency	Provision for forseeable losses on contracts
Opening balance	113	12,016	4,865	208	15,245	5,977
Provision recognised during the year	-	1,556	2,526	114	2,066	2,675
Provision utilised during the year	(61)	(25)	-	(149)	(1,821)	-
Provision reversals/written back during the year	-	(4,265)	(2,831)	(60)	(3,474)	(3,787)
Closing balance	**52**	**9,282**	**4,560**	**113**	**12,016**	**4,865**

21 Other non-current liabilities

	As at March 31, 2021	As at March 31, 2020
Advance service and maintenance billing	2,514	2,676
Deferred Revenue for Elevator Contracts towards Service and Maintenance	317	243
	2,831	**2,919**

22 Trade payables

	As at March 31, 2021	As at March 31, 2020
Trade payables to related parties (Refer Note 44)	16,888	18,439
Trade Payables - Others		
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	2,464	1,871
- Total outstanding dues other than micro enterprises and small enterprises	16,836	12,897
	36,188	**33,207**

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 42.

23(a) Lease liabilities - non-current

	As at March 31, 2021	As at March 31, 2020
Lease Liabilities	758	1,791
	758	**1,791**

23(b) Lease liabilities - current

	As at March 31, 2021	As at March 31, 2020
Lease Liabilities	1,441	1,698
	1,441	**1,698**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

24 **Other financial liabilities - current**	**As at March 31, 2021**	**As at March 31, 2020**
Current		
Capital creditors	162	185
Unpaid dividends *	388	349
Salaries, wages and bonus payable	2,937	2,791
Derivatives not designated as hedges - foreign exchange forward contracts	172	46
'Interest payable to micro and small enterprises (Refer Note 45)	116	60
	3,775	3,431

*An amount of Rs. 118,082,220 pertains to final dividend declared during the year 2011-2012 and transferred to separate account on November 18, 2012, as per the section-124(1). The unpaid amount was due to be transferred to Investor Education and Protection Fund on November 18, 2019. Rs. 433,510 was been transferred / deposited to the Investor Education and Protection Fund on August 13, 2020 and Rs. 180 was been paid to the shareholder on August 17, 2020. This was been done considering the general circular no. 12/2020 dated 30.03.2020.

25 **Provisions - current :**	**As at March 31, 2021**	**As at March 31, 2020**
Provision for foreseeable losses on contracts (Refer Note 20)	4,560	4,865
Provision for product upgradation (Refer Notes 20)	52	113
	4,612	4,978

26 **Employee benefit obligations** [Refer Notes 32]	**As at March 31, 2021**	**As at March 31, 2020**
Current provisions for employee benefits :		
Provision for gratuity	1,041	753
Provision for compensated absences	4,354	3,505
	5,395	4,258

27 **Liabilities for current tax (Net)**	**As at March 31, 2021**	**As at March 31, 2020**
Current tax liabilities	-	6,560
Advance tax	-	(6,203)
Current tax liabilities (Net of advance tax)	-	357

28 **Other current liabilities**	**As at March 31, 2021**		**As at March 31, 2020**	
Advances from customers		5,691		5,572
Advance service and maintenance billing		10,518		11,359
Statutory liabilities *		1,258		1,572
Invoices raised in respect of Incomplete Contracts	151,637		183,253	
Less: Adjusted against aggregated amount of cost incurred and recognised profits (less recognised losses)	115,211		148,097	
		36,426		35,156
Deferred Revenue for elevator contracts towards service and maintenance		1,362		1,087
		55,255		54,746

* **Statutory liabilities includes below break up:**	**As at March 31, 2021**	**As at March 31, 2020**
Goods and Services Tax, Sales and Service Tax	245	526
Tax deducted and tax collected at source	636	696
Provident fund and family pension scheme	339	309
Employee state insurance	4	5
Other (Labour welfare fund and profession tax)	34	36
	1,258	1,572

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

29 **Revenue from operations**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Contract Revenue :		
Contracts for supply and installation of elevators, escalators and trav-o-lators	99,158	103,443
Income from modernization and repairs	13,155	16,778
Income from maintenance services	57,400	55,501
Other operating revenues :		
Sale of scrap	694	366
	170,407	**176,088**

30 **Other income**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Interest income:		
- Deposits with banks	1,285	2,456
- Income tax refund	654	327
- Loans to related parties (Refer note 44)	290	611
- Others	5	6
Provision for contingency no longer required written back (net) (Refer note 20)	2,709	1,408
Recoveries of expenses from related parties	781	362
Unwinding of interest on deposits / retention money / employee loans	108	-
Bad debts recovery	5	16
Profit on sale / disposal of property, plant and equipment	19	42
Debts recovered	47	-
Others	263	202
	6,166	**5,430**

31 **Cost of material consumed**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Opening stock of components	19,153	12,456
Add : Purchases of components	80,615	83,773
Less: Closing stock of components	15,799	19,153
	83,969	**77,076**

32 **Employee benefit expenses** [Refer Note 3 (j)]	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Salaries, wages, allowances, bonus, and benefits (net)	31,718	32,527
Contribution to Provident and Family Pension Scheme	1,526	1,536
Contribution to Superannuation Scheme	188	188
Contribution to Gratuity Fund	742	709
Contribution to Employee's State Insurance and Employee's Deposit Linked Insurance Scheme	38	52
Share-based payment to employees (Refer Note 50)	290	394
Workmen and staff welfare expenses	926	990
	35,428	**36,396**

I **Defined Contribution Plans** Superannuation Fund	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Amount recognised in the Statement of Profit and Loss		
Employee's contribution to Superannuation	188	188
	188	**188**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

II Defined Benefit Plans

I) Gratuity

A) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows

Particulars	Present value of Obligation	Fair Value of Plan Assets	Net Defined benefit (asset)/ liability
Balance as on March 31, 2020	10,894	10,141	753
Interest cost /income	743	692	51
Current service cost	691	-	691
Total amount recognised in the Statement of Profit and Loss	**1434**	**692**	**742**
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	280	-	280
Actuarial (Gains)/Losses on Obligations - Due to Experience	(127)	-	(127)
Actuarial Gain / (Loss) on plan assets	-	(323)	323
Total amount recognised in other comprehensive income	**153**	**(323)**	**476**
Contributions by employer	-	930	(930)
Benefit Paid	487	(487)	-
Balance as on March 31, 2021	**11,994**	**10,953**	**1,041**

Particulars	Present value of Obligation	Fair Value of Plan Assets	Net Defined benefit (asset)/ liability
Balance as on March 31, 2019	10,166	9,528	638
Interest cost /income	767	718	49
Current service cost	660	-	660
Total amount recognised in the Statement of Profit and Loss	**1,427**	**718**	**709**
Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions	(178)	-	(178)
Actuarial (Gains)/Losses on Obligations - Due to Experience	52	-	52
Actuarial Gain / (Loss) on plan assets	-	(362)	362
Total amount recognised in other comprehensive income	**(126)**	**(362)**	**236**
Contributions by employer	-	697	(697)
Benefit Paid	(573)	(440)	(133)
Balance as on March 31, 2020	**10,894**	**10,141**	**753**

B) The net liability disclosed above relates to funded and unfunded plans as below:

Particulars	As at March 31, 2021	As at March 31, 2020
Present Value of funded obligation as at the year end	(11,994)	(10,894)
Fair Value of Plan Assets as at the year end	10,953	10,141
Funded Status	(1,041)	(753)
Unfunded Net (Liability) recognised in Balance Sheet	(1,041)	(753)

C) Amount recognised in the Balance Sheet

Particulars	As at March 31, 2021	As at March 31, 2020
Present Value of funded obligation as at the year end	(11,994)	(10,894)
Fair Value of Plan Assets as at the year end	10,953	10,141
(Liability) recognised in Balance Sheet	(1,041)	(753)

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

d) Actuarial assumptions

Valuation in respect of Gratuity has been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

Particulars	As at March 31, 2021	As at March 31, 2020
Discount rate (per annum)	6.44%	6.82%
Rate of increase in Salary	9.00%	9.00%
Rate of Return on Plan Assets	6.44%	6.82%

- The discount rates reflects the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligation.

- The estimates of future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand and the employment market.

e) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Impact on defined benefit obligation of Gratuity :

	As at March 31, 2021		As at March 31, 2020	
	Increase in Rate	Decrease in Rate	Increase in Rate	Decrease in Rate
Discount rate (0.5 % movement)	(366)	391	(328)	350
Compensation levels (0.5 % movement)	380	(359)	341	(323)
Employee turnover (0.5 % movement)	(65)	68	(50)	53

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method(present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

f) The major categories of plan assets for gratuity are as follows:

Particular	As at March 31, 2021		As at March 31, 2020	
	Amount	%	Amount	%
Debts Instruments:				
State Government Securities	-	-	50	1
Corporate Bonds	-	-	601	5
Investment Funds: Insurance managed funds	10,767	98	9,331	92
Others: Cash and cash equivalents (Net)	186	2	159	2
Total	**10,953**	**100**	**10,141**	**100**

g)

Recognised Under	March 31, 2021	March 31, 2020
Non-current employee benefit obligations	-	-
Current employee benefit obligations [Refer Note 25]	1,041	753

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
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h)

Particulars	March 31, 2021	March 31, 2020
Expected gratuity contribution for the next year	1,146	1,097

i) **Defined benefit liability and employer contributions**

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2020 -- 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 2-5 years	Over 5 years	Total
March 31, 2021				
Defined benefit obligation (gratuity)	1,305	5,319	13,634	20,258
March 31, 2020				
Defined benefit obligation (gratuity)	1,268	4,647	12,954	18,869

j) **Risk exposure**

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to market yield of Government securities as at the Balance Sheet date; if plan asset underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grade and in Government of India securities, Group Gratuity Scheme of Life Insurance Corporation of India, Public Sector Under taking Bonds, Special Deposit Scheme and Other Securities. These are subject to interest rate risk and the funds manages interest rate risk. The group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The management intends to maintain the above investment mix in the continuing years.

Changes in yields

A decrease in yields of plan assets will increase plan liabilities, although this will be partially offset by an increase in the value of the plan's holdings.

ii) **Provident Fund**

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2021 and March 31, 2020 respectively.

The details of fund and plan asset position are given below:

Particulars	As at March 31, 2021	As at March 31, 2020
Plan assets at period end, at fair value	41,500	37,265
Present value of benefit obligation at period end	(41,500)	(37,265)
Asset recognized in balance sheet	-	-

The plan assets have been primarily invested in government securities.
Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	As at March 31, 2021	As at March 31, 2020
Government of India (GOI) bond yield	6.44%	6.82%
Remaining term to maturity of portfolio	6 years	5 years
Expected guaranteed interest rate - First year :	8.50%	8.25%
- Thereafter :	8.25%	8.25%

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(All amounts are in Rupees in Lakhs, except otherwise as stated)

The Company contributed Rs. 1,526 lakhs and Rs. 1,536 lakhs to the provident fund during the years ended March 31, 2021 and March 31, 2020 respectively and the same has been recognised in the Standalone Statement of Profit and Loss under the head Employees Benefit Expenses.

III) The Liability for compensated absences as at year end is Rs. 4,354 lakhs (Previous Year - Rs. 3,505 lakhs). [Refer Note 26]

33 **Finance costs**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Unwinding of interest on deposits / retention money / employee loans	-	160
Interest expense on delayed payment of Goods and Services Tax	-	119
Interest on Micro and Small Enterprises (Refer Note 45)	56	59
Interest on Lease Liability	326	430
	382	**768**

34 **Depreciation and amortisation expense**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Depreciation of property, plant and equipment (Owned Assets)	998	1,062
Depreciation of Right of use assets	1,515	1,437
Amortisation of intangible assets	316	325
	2,829	**2,824**

35 **Operating and other expenses**	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Consumption of stores and consumables	961	1,134
Packing and forwarding charges	3,385	4,056
Repairs and maintenance:		
- Buildings	255	335
- Plant and machinery	104	75
- Vehicles	19	19
- Others	686	831
Rent (Refer note 37)	297	356
Rates and taxes	229	658
Insurance	848	914
Power and fuel	284	404
Expenses on contracts for installation/ service	5,772	7,738
Advertising, publicity and sales promotion	92	193
Commission	1,326	1,529
Commission to Non-Executive Directors	15	15
Royalties	5,898	6,935
Communication costs	737	548
Travelling and conveyance	1,292	1768
Printing and stationery	105	193
Legal and professional charges [Refer note (I) below]	2,083	1,926
System and software maintenance expenses	2,309	2,091
Management fees	904	704
Bad trade receivables and other financial assets written off	1,144	1,145
Less: Withdrawn from provision for expected credit loss	(766)	(1,145)
	378	-
Bad non-financial assets written off	34	435
Less: Withdrawn from provision for expected credit loss	(3)	(119)
	31	316
Provision for expected credit loss and other financial assets	2,371	1,848
Product upgradation expense (Refer note 24)	-	54
Directors' fees	5	4
Expenditure towards Corporate Social Responsibility activities [Refer Note (ii) below]	477	463
Loss on fluctuation in foreign exchange (net)	896	914
Miscellaneous expenses	111	126
TOTAL	**31,870**	**36,147**

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

I) Legal and professional charges includes auditors' remuneration (net of taxes, where applicable):

For statutory audit	54	46
For tax audit	5	5
For other services	1	4
Reimbursement of expenses	*	2
	60	**57**

*amounts are below rounding off norms adopted by the company.

(ii) Corporate Social Responsibility expenses :

(a) Gross amount required to be spent by the Company during the year was Rs. 463 lakhs (Previous Year Rs. 436 lakhs)
(b) Amount spent during the year on:

Particulars	Paid during the year	Yet to be paid	Total
(i) Construction/acquisition of any asset			
(ii) On purposes other than (i) above *	Rs. 477 lakhs (Previous Year Rs. 457 lakhs)	Rs. NIL (Previous Year Rs. 6 lakh)	Rs. 477 lakhs (Previous Year Rs. 463 lakhs)

* The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects.

36 Earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit attributable to the owners of the company	16,376	18,081
Weighted Average number of Equity Shares of Rs. 10 each during the year	1,18,08,222	1,18,08,222
Earnings Per Share (Basic and Diluted)	138.68	153.12
Nominal Value of an Equity Share	10	10

The Company does not have any outstanding potential equity shares. Consequently, the basic and the diluted earnings per share of the Company remain the same.

37 Lease: Maturity Profile

Particulars	Less than 1 year	Between 1 and 5 years	Over 5 years
March 31, 2021			
Repayment of lease liabilities	1,441	1,032	92
Interest on lease liabilities	200	154	13
Total cash outflow on leases	**1,641**	**1,186**	**105**

Particulars	Less than 1 year	Between 1 and 5 years	Over 5 years
March 31, 2020			
Repayment of lease liabilities	1,698	2,302	160
Interest on lease liabilities	321	326	25
Total cash outflow on leases	**2,019**	**2,628**	**185**

Weighted Average effective interest rate is 8% to 9.4% p.a.

38 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company has identified the following segments i.e. (i) Contract for supply and installation of elevators, escalators and trav-o-lators and (ii) services for maintenance, repairs and modernization of elevators and escalators as reporting segments based on the information reviewed by CODM. As per Ind AS 108-Operating Segments - 'If a financial report contains both the consolidated financial statements of a parent that is within the scope of this Ind AS as well as the parent's separate financial statements, segment information is required to be

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

39 **Research and development expenses**
The Cost of Material Consumed, Employee Benefits Expense, Depreciation and Other Expenses shown in the Statement of Profit and Loss include Rs. 2,123 lakhs (Previous Year Rs. 1,651 lakhs) in respect of the research activities undertaken during the year.

40 'The Company has carried out an independent review for assessing compliance up to March 31, 2020 with the "Transfer Pricing Rules, 2001" issued by the Central Board of Direct Taxes of India and no deviations were observed from the requirements of the aforesaid Transfer Pricing Rules. The Company is yet to commission an independent review for assessing compliance for the year April 1, 2020 to March 31, 2021 with the aforesaid Transfer Pricing Rules. However, on the basis of self-assessment of the operations during the year, and the conclusion drawn on independent review of its operations in the previous financial year, the Management does not expect any significant deviations from the requirements of the aforesaid Transfer Pricing Rules.

41 **Note on investment and receivables for subsidiary**

(a) 'Supriya Elevator Company (India) Limited is having significant business losses and its net worth is fully eroded. The Company performed its annual impairment test for the years ended March 31, 2021 and March 31, 2020. The recoverable amount of investment in Supriya as at year end has been determined based on a "Value-in-use" method using cash flow projections / forecasts from the financial budget approved by the senior management of the Company. It was concluded that the carrying value less costs of disposal did not exceed the value-in-use. As a result of this analysis, the management has not reversed any impairment allowance (Previous Year Rs. Nil lakhs) in the Standalone statement of profit and loss. In determining the value-in-use, the cash flows were discounted considering current market assessment of the risk specific to the subsidiary company.

(b) 'In accordance with Ind AS 109 and Note 3(b), the Company has provided Rs. 159 lakhs (Previous Year Rs. 436 lakhs) on other receivables.

42 **Financial instruments – Fair values and risk management**

A. **Accounting classification and fair values**

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

– Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
– Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
– Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

		Carrying amount			
March 31, 2021	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**
Financial assets					
(i) Loans	6(a) and 6(b)	-	-	2,548	2,548
(ii) Contract work-in-progress	12	-	-	5,911	5,911
(iii) Trade receivables	13(a) and (b)	-	-	40,207	40,207
(iv) Cash and cash equivalents	14	-	-	50,600	50,600
(v) Bank balance other than (iv) above	15	-	-	740	740
(vi) Other financial assets	7 and 16	-	-	2,251	2,251
(vii) Derivatives not designated as hedges - foreign exchange forward contracts	16	41	-	-	41
		41	**-**	**102,257**	**102,298**
Financial liabilities					
((I) Trade payables	22	-	-	36,188	36,188
(ii) Other financial liabilities	24	-	-	3,603	3,603
(iii) Other non-current financial liabilities	23(a)	-	-	758	758
(iv) Derivatives not designated as hedges - foreign	23(b)	-	-	1,441	1,441
exchange forward contracts	24	172	-	-	172
		172	**-**	**41,990**	**42,162**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

		Carrying amount			
March 31, 2021	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**
Financial assets					
(I) Loans	6(a) and 6(b)	-	-	2,547	2,547
(ii) Contract work-in-progress	12	-	-	6,103	6,103
(iii) Trade receivables	13(a) and (b)	-	-	37,189	37,189
(iv) Cash and cash equivalents	14	-	-	47,128	47,128
(v) Bank balance other than (iv) above	15	-	-	581	581
(vi) Other financial assets	7 and 16	-	-	1,918	1,918
(vII) Derivatives not designated as hedges - foreign exchange forward contracts	16	214	-	-	214
		214	-	95,466	95,680
Financial liabilities					
((I) Trade payables	22	-	-	33,207	33,207
(ii) Other financial liabilities	24	-	-	3,385	3,385
(iii) Other non-current financial liabilities	23(a)	-	-	1,791	1,791
(iv) Derivatives not designated as hedges - foreign	23(b)	-	-	1,698	1,698
exchange forward contracts	24	46	-	-	46
		46	-	40,081	40,127

B. Measurement of fair values

I) Valuation process

The finance department of the Company includes a team that carries out the valuation of financial assets and liabilities required for financial reporting purposes.

ii) Fair value hierarchy

No financial instruments are recognised and measured at fair value, except derivative contracts which are measured at fair value through Statement of profit and loss. These derivative contracts are over-the-counter short term foreign exchange forwards that are not traded in an active market. Their fair valuation is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates and quotes received from the banks. Since all significant inputs required to fair value these derivative contracts are observable, the instruments are classified as level 2. Other than derivatives liabilities, all other financial assets and liabilities are classified as level 3.

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. The carrying amounts of loans, contract work in progress, trade receivables, trade payables, cash and cash equivalents, other bank balances, other financial assets, are considered to be the same as their fair values due to their short term nature.

C. Financial risk management

Risk management framework

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risks. The Company's senior management and key management personnel have the ultimate responsibility for managing these risks. The Company has mechanism to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

i Management of the credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large. All trade receivables are reviewed and assessed for default on a regular basis. The historical experience of collecting receivables, supported by the level of default, is that the credit risk is low.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. The Company assesses and manages credit risk based on the Company's credit policy. Under the Company's credit policy, each new customer is analyzed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
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The Company's accounts receivable are geographically dispersed. The Management do not believe there are any particular customer or group of customers that would subject the Company to any significant credit risks in the collection of accounts receivable.

Following is the movement in Provision for Expected Credit Loss on Trade Receivables:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Loss allowance at the beginning of the year	7,017	5,823
Changes in allowance during the year	1,273	1,194
Loss allowance as at the end of the year	8,290	7,017

Loans to related parties:
The Company has given unsecured loans to other group entities of Otis Worldwide Corporation. The loans outstanding as at March 31, 2021 have not been repaid subsequent to the year end. The loans outstanding as at March 31, 2020 have been renewed during the current year.

Cash and cash equivalents
The Company is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The Company believes that its credit risk in respect to cash and cash equivalents and term deposits is insignificant as funds are invested in term deposits at pre - determined interest rates for specified period of time. For cash and cash equivalents only high rated banks are accepted.

Derivatives
The Company may be exposed to losses in the future if the counterparties to derivative contracts fail to perform. The Company is satisfied that the risk of such non-performance is remote due to its monitoring of credit exposures. Additionally, the Company enter into master netting agreements with contractual provisions that allow for netting of counterparty positions in case of default.

Other Financial Assets:
The Company periodically monitors the recoverability and credit risks of its other financials assets including employee loans, deposits and other receivables. The Company evaluates 12 month expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Company considers life time expected credit losses for the purpose of impairment provisioning.

Following is the movement in Provision for Expected credit loss on Other financial assets:

Security deposits	Year ended March 31, 2021	Year ended March 31, 2020
Loss allowance at the beginning of the year	648	678
Changes in allowance during the year (Refer Notes - 7 and 16)	25	(30)
Loss allowance as at the end of the year	673	648

Receivable from subsidiary company	Year ended March 31, 2021	Year ended March 31, 2020
Loss allowance at the beginning of the year	1,044	608
Changes in allowance during the year (Refer Notes - 6(a), 7 and 16)	159	436
Loss allowance as at the end of the year	1,203	1,044

ii **Liquidity risk**
Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintained a cautious funding strategy, with a positive cash balance throughout the years. This was the result of cash generated from the business. Cash flow from operating activities provides the funds to service the working capital requirement. Accordingly, low liquidity risk is perceived.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

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Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1year	1-5 years	More than 5 years
As at March 31, 2021					
Non-derivative financial liabilities					
Other financial lease liabilities (Non-current & Current)	2,199	2,565	1,441	1,032	92
Trade payables	36,188	36,188	36,188	-	-
Other financial liabilities	3,603	3,603	3,603	-	-
Derivative Financial Liabilities					
Foreign exchange forward contracts	172	172	172	-	-
As at March 31, 2020					
Non-derivative financial liabilities					
Other financial lease liabilities (Non-current) and current)	3,489	4,160	1,698	2,302	160
Trade payables	33,207	33,207	33,207	-	-
Other financial liabilities	3,385	3,385	3,385	-	-
Derivative Financial Liabilities					
Foreign exchange forward contracts	46	46	46	-	-

iii **Market risk**

The Company's size and operations result in it being exposed to foreign currency risk. The foreign currency risk may affect the Company's income and expenses, or its financial position and cash flows. The objective of the Company's management of foreign currency risk is to maintain this risk within acceptable parameters, while optimising returns. The Company manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. The Company's exposure to, and management of this risks is explained below:

The details of forward contracts outstanding as at the balance sheet date are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Foreign currency Amount	Amount	Foreign currency Amount	Amount
Import contracts				
EUR	21	1,874	27	2,199
JPY	21	15	63	52
USD	21	1,537	24	1,715
CHF	1	56	1	51
CNH	413	4,743	388	4,272
Total		**8,225**		**8,289**
Export Contracts				
USD	40	2,982	10	738
Total		**2,982**		**738**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

The Company's exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows:

Particulars	March 31, 2021		March 31, 2020	
	Foreign currency Amount	Amount	Foreign currency Amount	Amount
Receivables				
USD	23	1,399	2	112
EUR	1	54	-	-
Payables				
USD	70	5,109	75	5,643
EUR	15	1,241	8	684
SGD	0	-	-	-
HKD	23	219	23	227
JPY	47	30	18	4
CNH	207	2,199	410	4,164

Sensitivity analysis

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of the Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in INR	Profit or loss	
	March 31, 2021	March 31, 2020
Currencies		
USD	(371)	(553)
EUR	119	68
SGD	-	1
HKD	(22)	(23)
JPY	(3)	*
CNH	(220)	(416)
	(497)	**(923)**

* Amounts are below rounding off norms adopted by the Company.

		Year ended March 31, 2021	Year ended March 31, 2020
43	**Tax expense**		
A	**Amounts recognised in Statement of Profit and Loss**		
	Income tax expense		
	Current income tax		
	Current tax on profits for the year	5,700	6,560
	Adjustments for current tax of prior periods	(36)	(247)
	Total current tax expense	**5,664**	**6,313**
	Deferred income tax asset /(liability), net		
	(Decrease) / increase in deferred tax liabilities	55	3,913
	Total deferred tax expense/(benefit)	55	3,913
	Income tax expense for the year	**5,719**	**10,226**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

B Amounts recognised in other comprehensive income

	For the year ended 31 March, 2021		
	Before tax	Tax (expense) benefit	Net of Tax
Remeasurements of defined benefit liability / (asset)	(476)	119	(357)
	(476)	**119**	**(357)**

	For the year ended 31 March, 2020		
	Before tax	Tax (expense) benefit	Net of Tax
Remeasurements of defined benefit liability / (asset)	(236)	59	(177)
	(236)	**59**	**(177)**

C Reconciliation of effective tax rate

	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	**22,095**	**28,307**
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 25.168%)	5,561	7,124
Add Tax Effect on amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments for current tax of prior periods	(36)	(247)
Effect of changes in tax rate *	-	3,350
Effect of non-deductible expenses	180	202
Ind AS 116 Lease Impact	(7)	9
Foreseeable losses on contracts	36	(207)
Others	(15)	(5)
	5,719	**10,226**

* The Company had decided to take the benefit of reduced tax rate @22% from previous year by exercising the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

D Movement in deferred tax balances

Deferred Tax Assets	Deferred Tax Assets/(Liability) April 1, 2020	Recognised in Statement of Profitand Loss	Recognised in OCI/Retained earnings	Deferred tax assets	Deferred tax liability	Net Deferred Tax Assets March 31, 2021
Provision for expected credit loss	2,485	404	-	2,889	-	2,889
Provision for compensated absences and gratuity	1,072	286	-	1,358	-	1,358
Provision for Product Upgradation	28	(15)	-	13	-	13
Disallowances under Section 40(a) of the Income Tax Act, 1961	99	-	-	99	-	99
Depreciation / amortisation	150	31	-	181	-	181
Provision for Contingency	3,024	(688)	-	2,336	-	2,336
Remeasurements of defined benefit obligation	-	(119)	119	-	-	-
Provision for foreseeable losses on contracts	1,170	(36)	-	1,134	-	1,134
Mark to Market adjustment on derivative contracts gains	(42)	75	-	33	-	33
Provision for impairment	142	-	-	142	-	142
Ind AS 116 Lease Impact	(7)	7	-	-	-	-
Deferred Tax Assets	**8,121**	**(55)**	**119**	**8,185**	**-**	**8,185**
Net tax assets	**8,121**	**(55)**	**119**	**8,185**	**-**	**8,185**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Deferred Tax Assets	Deferred Tax Assets/(Liability) April 1, 2019	Recognised in Statement of Profit and Loss	Recognised in OCI/Retained earnings	Deferred tax assets	Deferred tax liability	Net Deferred Tax Assets March 31, 2020
Provision for expected credit loss	3,246	(761)	-	2,485	-	2,485
Provision for compensated absences and gratuity	1,366	(294)	-	1,072	-	1,072
Provision for Product Upgradation	73	(45)	-	28	-	28
Disallowances under Section 40(a) of the Income Tax Act, 1961	136	(37)	-	99	-	99
Depreciation	95	55	-	150	-	150
Provision for Contingency	5,325	(2,301)	-	3,024	-	3,024
Remeasurements of defined benefit obligation	-	(59)	59	-	-	-
Provision for foreseeable losses on contracts	1,407	(237)	-	1,170	-	1,170
Mark to Market adjustment on derivative contracts	130	(172)	-	-	42	(42)
Provision for impairment	197	(55)	-	142	-	142
Impact on adoption of Ind AS 115	-	(7)	-	-	7	(7)
Deferred Tax Assets	**11,976**	**(3,913)**	**59**	**8,170**	**49**	**8,121**
Net tax assets	**11976**	**(3,913)**	**59**	**8,170**	**49**	**8,121**

Deferred Tax Assets and Deferred Tax Liabilities have been offset since they relate to the same governing taxation laws.

44 Related Party Disclosures

A Relationships:

(I) Where Control Exists

Otis Worldwide Corporation, United States (Refer Note 48)	Ultimate Holding
Otis International Asia Pacific Pte. Ltd., Singapore *	Holding Company

* Name changed from United Technologies South Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

(II) Subsidiary Company

Supriya Elevator Company (India) Limited, India

(III) Parties Under Common Control with whom transactions have taken place during the year.

Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey
Carrier Airconditioning & Refrigeration Limited, India
Carrier Race Technologies Private Limited, India
Chubb Alba Control Systems Limited, India
Elevators (Private) Limited, Sri Lanka
Guangzhou Otis Elevator Company Ltd, China
Otis Global Services Centre Private Limited, India
Jsc Mos Otis ,Russia
Nippon Otis Elevator Company, Japan
Otis A.S., Czech Republic
Otis Electric Elevator Co., Ltd., China
Otis Elevator (China) Co., China
Otis Elevator Co Pty Ltd, Australia
Otis Elevator Company (M) SDN BHD, Malasiya
Otis Elevator Company (S) Pte. Ltd., Singapore
Otis Elevator Company Ltd, Thailand
Otis Elevator Company, New Jersey, United States
Otis Elevator Company (Taiwan) Limited, Taiwan
Otis Elevator Traction Machine (China) Co. Ltd., China
Otis Elevator, Korea
Otis Elevators International Inc., Hong Kong
Otis Elevator Management (Shanghai) Company Limited, China
Otis Gmbh & Co. OHG, Germany

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

Otis Science and Technolcgy Development Shanghai, China
(Previously Known as Otis High-Rise Elevator(Shanghai) Co., Ltd., China)
Otis LLC, U.A.E
Otis Scs, France
P.T.Citas Otis Elevator, Indonesia
Seral Otis Industria Metalurgica Ltda, Chile
U.T. Building & Industrial Systems W.L.L., Qatar
Otis International Asia Pacific Pte. Ltd, Singapore
(Previously Known as United Technologies South Asia Pacific Pte Ltd, Singapore)
Zardoya Otis S.A., Spain

(IV) Key Managerial Personnel

Sebi Joseph	Managing Director
Puthan Naduvakkat Suma	Director
Bharat Nayak **	Director (w.e.f. October 14, 2020)
Priya Shankar Dasgupta	Independent Director
Anil Vaish	Independent Director

(V) Transaction with Post Emploment benefit entities

Otis Elevator Company (India) Limited Employees' Gratuity Fund
Otis Elevator Company (India) Limited Staff' Provident Fund

B Transaction:

(i) Transactions with parties referred to in (IV) above

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Short term employee benfits:		
- Salaries and other employee benefits	833	722
Post employment benefits - gratuity	41	36
Long term employee benefits- Compensated absences	35	24
Employee share-based payment #	378	322
Commission and sitting fee to non executive directors	20	18
Total	**1,307**	**1,122**

'In addition to the above, 6,270 units stock options (Previous Year 2,456 Units stock options) of Otis Worldwide Corpotation (Previous year United Technologies Corporation Inc., USA), the Ultimate Holding Company, were exercised during the year.

**'Mr. Bharat Nayak was appointed as an Additional Director of the Company w.e.f. October 22, 2019 in terms of Section 161(1) of the Companies Act, 2013 (the Act) to hold office upto next Annual General Meeting. Thereafter Mr. Bharat Nayak has been appointed as a Director w.e.f. October 14, 2020.

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

(ii) The following are the details of transactions and balances with related parties:

Particulars	Category	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of Goods and Materials			
Otis Elevator (China) Co., China	III	1,101	2,411
Otis Electric Elevator Co., Ltd., China	III	17,178	20,827
Zardoya Otis S.A., Spain	III	2,316	2,663
Otis GMBH & Co. OHG, Germany	III	3,033	4,191
Otis Elevator Company, New Jersey, United States	III	227	572
Otis Elevator Traction Machine (China) Co. Ltd., China	III	2,181	1,664
Nippon Otis Elevator Company, Japan	III	303	497
OTIS SCS, France	III	1,155	789
Guangzhou Otis Elevator Company Ltd, China	III	1	90
Otis Science and Technology Development Shanghai, China	III	7,574	5,889
Otis A.S., Czech Republic	III	-	*
Supriya Elevator Company (India) Limited, India	II	5	66
Otis Elevator Management (Shanghai) Company Limited, China	III	*	-
Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey	III	586	93
Otis Elevator Co Pty Ltd, Australia	III	-	2
Otis Elevator, Korea	III	4	-
Jsc Mos Otis ,Russia	III	-	8
Total		**35,664**	**39,762**
Purchase of Intangible Assets			
Otis Elevator Company, New Jersey, United States	III	65	105
Total		**65**	**105**
System and Software Maintenance Expenses			
Otis Elevator Company, New Jersey, United States	III	1,083	968
Otis Elevators International Inc., Hong Kong	III	256	241
Otis International Asia Pacific Pte. Ltd., Singapore	III	257	17
Total		**1,596**	**1,226**
Legal and Professional Expenses			
Otis Elevator Company, New Jersey, United States	III	4	*
Total		**4**	*
Royalties Expenses			
Otis Elevator Company, New Jersey, United States	III	5,898	6,935
Total		**5,898**	**6,935**
Management Fee			
Otis International Asia Pacific Pte. Ltd, Singapore	I	904	704
Total		**904**	**704**
Support & Service Expenses			
Otis Elevator Company (S) Pte. Ltd., Singapore	III	6	-
Otis Elevator Company, New Jersey, United States	III	154	-
Total		**160**	-
Repairs & Maintenance charges of elevators			
Elevators (Private) Limited, Sri Lanka	III	123	108
Total		**123**	**108**
Repairs and Maintenance - Others			
Carrier Airconditioning & Refrigeration Limited, India	III	-	44
Total		-	**44**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

(ii) The following are the details of transactions and balances with related parties (contd...):

Particulars	Category	For the year ended March 31, 2021	For the year ended March 31, 2020
Reimbursement of Expenses to related parties			
Otis Elevator Company, New Jersey, United States	III	31	24
Otis Elevator Company (S) Pte. Ltd., Singapore	III	-	1
Nippon Otis Elevator Company, Japan	III	1	72
Otis International Asia Pacific Pte. Ltd, Singapore	I	7	12
Otis Electric Elevator Co., Ltd., China	III	-	100
Otis Elevator Company Ltd, Thailand	III	-	1
Otis Science and Technology Development Shanghai, China	III	-	1
Otis Elevator Company (M) SDN BHD, Malasiya	III	3	-
Total		**42**	**211**
Rent paid to Other Companies			
Carrier Airconditioning & Refrigeration Limited, India	III	-	61
Total		**-**	**61**
Revenue from Sale of Goods/Services			
Otis Elevator Company (S) Pte. Ltd., Singapore	III	-	(10)
Seral Otis Industria Metalurgica Ltda, Chile	III	114	109
P.T. Citas Otis Elevator, Indonesia	III	-	*
Elevators (Private) Limited, Sri Lanka	III	1,655	1,276
Otis International Asia Pacific Pte. Ltd, Singapore	I	28	27
Otis Elevator Co Pty Ltd, Australia	III	2	2
Otis Elevators International Inc., Hong Kong	III	34	1
Otis LLC, U.A.E	III	-	*
U.T. Building & Industrial Systems W.L.L., Qatar	III	4	-
Otis Elevator Company (Taiwan) Limited, Taiwan	III	3	-
Otis Elevator, Korea	III	-	1
Total		**1,840**	**1,840**
Recovery from related parties			
Otis Elevator Company, New Jersey, United States	III	554	182
Otis International Asia Pacific Pte. Ltd, Singapore	I	227	180
Total		**781**	**362**
Recovery of expenses from related parties			
Otis Elevator Company (M) SDN BHD, Malasiya	III	246	202
Otis Elevator Company, New Jersey, United States	III	31	61
Otis International Asia Pacific Pte. Ltd, Singapore	I	268	167
Supriya Elevator Company (India) Limited, India	II	174	276
Otis Electric Elevator Co., Ltd., China	III	-	31
Nippon Otis Elevator Company, Japan	III	1	(1)
Otis Elevators International Inc., Hong Kong	III	-	2
P.T. Citas Otis Elevator, Indonesia	III	-	5
Guangzhou Otis Elevator Company Ltd., China	III	107	-
Otis Elevator (China) Co., China	III	-	42
Otis Elevator Traction Machine (China) Co. Ltd., China	III	-	1
Otis Elevator, Korea	III	-	1
Total		**827**	**787**
Recovery of rent from related parties (netted off from rent expense)			
Supriya Elevator Company (India) Limited, India	II	49	47
Carrier Airconditioning & Refrigeration Limited, India	III	-	15
Total		**49**	**62**
Inter Corporate Loan Given / (Repaid) (Net)			
Otis Global Services Centre Private Limited, India	III	-	2,450
Supriya Elevator Company (India) Limited, India	III	-	130
Total		**-**	**2,580**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Particulars	Category	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Inter Corporate Loan Given			
Otis Global Services Centre Private Limited, India	III	276	108
Supriya Elevator Company (India) Limited, India	III	14	15
Chubb Alba Control Systems Limited, India	III	-	402
Carrier Race Technologies Private Limited, India	III	-	55
United Technologies Corporation India Private Limited, India	III	-	31
Total		**290**	**611**
Dividend paid during the year			
United Technologies South Asia Pacific Pte Ltd, Singapore	I	15,660	12,180
Total		**15,660**	**12,180**
Loan / Advance Receivable			
Otis Global Services Centre Private Limited, India	III	2,450	2,450
Supriya Elevator Company (India) Limited, India	III	-	-
(Net of provision of Rs. 130 lakhs (March 31, 2020 -Rs. 130 lakhs)			
Total		**2,450**	**2,450**
Accrued Interest on Inter Corporate Deposit (net of TDS)			
Otis Global Services Centre Private Limited, India	III	254	97
Supriya Elevator Company (India) Limited, India	II	-	-
Net of provision of Rs. 37 lakhs (March 31, 2020 -Rs. 25 lakhs)			
Total		**254**	**97**
Payables			
Otis Elevator Company, New Jersey, United States	III	2,338	2,653
Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey	III	68	-
Otis Elevators International Inc., Hong Kong	III	219	227
Otis Elevator Company (S) Pte. Ltd., Singapore	III	6	-
OTIS SCS, France	III	488	327
Zardoya Otis S.A., Spain	III	1,404	952
Otis GMBH & Co. OHG, Germany	III	1,143	1,210
Nippon Otis Elevator Company, Japan	III	47	56
Otis Science and Technology Development Shanghai, China	III	3,778	1,909
Otis Elevator (China) Co., China	III	677	166
Otis Elevator Traction Machine (China) Co. Ltd., China	III	955	520
Otis Electric Elevator Co., Ltd., China	III	5,440	9,715
Otis International Asia Pacific Pte. Ltd, Singapore	I	308	682
Elevators (Private) Limited, Sri Lanka	III	17	17
Jsc Mos Otis ,Russia	III	-	3
Otis Elevator Co Pty Ltd, Australia	III	-	2
Total		**16,888**	**18,439**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

(ii) The following are the details of transactions and balances with related parties (contd...):

Particulars	Category	For the year ended March 31, 2021	For the year ended March 31, 2020
Receivables			
Non Current Financial Assets			
Supriya Elevator Company (India) Limited, India(Net of provision of Rs. 1036 lakhs (March 31, 2020 -Rs. 889 lakhs)	II	-	-
Trade Recievables:			
Elevators (Private) Limited, Sri Lanka	III	321	86
Other Current Financial Assets:			
Otis International Asia Pacific Pte. Ltd, Singapore	I	145	81
Otis Elevators International Inc., Hong Kong	III	33	1
P.T.Citas Otis Elevator, Indonesia	III	-	*
Otis Elevator Company (M) SDN BHD, Malasiya	III	73	53
Seral Otis Industria Metalurgica Ltda, Chile	III	43	11
Carrier Airconditioning & Refrigeration Limited, India	III	-	1
Nippon Otis Elevator Company, Japan	III	-	(1)
Otis GMBH & Co. OHG, Germany	III	-	1
Otis Elevator Company, New Jersey, United States	III	156	238
Otis Electric Elevator Co., Ltd., China	III	-	32
Otis Elevator (China) Co., China	III	-	44
Otis Elevator Co Pty Ltd, Australia	III	2	2
Otis Elevator Traction Machine (China) Co. Ltd., China	III	-	1
Otis LLC, U.A.E	III	-	1
Otis Elevator, Korea	III	-	*
Total		**773**	**551**

Note:
For information on transactions with post employment benefit plans mentions in A (V) above, refer the note 32.
*amounts are below rounding off norms adopted by the company.

45 Dues to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
The principal amount remaining unpaid to any supplier as at the end of each accounting year;	2,464	1,871
The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	116	60
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
'The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
'The amount of interest accrued and remaining unpaid at the end of each accounting year; and	56	59
'The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of dis allowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

The above information regarding total outstanding dues to Micro Enterprises and Small Enterprises and that is given in Note 22 has been determined to the extent such parties have been identified on the basis of information available with the Company. The auditors have relied upon the management for identification of such parties.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise stated)

		As at March 31, 2021	As at March 31, 2020
46	**Contingent Liabilities**		
a)	**Claims against the Company not acknowledged as debt**		
	(i) Sales tax matters		
	- Show Cause Notices	646	646
	- Demand Notices	31,001	29,282

Note:

Assessed Sales Tax liabilities of the Company not acknowledged as debts and not provided for, in respect of which the Company is in appeal pertains to litigations/ disputes with various Sales Tax Authorities. Based on opinion received from legal consultants, the Management is of view that the Company does not expect an outflow in this regard.

	(ii) Excise, Service Tax and Custom matters		
	Excise matters		
	- Show Cause Notices	48,517	48,517
	- Demand Notices	2,185	2,185
	Service Tax matters		
	- Show Cause Notices	6,096	6,096
	- Demand Notices	24,362	24,362
	Custom matters		
	- Show Cause Notices	10	15

Excise, Service tax and Custom liabilities of the Company not acknowledged as debts and not provided for, in respect of which the Company is in appeal pertains to litigations/ disputes with various Excise, Service Tax and Custom Authorities. Based on opinion received from legal consultants, the Management is of view that the Company has strong grounds of appeal and does not foresee any outflow in this regard. Interest with respect to above matters has been considered to the extent quantified by the tax authorities.

* The Company has received a favorable order from CESTAT that has set aside demand of INR22,428 lakhs vide order dated February 13, 2020 received on June 12,2020. However, the department has filed an appeal before the Bombay High Court in March 2021.The appeal is in the admission process and the Company has filed a CAVEAT in response to the appeal in Honorable Bombay High court

b)	Litigations / claims against the Company by customers / ex-employees / general public. The Company has strong grounds of appeal and does not foresee any outflow in this regard.	2,970	3,006
c)	**Commitments**		
i)	Estimated amount of contracts [net of capital advances of NIL (Previous Year Rs. 40 Lakhs) remaining to be executed on Capital Account not provided for.	89	56
ii)	Guarantees given by banks to various government departments and customers for specific business purpose. The Management is of opinion that there will be no impact on future cash flows of the Company.	22,389	22,219

d) The Company has issued letter of undertaking to provide need based financial support to its subsidiary Supriya Elevator Company (India) Limited.

e) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. In view of the management, the liability for the period from date of the SC order to 31 March 2019 is not significant.

Further, pending directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the financial statements.

47 Capital management

The Company determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements are met through operating cash flows generated. For the purpose of Company's Capital Risk Management, "Capital" includes issued equity share capital, securities premium and all other equity reserves attributable to it's shareholders.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

The Company's objective in managing its capital is to safeguard its ability to continue as a going concern and to maximise shareholder's values.

The capital structure of the Company is based on management's assessment of the appropriate balance of key elements in order to meet its strategic and day-to day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue new shares.

The Company maintains a stable and strong capital structure with a focus on total equity so as to maintain shareholders and creditors confidence and to sustain future development and growth of its business. The Company takes appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. Refer table below for the dividends paid:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Equity shares Interim dividend Rs. 150 per share fully paid (Previous year - Rs. 105)	17,712	12,399

48 On April 3, 2020, Otis Worldwide Corporation ("OWC"), a company incorporated in United States of America was listed on The New York Stock Exchange. Reorganisation has been made in the United Technologies Corporation Inc., United States (UTC) and OWC has become the ultimate holding company of Otis Elevator Company (India) Limited. Since then, UTC has become the former ultimate holding company and is no longer the ultimate holding company.

49 **Offsetting financial assets and financial liabilities**

The following table presents the recognized financial instruments that are subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2021 and March 31, 2020.

Particulars		Related amounts not offset	
	Gross Amounts	**Amounts subject to master netting arrangements**	**Net amount**
As at March 31, 2021			
Other financial assets			
Derivative not designated as hedges			
- Foreign exchange forward contracts	41	(41)	-
Other financial liabilities			
Derivative Financial Liabilities			
Foreign exchange forward contracts	172	(41)	131
As at March 31, 2020			
Other financial assets			
Derivative not designated as hedges			
- Foreign exchange forward contracts	214	(214)	-
Other financial liabilities			
Derivative Financial Liabilities			
Foreign exchange forward contracts	46	(214)	(168)

Master netting arrangements - not currently enforceable

Agreements with derivative counterparties are based on ISDA Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the Company does not presently have a legally enforceable right of set-off, these amounts have not been offset in the balance sheet, but have been presented separately in the table above.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

50 Employee share based payments

Prior to the reorganization of United Corporation Technologies, Inc. (UTC) in April 2020, certain employees of the Company had been granted Long-Term Incentive Plan (LTIP) namely - Stock Appreciation Rights (SAR), Performance Stock Units (PSU), and Restricted Stock Units (RSU) by the former Ultimate Parent Company i.e. UTC.

'- SARs are the grant of a "right" to acquire UTC shares based on the appreciation in value of a fixed number of shares.
'- PSUs are units (representing one UTC Share) transferred to the employee subject to the satisfaction of certain performance conditions.

'- RSUs are units (representing one UTC Share) transferred to the employee at the end of the vesting period.

Generally, stock appreciation rights and stock options have a term of ten years and a minimum three-year vesting period. LTIP awards with performance based vesting generally have a minimum three-year vesting period and vest based on performance against pre-established metrics. The fair value of each option award is estimated on the date of grant using a binomial lattice model.

In conjunction with the reorganization, Otis Worldwide Corporation ("OWC") i.e. the new Ultimate Parent Company adopted the 2020 Long-Term Incentive Plan (the "Plan"). The Plan became effective on April 3, 2020. The Plan provides for the grant of various types of awards including RSUs, SARs, stock options and PSUs. Under the Plan, the exercise price of awards, if any, is set on the grant date and may not be less than the fair market value per share on that date.

The value of the replaced stock-based awards was designed to preserve the aggregate intrinsic value of the award immediately after the separation when compared to the aggregate intrinsic value of the award immediately prior to reorganization. The incremental charge to the Company is not material.

The Company has recognised an employee benefit expense towards share based payment of Rs. 290 lakhs (Previous year Rs. 394 lakhs) with a corresponding increase in Other Equity as equity contribution from the Ultimate Holding Company.

51 Recent accounting pronouncements

Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021

52 Disclosure as per Ind AS 115

(a) Disaggreagtion of revenue from contracts with customers

In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Primary geographical markets		
India	1,64,036	1,68,963
Sri Lanka	3,721	5,308
Nepal	746	758
Bangladesh	1,038	221
Bhutan	172	472
	1,69,713	**1,75,722**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

(b) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	As at March 31, 2021	As at March 31, 2020
Receivables which are included in Trade and other receivables	40,207	37,189
Contract assets		
- Amount due from customers on construction contract	5,911	6,103
- Accrued value of work done net off provision	198,096	179,825
Contract liabilities		
- Amount due to customers under construction contract	0	35,156
- Advance from customer	5,691	5,572

The contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the year ended March 31, 2021 was impacted by an impairment charge of INR NIL. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the Company's contract activity based on normal operating capacity.

Significant changes in contract asset and contract liabilities balances during the year are as follows:

	Particular	As at March 31, 2021	As at March 31, 2020
(A)	**Due from contract customers:**		
	At the beginning of the reporting period (Para 116 (a))	6,103	7,673
	Add: Increase / (decrease) in Progress work (net)	51,157	(9,063)
	Less: Increase / (decrease) in aggregate amount of progress billings (net)	51,349	(7,493)
	At the end of the reporting period (Para 116 (a))	5,911	6,103
(B)	**Due to contract customers:**		
	At the beginning of the reporting period (Para 116 (a))	35,156	40,422
	Less: Increase in aggregated amount of cost incurred and recognised profit (Less recognised losses)	(32,886)	21,158
	Add : Increase / (decrease) in progress billing made towards contracts-in-progress (net)	(31,616)	21,632
	At the end of the reporting period (Para 116 (a))	36,426	35,156

(c) Performance obligation

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the Company provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the Company enters into multiple contracts with the same customer, the Company evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

The Company recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Company's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Company recognises the entire estimated loss in the period the loss becomes known.

Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Company recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e. input method on a straight line basis.

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at March 31, 2021:

Particulars	March 2022	March 2023	March 2024	Total
Contract revenue	124,437	68,183	9,854	202,474
	124,347	**68,183**	**9,854**	**202,474**

The Company applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

d) Reconciliation of revenue recognised in the Statement of Profit and Loss

The following table discloses the reconciliation of amount of revenue recognised for the year ended 31 March 2021:

Particulars	March 2021	March 2022	March 2023	Total
Contract revenue	106,511	99,670	12,695	218,516
	106,151	**99,670**	**12,695**	**218,516**

Particulars	As at March 31, 2021	As at March 31, 2020
Contract price of the revenue recognised	169,713	175,722
Revenue recognised in the Statement of Profit and Loss	**169,713**	**175,722**

Company has applied Ind AS 115 using the cumulative effect method.

53 COVID-19

The COVID -19 pandemic impacted our operations in quarter one of the current financial year. The company had taken various Covid related initiatives for our customers, employees and field partners. Factory operations were closed from 10th May 21 to 13th June 21 and have resumed shipments from mid- June. We continue to review and enhance our Business Continuity Plans (BCP) to deal with ever evolving situation. Our team across factory, field and functions are performing their activities following enhanced internal safety and government protocols. We have seen a pickup in activity from beginning of Q2 and expect overall elevator segment to grow over prior year. Based on internal and external assessment and considering the current economic indicators, the Company expects to recover the carrying amount of these assets as disclosed in the standalone financial statements up to the date of approval of these standalone financial statements by the Board. The management has also considered the impact of COVID -19 on the business for the foreseeable future and also the backlog and service portfolio and have concluded that the Company has sufficient resources to continue as a going concern and will be able to meet its financial obligations over the foreseeable future. The Company will continue to review the overall situation and take appropriate actions.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

54 Prior year comparative

Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification/ disclosure.

In terms of our report of even date attached

For B S R & Co. LLP'For B S R & Co. LLP
Chartered Accountants
'Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008

Place: Mumbai
Date: August, 26, 2021

For and on behalf of the Board of Directors of Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August, 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248

Place: Mumbai

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Otis Elevator Company (India) Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company, incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 46 to the consolidated financial statements.

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 20, 25 and 26 to the consolidated financial statements in respect of such items as it relates to the Group.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31 March 2021.

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2021.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the report of the statutory auditor of subsidiary company, the remuneration paid / provided during the year by the Holding Company, to its directors is in accordance with the provisions of Section 197 of the Act and the subsidiary company has not paid / provided any remuneration to its directors and hence the provisions of Section 197 of the Act is not applicable to the subsidiary company. The remuneration paid / provided to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 01248W/W100022

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN: 21116008AAAAAM2931

Place: Mumbai
Date: 26 August 2021

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT - 31 MARCH 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph A f) under 'Report on Other Legal and Regulatory Requirements' Section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of Otis Elevator Company (India) Limited (hereinafter referred to as "the Holding Company") and such company incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No. 01248W/W100022

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN: 21116008AAAAAM2931

Mumbai
26 August 2021

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Balance sheet as at March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

ASSETS	Notes	As at March 31, 2021	As at March 31, 2020
Non-current assets			
Property, plant and equipment	4(a)	5,920	6,278
Right of use assets	5	2,116	3,562
Capital work-in-progress	4(a)	91	22
Other Intangible assets	4(b)	773	1,005
Financial assets			
(i) Loans	6(a)	51	55
(ii) Trade receivables	13(a)	217	523
(iii) Other financial assets	7	775	683
Deferred tax assets (net)	8	7,740	7,716
Income tax assets (net)	9(a)	837	4,144
Other non-current assets	10	6,621	6,679
Total non current assets		**25,141**	**30,667**
Current assets			
Inventories	11	15,867	19,220
Financial assets			
(i) Loans	6(b)	2,497	2,492
(ii) Contract work-in-progress	12	5,920	6,104
(iii) Trade receivables	13(b)	40,096	36,727
(iv) Cash and cash equivalents	14	50,629	47,166
(v) Bank balances other than (iv) above	15	742	581
(vi) Other financial assets	16	1,547	1,478
Current Tax assets (net)	9(b)	618	-
Other current assets	17	1,695	1,603
Assets held for sale	4(c)	10	10
Total current assets		**119,621**	**115,381**
TOTAL ASSETS		**144,762**	**146,048**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	1,181	1,181
Other equity	19	23,596	25,006
Total equity		**24,777**	**26,187**
LIABILITIES			
Non-current liabilities			
Provisions	20	9,282	12,016
Financial Liabilities			
Lease Liabilities	23	797	1,835
Employee benefit obligations	21(a)	52	46
Other non-current liabilities	22	2,831	2,919
Total non-current liabilities		**12,962**	**16,816**
Current liabilities			
Financial liabilities			
(i) Trade payables	24		
(a) Total outstanding dues of micro and small enterprises		2,465	1,882
(b) Total outstanding dues other than micro and small enterprises		33,832	31,397
(ii) Lease liabilities	29	1,454	1,768
(iii) Other financial liabilities	25	3,835	3,480
Provisions	26	4,612	4,978
Employee benefit obligations	21(b)	5,422	4,287
Liabilities for current tax (net)	27	-	357
Other current liabilities	28	55,403	54,896
Total current liabilities		**107,023**	**103,045**
Total liabilities		**119,985**	**119,861**
TOTAL EQUITY AND LIABILITIES		**144,762**	**146,048**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.
In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: August 26, 2021

For and on behalf of the Board of Directors of Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai

OTIS

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Revenue			
Revenue from operations	30	171,009	176,726
Other income	31	6,160	5,424
Total income		**177,169**	**182,150**
Expenses			
Cost of materials consumed	32	84,064	77,085
Employee benefits expenses	33	35,787	36,823
Finance costs	34	398	785
Depreciation and amortisation expenses	35	2,880	2,855
Other expenses	36	31,906	35,946
Total expenses		**155,035**	**153,494**
Profit before tax		**22,134**	**28,656**
Income tax expense			
1. Current tax	43	5,700	6,560
2. Deferred tax	43	95	4,106
3. Adjustment of tax for earlier years		(36)	(247)
		5,759	**10,419**
Profit for the year		**16,375**	**18,237**
Other comprehensive income			
Items that will not be reclassified to the Statement of Profit and Loss:			
Actuarial gains/(losses) arising from remeasurements of post-employment benefit obligations		(482)	(235)
Deferred tax income related to above item		119	59
Other comprehensive income for the year, net of tax		(363)	(176)
Total comprehensive income for the year		**16,012**	**18,061**
Earnings per Share - (Basic and Diluted) [Refer note 37] (Rs. per Equity Share of Rs. 10 each) [Nominal value of share Rs. 10 each] (Previous Year - Rs. 10 each)		138.67	154.45

The above consolidated statement of Profit and Loss should be read in conjunction with the accompanying notes.
In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: August 26, 2021

For and on behalf of the Board of Directors of Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities:		
Profit before tax	22,134	28,656
Adjustments for :		
Depreciation and amortisation expense	2,880	2,855
Provision for expected credit loss and other financial assets	2,212	1,412
Unrealised loss/(gain) on fluctuation in foreign exchange (net)	(148)	178
Interest expense on delayed payments of taxes	-	119
Interest on lease liability	333	437
Interest on :		
- Deposits with Bank	(1,286)	(2,458)
- Income tax refund	(654)	(327)
- Loans to related parties	(276)	(596)
- Others	(5)	(6)
Profit on sale / disposal of property, plant and equipment (net)	(19)	(42)
Provision for product upgradation	-	54
Provision for contingency / write back of provision for contingency (net)	(2,709)	(1,408)
Bad debts provision utilised	(766)	-
Bad non-financial assets written off	31	316
Interest due on Micro and Small Enterprises	65	68
Unwinding of Interest on deposits / retention money / employee loans	(108)	160
Share based payments to Employees	290	394
Mark to market on foreign exchange forward contracts	131	(168)
Operating profit before working capital changes	**22,105**	**29,644**
Change in operating assets and liabilities		
Decrease / (Increase) in trade receivables - non-current	306	(476)
(Increase) in trade receivables - current	(4,643)	(4,950)
Decrease / (Increase) in inventories	3,353	(6,685)
Increase in trade Payables	3,099	184
(Increase) in other current financial assets	(120)	(304)
Decrease / (Increase) in other non-current assets	(159)	396
(Increase) / Decrease in other current assets	(90)	204
(Decrease) in provisions (non-current)	(25)	(1,821)
(Decrease) in provisions (current)	(366)	(1,265)
(Decrease) in employee benefit obligations (non-current)	(476)	(14)
Increase in employee benefit obligations (current)	1,135	108
Increase / (Decrease) in other current financial liabilities	339	(310)
(Decrease) / Increase in non-current liabilities	(88)	1,552
Decrease in other non current financial assets	20	21
Increase / (Decrease) in other current liabilities	507	(79)
Decrease in Contract work-in-progress	184	1,574
Operating profit after working capital changes	**25,081**	**17,779**
Taxes paid (net)	(3,332)	(5,259)
Net cash generated from operating activities (A)	**21,749**	**12,520**
Cash flow from investing activities		
Purchase of property, plant and equipment	(804)	(681)
Proceeds from sale of Property plant and equipment	67	63
Loan given to related parties	-	(2,450)
Loan repaid by related parties	-	25,197
Interest received	2,111	5,508
(Increase) in other bank balances	(161)	(262)
Net Cash Generated from Investing Activities (B)	**1,213**	**27,375**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from financing activities		
Interest paid on short term borrowings	-	(28)
Dividend paid	(17,673)	(12,315)
Dividend distribution tax paid	-	(2,549)
Repayment of principal lease liabilities	(1,826)	(1,696)
Repayment of Borrowings	-	(100)
Interest expense	-	(119)
Net cash (utilised) for Financing Activities (C)	**(19,499)**	**(16,807)**
Net Increase in Cash and Cash Equivalents (A+B+C)	**3,463**	**23,088**
Cash and Cash Equivalents at the Beginning of the Year	47,166	24,078
Cash and Cash Equivalents at the End of the Year	**50,629**	**47,166**
Cash and Cash Equivalents comprise:		
Cheques on hand	49	-
Bank Balances:		
- In Current accounts	6,483	2,785
- Deposits with original maturity of less than three months	44,097	44,381
	50,629	**47,166**

Notes:

1. The above Consolidated Cash Flow Statement has been prepared under "Indirect Method" set out in Accounting Standard (Ind AS) 7 on the Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
2. The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes.

3. Movement of short-term borrowings	For the year ended March 31, 2021 In Rs. Lakhs	For the year ended March 31, 2020 In Rs. Lakhs
Short-term borrowings (1st April)	-	100
Add/Less: movement during the year	-	(100)
Short-term borrowings (31st March)	-	-

In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: August 26, 2021

For and on behalf of the Board of Directors of
Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of changes in equity for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

A. Equity Share Capital (Refer Note 18)

Particulars	Amount
Balance as at April 1, 2019	**1,181**
Changes in equity share capital	-
Balance as at March 31, 2020	**1,181**
Changes in equity share capital	-
Balance as at March 31, 2021	**1,181**

B. Other equity (Refer Note 19)

Particulars	Reserves and Surplus			Other Equity (Refer Note 52)	Total
	Capital redemption reserve	General reserve	Retained earnings	Equity contribution from Ultimate Parent - Share based payments	
Balance as at April 1, 2019	**73**	**1,759**	**17,963**	**1,704**	**21,499**
Profit for the year	-	-	18,237	-	18,237
Other comprehensive income	-	-	(176)	-	(176)
Total comprehensive income for the year	**-**	**-**	**18,061**	**-**	**18,061**
Dividends paid	-	-	(12,399)	-	**(12,399)**
Dividend distribution tax			(2,549)	-	**(2,549)**
Addition towards share based payments	-	-	-	394	394
Balance as at March 31, 2020	**73**	**1,759**	**21,076**	**2,098**	**25,006**

Particulars	Reserves and Surplus			Other Equity (Refer Note 52)	Total
	Capital redemption reserve	General reserve	Retained earnings	Equity contribution from Ultimate Parent - Share based payments	
Balance as at April 1, 2020	**73**	**1,759**	**21,076**	**2,098**	**25,006**
Profit for the year	-	-	16,375	-	16,375
Other comprehensive income	-	-	(363)	-	(363)
Total comprehensive income for the year	**-**	**-**	**16,012**	**-**	**16,012**
Dividends paid	-	-	(17,712)	-	(17,712)
Addition towards share based payments	-	-	-	290	290
Balance as at March 31, 2021	**73**	**1,759**	**19,376**	**2,388**	**23,596**

The above Consolidated Statement of changes in equity should be read in conjunction with the accompanying notes.

In terms of our report of even date attached.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: August 26, 2021

For and on behalf of the Board of Directors of Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

1 Background of the Company

The Otis Elevator Company (India) Limited ('the Holding Company') having its registered office at Magnus Towers, 9th Floor, Mindspace, Link Road, Malad West, Mumbai – 400 064 was incorporated on 30th October, 1953 vide Certificate of Incorporation number U29150MH1953PLC009158 issued by the Registrar of Companies, Mumbai, Maharashtra. The Group is engaged inter-alia in the business of manufacture, erection, installation and maintenance of elevators, escalators and travolators. The financial statements of Otis Elevator Company (India) Limited (hereinafter referred to as the 'Holding Company") and its subsidiary i.e. Supriya Elevator Company (india) Limited (Holding Company and its subsidiary together referred to as "the Group").

2 Basis of Preparation and Principles of Consolidation:

(A) Basis of Preparation

(a) Statement of compliance

These Consolidated Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the 2013 Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016, and the relevant provisions and amendments, as applicable.

These consolidated financial statements were authorised for issue by the Company's Board of Directors on August 26, 2021

(b) Historical cost convention

These consolidated financial statements have been prepared on the historical cost basis except for the following:
(i) Certain financial assets and liabilities (including derivative instruments) measured at fair value
(ii) Defined benefit plans - plan assets measured at fair value

(c) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This Note provides an overview of the areas that involved higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant Notes together with information about the basis of calculation for each affected line item in the consolidated financial statements.

The areas involving critical estimates or judgments are:
(i) Estimation of total contract revenue and cost of revenue recognition (Refer Note 53)
(ii) Estimation of defined benefit obligations (Refer Notes 33 and 21)
(iii) Estimation of current tax expense and receivables/payables (Refer Notes 9, 27 and 43)
(iv) Impairment of trade receivables and other receivables (Refer Notes 6(a), 6(b), 7, 10, 13(a), 13(b), 16 and 17)
(v) Recognition and measurement of provisions and contingencies (Refer Notes 20 and 26)

(d) Current vs non-current classification

Operating cycle

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the supply of products/rendering of services and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current-non current classification of assets and liabilities.

(B) Principles of Consolidation and equity accounting:

a) Subsidiary

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, consolidated statement of changes in equity and balance sheet respectively.

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(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control.
This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associate are accounted for using the equity method of accounting (see (c) below), after initially being recognised at cost.

(c) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in Note 3(h) below.

(d) Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements unless otherwise indicated.

(a) Foreign currency translations

(i) <u>Functional and presentation currency</u>

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated Ind AS financial statements are presented in Indian rupee (Rs.), which is Group's functional and presentation currency.

(ii) <u>Transactions and balances</u>

Transactions in foreign currencies are translated to the functional currency of the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate prevailing on that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are generally recognised in consolidated statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

(b) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Financial assets

A financial asset is (i) Cash; (ii) a contractual right to receive cash or another financial asset; to exchange financial assets or financial liabilities under potentially favorable conditions; (iii) or a contract that will or may be settled in the entity's own equity instruments and a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Recognition, measurement and classification

A financial asset is recognised in the consolidated balance sheet only when the Group becomes party to the contractual provisions to the instrument. All financial assets are measured initially at its fair value plus, in the case of a financial asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs of financial assets carried at fair value through profit and loss are expensed to Consolidated Statement of Profit and Loss.

The Group classifies its financial assets into a) financial assets measured at amortised cost, and b) financial assets measured at fair value (either through other comprehensive income or through Consolidated Statement of Profit and Loss). Management determines the classification of its financial assets at the time of initial recognition or, where applicable, at the time of reclassification. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

(1) Financial assets measured at amortised cost

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a financial asset that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in consolidated statement of profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

A financial asset is classified at amortised costs if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using effective interest rate method (EIR). Amortised cost is arrived at after taking into consideration any discount or fees or costs that are an integral part of the EIR. The amortisation of such interests forms part of finance income in the consolidated statement of profit and loss. Any impairment loss arising from these assets are recognised in the consolidated statement of Profit and Loss.

(2) Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is classified at fair value through other comprehensive income if it is held within a business model whose objective is to a) hold financial asset in order to collect contractual cash flows and for selling the financial assets and b) the contractual terms of the financial asset give rise on specific dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through Other Comprehensive Income (OCI), except for the recognition of impairment of gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Consolidated Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to consolidated statement of profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method.

(3) Financial assets measured at fair value through profit and loss (FVTPL)

Any asset which do not meet the criteria for classification as at amortised cost or as FVTOCI, is classified as FVTPL. Financial assets at fair value through profit or loss are measured at fair value, and changes therein are recognised in the Consolidated statement of Profit and Loss.

(ii) Financial liabilities

A financial liability is (i) a contractual obligation to deliver cash or another financial asset to another entity; or to exchange financial instruments under potentially unfavorable conditions; (ii) or a contract that will or may be settled in the entity's own equity instruments and is a non-derivative for which the entity is or may be obliged to deliver a variable number of its own equity instruments; or a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Recognition, measurement and classification

A financial liability is recognised in the balance sheet only when the Group becomes party to the contractual provisions to the instrument.

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification.

After initial measurement, such financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the consolidated Statement of Profit and Loss.

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(iii) Equity instruments

An equity instrument is any contract that evidences residual interests in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(iv) De-recognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership is transferred. A financial liability is de-recognised when the obligation specified in the contract is discharged, cancelled or expires.

(v) Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets.

The Group follows 'simplified approach' permitted by Ind AS 109, Financial instruments, for recognition of impairment loss allowance on Trade Receivables which requires expected lifetime losses to be recognised from initial recognition of the receivables.

At the time of recognition of impairment loss on other financial assets, the Group determines that whether there has been a significant increase in the credit risk since its initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the financial instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance/reversal is recognized during the period as expense/income in the consolidated Statement of Profit and Loss. In case of financial assets measured as at amortised cost, ECL is presented as an allowance. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount but is disclosed as net carrying amount.

(vi) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value through consolidated Statement of Profit or Loss.

(vii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(c) Inventories

Inventories are valued at the lower of cost and net realisable value.

Cost of components for service and repair inventories are computed on weighted average cost basis. Cost for components of elevators work -in-progress for components for elevators constructions includes materials, labour and manufacturing overheads and other costs incurred in bringing the inventories to their present location, and is determined using standard cost method that approximates actual cost.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amount disclosed as revenue are inclusive of excise duty (up to the applicable date), and net of sales taxes (up to the applicable date), Goods and Services Tax (GST) and taxes collected on behalf of the third parties. Revenue is recognised to the extent it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

The Group has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 2018. The group has adopted Ind AS 115 'Revenue from Contracts with Customers' effective 1 April 2018. The group has elected the option of the modified retrospective approach Group has applied the following accounting policy for revenue recognition:

Revenue from sale of contracts for supply and installation of elevators, escalators and trav-o-lators.

Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, Group will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs; or

2. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Group's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any sales incentives, royalties, and other forms of variable consideration.

When Group satisfies a performance obligation by delivering the promised goods or services it creates a contract asset based on the amount of consideration to be earned by the performance. Where the amount of consideration received from a customer exceeds the amount of revenue recognised this gives rise to a contract liability.

Advances from customers, progress payments, amount due from and due to customers and retention money receivable.

Advances received from customers in respect of contracts are treated as liabilities and adjusted against progress billing as per terms of the contract.

Progress payments received are adjusted against amount receivable from customers in respect of the contract work performed.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus margin recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (costs plus attributable margin) for the contract work performed till date.

Amounts retained by the customers until the satisfactory completion of the contracts are recognised as receivables.

Revenue from construction and repair contracts is recognised on Percentage of Completion Method with reference to the stage of completion of the contract activity at the end of the reporting period. The stage of completion of a contract is determined as the proportion that contract costs incurred for work performed up to the year end bear to the estimated total contract costs. However, provisions are made for the entire loss on a contract irrespective of the amount of work done.

When two or more revenue generating activities or deliverables are provided under a single arrangement, each deliverable is considered to be a separate unit of account and accounted for separately. The allocation of consideration from a revenue arrangement to its separate units of account is based on the relative fair value of each unit. If the fair value of the delivered item is not reliably measurable, then revenue is allocated based on the difference between the total arrangement consideration and the fair value of the undelivered item. Under contracts for supplies and installation, the Group provides free service/maintenance to its customers. The consideration received is allocated between the equipment sale and service relative to the fair value of free service offered. The fair value of the free service is deferred and recognised as revenue on pro-rata basis over the contract period.

Revenue from Maintenance contracts is recognised on pro-rata basis over the contract period.

Revenue from the sale of raw materials and components, and sale of scrap are recognised when the significant risks and rewards of ownership of the goods have passed to the customer.

Price Adjustment Claims, if any, are recognised as income after considering reasonable certainty of collection.

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(e) Other Income

Interest income from financial asset is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial asset (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends are recognised in consolidated statement of profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

Recoveries from Group Companies include recoveries towards common facilities/resources and other support provided to such parties which is recognised as per terms of agreement.

(f) Property, plant and equipment

Recognition and measurement

Freehold land is stated at cost. All other items of property, plant and equipment are measured at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The costs of the day-to-day servicing of property, plant and equipment are recognised in Consolidated Statement of Profit and Loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible assets is provided on written down value method at the rates and in the manner prescribed under Schedule II of the Companies Act, 2013. Depreciation is provided on pro-rata basis with reference to the month of addition/installation/disposal of assets, except in case of assets costing Rs. 5,000 or less, which are depreciated fully in the year of acquisition. The Group has expensed all tangible assets equal to or below Rs. 150,000 post April 1, 2017 in the consolidated Statement of Profit and Loss. The Group has estimated the useful lives of assets equivalent to the useful lives prescribed in Schedule II to the Companies Act, 2013 as below:

Particulars	Useful lives
Buildings	30 years
Plant & equipment	15 years
Furniture & fixtures	10 years
Electrical installations	10 years
Computers	3 years
Vehicles	8 - 10 years
Office equipments	5 years

The residual values are not more than 5% of the original cost of the asset. Depreciation methods, residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is higher than its estimated recoverable amount.

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the consolidated Statement of Profit and Loss.

Leaseholds improvements are amortised over the lease period on Straight line basis.

Assets classified as held for sale, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in consolidated Statement of Profit and Loss. Once classified as held-for-sale they are no longer depreciated.

Transition to Ind AS

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(g) Intangible assets

Intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Softwares purchased are amortised over a period of 3 to 5 years on straight line basis.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the consolidated Statement of Profit and Loss.

Research and Development:
Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the consolidated Statement of Profit and Loss unless a product's technical feasibility and other criteria set out in Ind AS 38 – 'Intangible assets' have been established, in which case such expenditure is capitalised.

Transition to Ind AS
On transition to Ind AS, the Group has elected to continue with the carrying value of all of intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(h) Impairment of non-financial assets :
Non-Financial assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are Grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Groups of assets (cash-generating units).

(i) Leases
Operating lease
As a Lessee, leases in which significant portion of risks and rewards of ownership are not transferred to the Group are classified as operating lease.

Payments made under operating leases are charged to consolidated Statement of Profit and Loss on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Leases are accounted as per Ind AS 116 which has become mandatory from April 1, 2019

The Group, as a lessee, recognizes a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Assets taken on lease are accounted as right-of-use assets and the corresponding lease liability is accounted at the lease commencement date except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Group recognizes the lease payments as an operating expense on a straight line basis over the term of the lease.

The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date. The right-of-use assets is depreciated using the straight-line method from the commencement date to the end of lease term. The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Transition to IND AS 116

The Group had adopted IND AS 116 - Leases effective April 1, 2019, using the modified retrospective approach - II. The Company had applied the standard to its leases considering the commencement date as April 1 ,2019. Accordingly previous period information has not been restated.

The Group had availed of following practical expedients as provided by the Standard:

(i) Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as a short-term lease.
(ii) Low value lease assets are recognized as operating expense on straight line basis over the term of lease.
(iii) The Group has excluded initial direct costs from the measurement of the right-of-use asset.

(j) Employee benefits
i) Short term obligation
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. Termination benefits are recognised as an expense as and when incurred.

ii) Other long-term employee benefit obligations

Compensated Absences

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in consolidated statement of profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post employment obligations

a) Defined contribution plans

A defined contribution plan is a post-employment plan under which an entity pays fixed contributions and will have no legal or constructive obligation to pay further amounts.

The Group contributes to Superannuation Fund and has no further obligation beyond making its contribution. The Group's contributions to the above funds are charged to the consolidated Statement of Profit and Loss.

b) Defined benefit plans

Provident Fund

Contributions to Provident Fund and Employee's Pension Scheme 1995 are made to Trust administered by the Group. The Group's liability is actuarially determined (using the Project Unit Credit method) at the end of the year and any shortfall in the fund size maintained by the Trust set up by the Group, is additionally provided for.

Gratuity

The Group provide for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment of vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees' salary and the tenure of employment. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

The Holding Company makes annual contribution to Otis Elevator Company (India) Limited Employees' Gratuity Fund which in turn invests in various permissible investments. The scheme provides for lumpsum payment to vested employees at retirement, death while in employment or on termination of employment as per Company's Gratuity Scheme. Vesting occurs on completion of five years. The defined benefit plans of the subsidiary are unfunded.

The liability or asset (as applicable) recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets (as applicable).

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Consolidated Statement of Profit and Loss as past service cost.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets (as applicable). This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv) Termination Benefits

Termination benefits in the nature of voluntary separation plan are recognised in the consolidated Statement of Profit and Loss as and when incurred.

v) Share based payments

Share based compensation benefits are provided to employees by the Ultimate Parent Group without any cross charge.

The fair value of options granted is recognised as an employee benefit expenses with a corresponding increase in equity as contribution from the parent. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in the Consolidated Statement of Profit and Loss, with a corresponding adjustment to equity.

(k) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in other comprehensive income.

Current tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The carrying amount of deferred tax assets are reviewed at the end of each reporting period and are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current and deferred tax is recognised in the consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

(l) Provisions and contingent liabilities

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value, wherever Group can estimate the time of settlement, of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provisions due to passage of time is recognised as interest expense.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.
Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 - "Provision, contingent liabilities and contingent assets" is made.

(m) Segment reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

(n) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

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

(o) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash flows, Cash and cash equivalent comprise of cash/cheques on hand and at banks including short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, and bank overdrafts.

(p) Investments

Investments in subsidiary and associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary/associate, the difference between net disposal proceeds and the carrying amounts are recognised in the consolidated Statement of Profit and Loss. Upon first-time adoption of Ind AS, the Group has elected to measure its investments in subsidiary and associate at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

(q) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(r) Measurement of fair value

Group measures certain financial instruments, such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(s) Borrowing cost

Borrowing costs are interest and ancillary costs incurred in connection with the arrangement of borrowings. General and specific borrowing costs attributable to acquisition and construction of any qualifying asset (one that takes a substantial period of time to get ready for its designated use or sale) are capitalised until such time as the assets are substantially ready for their intended use or sale, and included as part of the cost of that asset. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All the other borrowing costs are recognised in the consolidated Statement of Profit and Loss within Finance costs of the period in which they are incurred.

(t) Rounding of amounts

All amounts disclosed in the consolidated financial statements and Notes have been rounded off to the nearest Rupees in lakhs as per the requirement of Schedule III, unless otherwise stated.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

4. Property, Plant and Equipment

(a)

Description	Gross Block				Depreciation				Net Block
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	For the year	Deductions	As at March 31, 2021	As at March 31, 2020
Freehold land	250	-	-	250	-	-	-	-	250
Buildings	5,122	-	2	5,120	1,860	312	1	2,171	2,949
Leasehold improvements	691	38	13	716	488	56	12	532	184
Plant and equipments	4,642	103	42	4,703	2,317	479	25	2,771	1,932
Furniture and fixtures	192	-	25	167	137	15	23	129	38
Electrical installations	294	-	1	293	225	16	1	240	53
Computers	100	526	1	625	82	87	-	169	456
Vehicles	16	-	11	5	12	1	9	4	1
Office equipments	362	-	11	351	270	33	9	294	57
Total	**11,669**	**667**	**106**	**12,230**	**5,391**	**999**	**80**	**6,310**	**5,920**
Capital Work-in-progress	**22**	**731**	**662**	**91**	**-**	**-**	**-**	**-**	**91**

Description	Gross Block					Depreciation				Net Block
	As at April 1, 2019	Additions	Deductions	Transfer in/ (out)	As at March 31, 2020	As at April 1, 2019	For the year	Deductions	As at March 31, 2020	As at March 31, 2020
Freehold land	250	-	-	-	250	-	-	-	-	250
Buildings	5,227	8	12	(101)	5,122	1,518	347	5	1,860	3,262
Leasehold improvements	492	244	45	-	691	460	70	42	488	203
Plant and equipments	3,999	561	19	101	4,642	1,798	530	11	2,317	2,325
Furniture and fixtures	174	18	-	-	192	121	16	-	137	55
Electrical installations	294	-	-	-	294	202	23	-	225	69
Computers	109	-	9	-	100	68	22	8	82	18
Vehicles	18	-	2	-	16	10	2	-	12	4
Office equipments	281	81	-	-	362	216	54	-	270	92
Total	**10,844**	**912**	**87**	**-**	**11,669**	**4,393**	**1,064**	**66**	**5,391**	**6,278**
					-					
Capital Work-in-progress	**337**	**594**	**909**	**-**	**22**	**-**	**-**	**-**	**-**	**22**

(b) Other Intangible assets

Description	Gross Block				Amortisation				Net Block
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	For the year	Deductions	As at March 31, 2021	As at March 31, 2021
Software	1,545	84	-	1,629	540	316	-	856	773
Total	**1,545**	**84**	**-**	**1,629**	**540**	**316**	**-**	**856**	**773**
Intangible under development	-		-	-	-	-	-	-	-

Description	Gross Block				Amortisation				Net Block
	As at April 1, 2019	Additions	Deductions	As at March 31, 2020	As at April 1, 2019	For the year	Deductions	As at March 31, 2020	As at March 31, 2020
Software	1,440	105	-	1,545	215	325	-	540	1,005
Total	**1,440**	**105**	**-**	**1,545**	**215**	**325**	**-**	**540**	**1,005**
Intangible under development	-	105	105	-	-	-	-	-	-

OTIS ELEVATOR COMPANY (INDIA) LIMITED

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(All amounts are in Rupees in Lakhs, except otherwise as stated)

(c) Assets held for sale	As at March 31, 2021	As at March 31, 2020
Building (Net block)	10	10
	10	10

Note:
The directors of the Holding Company had decided to sell the Godown No. 12 & 13, garage no. 1 located at Seeta Mahal Co-op Housing Society Limited, Mumbai 400026 in the Board meeting held on August 8, 2018. Accordingly, the net book value of building apportionment thereto has been classified as assets held for sale. These assets were not sold during the current year and the Holding Company continues to hold these assets for sale as re-confirmed by Board in their meeting held on August 26, 2021.

5 Right of use assets

Movements during the year

Description	Gross Block				Depreciation				Net block as at
	Balance as at April 1, 2020	Additions	Deductions	Balance as at March 31, 2021	Balance as at April 1, 2020	For the year	Deductions	Balance as at March 31, 2021	
Leasehold buildings	4,287	110	-	4,397	1,274	1,339	-	2,613	1,784
Leasehold Vehicles	585	21	24	582	154	186	12	328	254
Leasehold Office equipments	156	10	24	142	38	40	14	64	78
Total	**5,028**	**141**	**48**	**5,121**	**1,466**	**1,565**	**26**	**3,005**	**2,116**

Movements during the year

Description	Gross Block					Depreciation				Net block as at March 31, 2020
	Balance as at April 1, 2019	Addition on account of transition to IND AS 116-April 1, 2019	Addition	Deduction	Balance as at March 31, 2020	Balance as at April 1, 2019	For the year	Deductions	Balance as at March 31, 2020	
Leasehold buildings	-	3,884	403	-	4,287	-	1,274	-	1,274	3,013
Leasehold Vehicles	-	344	241	-	585	-	154	-	154	431
Leasehold Office equipments	-	121	35	-	156	-	38	-	38	118
Total	**-**	**4,349**	**679**	**-**	**5,028**	**-**	**1,466**	**-**	**1,466**	**3,562**

NOTES:

(a) The Group has adopted IND AS 116 - Leases effective April 1, 2019, using the modified retrospective approach - II. The Group has applied the standard to its leases considering the commencement date as April 1 ,2019.

This has resulted in recognising a right-of-use asset of Rs. 4,349 lakhs (including reclassification of deposit of Rs. 203 lakhs) and a corresponding lease liability of Rs. 4,146 lakhs in the previous year.

The weighted average incremental borrowing rate of 8% to 11.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

(b) The Group incurred Rs. 297 lakhs (Previous year Rs. 371 lakhs) towards expenses relating to short-term leases and leases of low-value assets. Interest on lease liabilities is Rs. 333 lakhs (Previous year 437 lakhs) for the year.

(c) The Group's leases mainly comprise of office premises, vehicles and office equipments.

6 (a) Loans - Non-current	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Loans to employees	51	55
	51	**55**

6 (b) Loans - Current	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good:		
Loans to related parties		
Otis Global Services Centre Private Limited	2,450	2,450
Loans to employees	47	42
	2,497	**2,492**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Details of Loans to Related Parties

Particulars	As at March 31, 2021 Amounts	Purpose	Rate of interest %	Repayable on or before*
Otis Global Services Centre Private Limited	2,000	Project financing and working capital	11.25	31-Dec-21
Otis Global Services Centre Private Limited	450	Project financing and working capital	11.25	31-Dec-21
	2,450			

Details of Loans to Related Parties

Particulars	As at March 31, 2020 Amounts	Purpose	Rate of interest %	Repayable on or before*
Otis Global Services Centre Private Limited	2,000	Project financing and working capital	11.25	27-Apr-20
Otis Global Services Centre Private Limited	450	Project financing and working capital	11.25	21-Jun-20
	2,450			

*Subsequent to the year end, terms of loans repayment has been extended by the Group from the time to time basis mutual understanding.

7 **Other financial assets (non current)**	**As at March 31, 2021**	**As at March 31, 2020**
Unsecured, considered good		
Security deposits	762	669
Long-term Deposits with bank with maturity period more than 12 months	13	13
Interest accrued on deposits, Loans and advances	-	1
Unsecured, considered doubtful		
Security deposits	70	70
Less: Provision for expected credit loss	(70)	(70)
	-	-
	775	683

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

		As at March 31, 2021	As at March 31, 2020
8	**Deferred tax assets (Net)** [Refer note 43D]		
	Deferred tax assets		
	Provision for expected credit loss	2,586	2,222
	Provision for compensated absences and gratuity	1,358	1,072
	Provision for product upgradation	13	28
	Disallowances under Section 40(a) of the Income tax Act, 1961	99	99
	Depreciation and amortisation	181	150
	Provision for contingency	2,336	3,024
	Provision for foreseeable losses on contracts	1,134	1,170
	Mark to market adjustment on derivative contracts	33	-
	Gross deferred tax assets	**7,740**	**7,765**
	Deferred tax liabilities		
	Mark to market adjustment on derivative contracts gains	-	42
	Ind AS 116 Lease impact	-	7
	Gross deferred tax liabilities	**-**	**49**
	Deferred tax assets (net)	**7,740**	**7,716**

		As at March 31, 2021	As at March 31, 2020
9(a)	**Income tax assets (net)**		
	Advance income tax	34,317	36,001
	Provision for tax	(33,480)	(31,857)
		837	**4,144**

		As at March 31, 2021	As at March 31, 2020
9(b)	**Current tax assets (net)** [Refer Note 3(k)]		
	Advance income tax	6,318	-
	Provision for tax	(5,700)	-
		618	**-**

		As at March 31, 2021	As at March 31, 2020
10	**Other non-current assets**		
	Unsecured, considered good		
	Capital advances	9	48
	Prepaid expenses	73	59
	Balances with government authorities	6,539	6,572
	Unsecured, considered doubtful		
	Balances with Government Authorities	1,313	1,166
	Less: Impairment loss allowance	(1,313)	(1,166)
		-	-
		6,621	**6,679**

		As at March 31, 2021	As at March 31, 2020
11	**Inventories (at lower of cost or net realisable value)**		
	Raw materials:		
	Components and Spares [including Components In-transit Rs. 5,032 lakhs (March 31, 2020: Rs. 10,686 lakhs)]	15,867	19,220
		15,867	**19,220**

During the year, the Group has written down inventories by Rs. 98 lakhs (Previous Year Rs. 106 lakhs) in respect of provision for slow moving and obsolete items. These are recognised as an expense during the year.

Details of Inventory

Following the industry pattern, the group considers an Elevator as produced when total components comprising complete elevators are dispatched from the Shipping department. Accordingly, there is no closing stock of goods produced as of March 31, 2021 and March 31, 2020.

	As at March 31, 2021	As at March 31, 2020
12 Contract Work-In-Progress [Refer Note 53]		
Progress work	82,896	31,735
Less: Aggregate amount of progress billings	76,976	25,631
	5,920	**6,104**

	As at March 31, 2021	As at March 31, 2020
13(a) Trade receivables - non current (Unsecured)		
Receivables considered good	217	523
	217	**523**

	As at March 31, 2021	As at March 31, 2020
13(b) Trade receivables - current (Unsecured)		
Receivables considered good*	40,096	36,727
Receivables with significant increase in credit risk	8,302	7,025
	48,398	43,752
Less: Provision for expected credit loss	(8,302)	(7,025)
	40,096	**36,727**

* This includes amount receivable from related parties Rs. 321 lakhs (March 31, 2020 : Rs. 86 lakhs) Refer note 44.

The Group's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 42.

	As at March 31, 2021	As at March 31, 2020
14 Cash and Cash equivalents		
Balances with banks		
- In Current accounts	6,483	2,785
- Deposits with original maturity of less than three months	44,097	44,381
Cheques on hand	49	-
	50,629	**47,166**

	As at March 31, 2021	As at March 31, 2020
15 Bank balances other than above		
Unpaid dividend accounts *	388	349
Deposit with banks [towards security deposit against sales tax and other matters]	354	232
	742	**581**

* The Holding Company can utilise this balance only towards settlement of unclaimed dividend.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

16 Other financial assets	As at March 31, 2021	As at March 31, 2020
Receivables from related parties (Refer note 44)		
Interest accrued on loans		
Otis Global Services Centre Private Limited	254	97
	254	97
Other receivables *	483	498
Other receivables - Unsecured considered good		
Deposits	643	496
Interest accrued on fixed deposits	126	173
Derivative not designated as hedges- Foreign exchange forward contracts	41	214
Unsecured, considered doubtful		
Security deposits	606	581
Less: Impairment loss allowance	(606)	(581)
	1,547	**1,478**

* This includes amount receivable from related parties Rs. 452 lakhs (Previous Year Rs.465 lakhs). (Refer note 44).

17 Other current assets	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	510	693
Advance to employees	2	2
Unbilled revenue	21	15
Advance to suppliers	394	468
Balances with Government Authorities	772	429
Less: Impairment loss allowance	(4)	(4)
	768	425
	1,695	**1,603**

18 Equity share capital	As at March 31, 2021	As at March 31, 2020
Authorised		
15,000,000 (Previous Year 15,000,000) equity shares of Rs. 10 each	1,500	1,500
Issued, subscribed and paid-up		
11,808,222 (previous year : 11,808,222) equity shares of Rs. 10 each fully paid-up	1,181	1,181
	1,181	**1,181**

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

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	11,808,222	1,181	11,808,222	1,181
Additions / deletions during the year	-	-	-	-
Balance as at the end of the year	**11,808,222**	**1,181**	**11,808,222**	**1,181**

(b) The Holding Company has one class of equity shares having a par value of Rs. 10 per equity share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
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(c) Shares held by the parent company

	Relationship	As at March 31, 2021	As at March 31, 2020
11,599,819 equity shares (Previous Year: 11,599,819 equity shares) are held by Otis International Asia Pacific Pte. Ltd. *	Holding Company	1,160	1,160
		1,160	**1,160**

* Name changed from United Technologies South Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

(d) List of shareholders holding more than 5% shares as at the Balance Sheet date:

	As at March 31, 2021		As at March 31, 2020	
Name of the Shareholders	**Number of shares**	**% holding**	**Number of shares**	**% holding**
Otis International Asia Pacific Pte. Ltd. *	11,599,819	98.24%	1,15,99,819	98.24%

* Name changed from United Technologies South Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

19 OTHER EQUITY

	As at March 31, 2021	As at March 31, 2020
Capital redemption reserve	73	73
General reserve	1,759	1,759
Retained earnings	19,376	21,076
ESOP reserve	2,388	2,098
	23,596	**25,006**
a. Capital redemption reserve		
Balance as at the beginning of the year	73	73
Balance as at the end of the year	**73**	**73**
b. General reserve		
Balance as at the beginning of the year	1,759	1,759
Balance as at the end of the year	**1,759**	**1,759**
c. Retained earnings		
Balance as at the beginning of the year	21,076	17,963
Add: Profit for the year	16,375	18,237
Items of other comprehensive income recognised directly in retained earnings		
- Re-measurements of post employment benefit obligation (net of tax)	(363)	(176)
- Dividend (Refer note 47)	17,712	12,399
- Dividend distribution tax	-	2,549
Balance as at the end of the year	**19,376**	**21,076**
d. Employees Share Option Plan (ESOP) reserve		
Balance as at the beginning of the year	2,098	1,704
Add: Additions during the year (Refer Note 52)	290	394
Balance as at the end of the year	**2,388**	**2,098**
	23,596	**25,006**

Nature and purpose of reserves

a. Capital redemption reserve
Capital redemption reserve represents reserves created upon buy back of equity shares in earlier years, pursuant to the requirements of the Companies Act, 1956.

b. General reserve
General reserve represents appropriation of retained earnings and are available for distribution to shareholders.

c. Retained earnings
Retained earnings are the profits that the Group has earned till date.

d. Employees Share Option Plan (ESOP) reserve
The ESOP reserve is used to recognise the grant date fair value of share based options issued to employees by the ultimate parent company. Refer note 52 for details.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

	As at March 31, 2021	As at March 31, 2020
20 Provisions - Non-Current		
Other provisions		
Provision for contingency	9,282	12,016
	9,282	**12,016**

Provision for contingency (Refer note 41):
Provision for Contingency represents estimates made for probable liabilities arising out of pending matters with various tax authorities and these are reviewed on an yearly basis including having legal opinions where necessary. Outflow with regard to the said matters depends on exhaustion of remedies available to the Group under the law and hence, the Group is not able to reasonably ascertain the time of outflow.

Provision for product upgradation (Refer note 26):
Provision for product upgradation includes free product upgrade to be provided to the customers to enhance safety, quality and maintenance of elevators. The amount is determined based on the estimated cost of material and labour to be incurred on the affected units.

Provision foreseeable losses on contracts (Refer note 26):
Provision for foreseeable losses represents estimates made for foreseeable losses on contracts. Outflow with regard to the said matters depends on the stage of the Contract and lapse of time and hence, the Group is not able to reasonably ascertain the time of outflow.

(i) Movement in provisions

Particulars	Year ended March 31, 2021			Year ended March 31, 2020		
	Provision for product upgradation	Provision for contingency	Provision for forseeable losses on contracts	Provision for product upgradation	Provision for contingency	Provision for forseeable losses on contracts
Opening Balance	113	12,016	4,865	208	15,245	5,981
Provision recognised during the year	-	1,556	2,526	114	2,066	2,676
Provision utilised during the year	(61)	(25)	-	(149)	(1,821)	-
Provision reversals/written back during the year	-	(4,265)	(2,831)	(60)	(3,474)	(3,792)
Closing Balance	**52**	**9,282**	**4,560**	**113**	**12,016**	**4,865**

	As at March 31, 2021	As at March 31, 2020
21 Employee benefit obligations [Refer Note 33]		
(a) Non-current provisions for employee benefits :		
Provision for gratuity	52	46
	52	**46**
(b) Current provisions for employee benefits :		
Provision for gratuity	1,040	758
Provision for compensated absences	4,376	3,529
	5,422	**4,287**

	As at March 31, 2021	As at March 31, 2020
22 Other non-current liabilities		
Advance service and maintenance billing	2,514	2,676
Deferred Revenue for Elevator Contracts towards Service and Maintenance	317	243
	2,831	**2,919**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

23 Lease Liabilities Non-Current	As at March 31, 2021	As at March 31, 2020
Lease Liabilities	797	1,835
	797	1,835

24 Trade payables	As at March 31, 2021	As at March 31, 2020
Trade payables to related parties (Refer note 44)	16,888	18,439
Trade Payables - Others		
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	2,465	1,882
- Total outstanding dues of other than micro and small enterprises	16,944	12,958
	36,297	33,279

The Group's exposure to currency and liquidity risks related to trade payables is disclosed in note 42.

25 Other financial liabilities	As at March 31, 2021	As at March 31, 2020
Capital creditors	162	185
Unpaid dividends *	388	349
Temporary overdraft with banks**	2	**
Salaries, wages and bonus payable	2,937	2,791
Derivative not designated as hedges - foreign exchange forward contracts	172	46
Interest payable to micro and small enterprises (Refer Note 45)	174	109
	3,835	3,480

*An amount of Rs. 118,082,220 pertains to final dividend declared during the year 2011-2012 and transferred to separate account on November 18, 2012, as per the section-124(1). The unpaid amount was due to be transferred to Investor Education and Protection Fund on November 18, 2019. Rs. 433,510 has been transferred / deposited to the Investor Education and Protection Fund on August 13, 2020 and Rs. 180 has been paid to the shareholder on August 17, 2020. This has been done considering the general circular no. 12/2020 dated 30.03.2020.

**Amount is below rounding off norms adopted by the Group.

26 Provisions - Current	As at March 31, 2021	As at March 31, 2020
Provision for foreseeable losses on contracts [Refer Note 20]	4,560	4,865
Provision for product upgradation [Refer Note 20]	52	113
	4,612	4,978

27 Liabilities for current tax (net)	As at March 31, 2021	As at March 31, 2020
Current tax liability	-	6,560
Advance tax	-	(6,203)
	-	357

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

		As at March 31, 2021	As at March 31, 2020
28	**Other current liabilities**		
	Advances from customers	5,749	5,606
	Advance service and maintenance billing	10,586	11,452
	Statutory liabilities *	1,264	1,578
	Invoices raised in respect of incomplete contracts	151,727	183,336
	Less: Adjusted against aggregated amount of cost incurred and recognised profits (less recognised losses)	115,287	148,167
		36,440	35,169
	Deferred Revenue for elevator contracts for service and maintenance	1,364	1,091
		55,403	**54,896**
	***Statutory liabilities includes below break up:**		
	Goods and Services Tax, Sales and Service Tax	248	529
	Tax deducted and tax collected at source	636	696
	Provident fund and family pension scheme	342	311
	Employees state insurance	4	5
	Others (Labour welfare fund and Profession tax)	34	37
		1,264	**1,578**

		As at March 31, 2021	As at March 31, 2020
29	**Lease Liabilities-Current**		
	Lease Liabilities	1,454	1,768
		1,454	**1,768**

		As at March 31, 2021	As at March 31, 2020
30	**Revenue from operations**		
	Contract Revenue :		
	Contracts for supply and installation of elevators, escalators and trav-o-lators	99,256	103,577
	Income from repairs	13,196	16,837
	Income from maintenance services	57,863	55,946
	Other operating revenues :		
	Sale of scrap	694	366
		171,009	**176,726**

		As at March 31, 2021	As at March 31, 2020
31	**Other income**		
	Interest income:		
	- Deposits with banks	1,286	2,458
	- Income tax refund	654	327
	- Loans to related parties (Refer note 44)	276	596
	- Others	5	6
	Provision for Contingency no longer required written back (net) (Refer note 20)	2,709	1,408
	Liabilities no longer required written back	6	-
	Recoveries of expenses from related parties	781	362
	Unwinding of Interest on deposits / retention money / employee loan	108	-
	Profit on sale / disposal of property, plant and equipment	19	42
	Reversal of excess provision for Loss on contracts	-	5
	Bad debts recovery	5	16
	Interest Income over the Security deposit	1	1
	Reversal of excess provision for doubtful debts	-	1
	Debts recovered	47	-
	Others	263	202
		6,160	**5,424**

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(All amounts are in Rupees in Lakhs, except otherwise as stated)

	As at March 31, 2021	As at March 31, 2020
32 Cost of material consumed		
Raw material, components and spare parts		
Opening stock	19,220	12,535
Add: Purchases during the year	80,711	83,770
Less: Closing stock	15,867	19,220
	84,064	77,085

	Year ended March 31, 2021	Year ended March 31, 2020
33 Employee benefit expenses		
Salaries, wages, allowances, bonus and benefits (net)	32,049	32,921
Contribution to Provident and Family Pension Scheme	1,541	1,553
Contribution to Superannuation Scheme	188	188
Contribution to Gratuity Fund	752	720
Contribution to Employees' State Insurance and Employees' Deposit Linked Insurance Scheme	38	52
Share-based payment to employees (Refer Note 52)	290	394
Workmen and staff welfare expenses	929	995
	35,787	36,823

	Year ended March 31, 2021	Year ended March 31, 2020
I Defined Contribution Plans		
Superannuation Fund		
Amount recognised in the Statement of Profit and Loss		
Employers' Contribution to Superannuation	188	188
	188	188

II Defined Benefit Plans

I) Gratuity

A) The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

	Funded Plan			Unfunded Plan
Particulars	**Present Value of Obligation**	**Fair Value of Plan Assets**	**Net defined benefit (asset) liability**	**Present Value of Obligation**
Balance as on March 31, 2019	**10,166**	**9,528**	**638**	**66**
Interest cost	767	718	49	4
Current service cost	660	-	660	7
Total amount recognised in profit or loss	**1,427**	**718**	**709**	**11**
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(178)	-	(178)	-
Actuarial (Gains) / Losses on Obligations - Due to Experience	52	-	52	-
Actuarial Gain / (Loss) on plan assets	-	(362)	362	(1)
Total amount recognised in other comprehensive income	**(126)**	**(362)**	**236**	**(1)**
Contributions by employer	-	697	(697)	-
Benefit Paid	(573)	(440)	(133)	(27)
Balance as on March 31, 2020	**10,894**	**10,141**	**753**	**49**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021

(All amounts are in Rupees in Lakhs, except otherwise as stated)

Particulars	Funded Plan			Unfunded Plan
	Present Value of Obligation	Fair Value of Plan Assets	Net defined benefit (asset) liability	Present Value of Obligation
Balance as on March 31, 2020	**108,94**	**101,411**	**753**	**49**
Interest cost	743	692	51	3
Current service cost	691	-	691	7
Total amount recognised in profit or loss	**1,434**	**692**	**742**	**10**
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	280	-	280	6
Actuarial (Gains) / Losses on Obligations - Due to Experience	(127)	-	(127)	-
Actuarial Gain / (Loss) on plan assets	-	(323)	323	-
Total amount recognised in other comprehensive income	**153**	**(323)**	**476**	**6**
Contributions by employer	-	930	(930)	-
Benefit Paid	(487)	(487)	-	(8)
Balance as on March 31, 2021	**11,994**	**10,953**	**1,041**	**57**

B) The net liability disclosed above relates to funded and unfunded plans as below:

Particulars	Funded Plan		Unfunded Plan	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Present Value of funded obligation as at the year end	(11,994)	(10,894)	(57)	(49)
Fair Value of Plan Assets as at the year end	10,953	10,141	-	-
Funded Status	**(1,041)**	**(753)**	**(57)**	**(49)**
Present Value of unfunded Obligation as at the year end	-	-	-	-
Unfunded Net Liability recognised in Balance Sheet	**(1,041)**	**(753**	**(57)**	**(49)**

C) Amount recognised in the Balance Sheet

Particulars	Funded Plan		Unfunded Plan	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Present Value of Obligation at the end of the year	(11,994)	(10,894)	(57)	(49)
Fair value of plan assets at the end of the year	10,953	10,141	-	-
(Liability) recognised in the Balance Sheet	**(1,041)**	**(753)**	**(57)**	**(49)**

D) Actuarial assumptions

Valuation in respect of Gratuity has been carried out by an independent actuary, as at the Balance Sheet date, based on the following assumptions:

	Funded Plan		Unfunded Plan	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Discount Rate (per annum)	6.44%	6.82%	6.34%	6.25%
Rate of increase in Salary	9.00%	9.00%	8.00%	8.40%
Rate of Return on Plan Assets	6.44%	6.82%	-	-

- The discount rates reflects the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligation.
- The estimates of future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand and the employment market.

(All amounts are in Rupees in Lakhs, except otherwise as stated)

E) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Funded Plan

Impact on defined benefit obligation of Gratuity (Amounts)

	As at March 31, 2021		As at March 31, 2020	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Discount Rate (0.5 % movement)	(366)	391	(328)	350
Compensation levels (0.5 % movement)	380	(359)	341	(323)
Employee turnover (0.5 % movement)	(65)	68	(50)	53

Unfunded Plan

Impact on defined benefit obligation of Gratuity (Amounts)

	As at March 31, 2021		As at March 31, 2020	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Discount rate (1% movement)	(54)	61	(46)	53
Compensation levels (1% movement)	61	(54)	53	(46)
Employee turnover (-/+50%)	(55)	60	(47)	53

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

F) The major categories of plan assets for gratuity are as follows:

Particulars	Funded Plan			
	As at March 31, 2021		As at March 31, 2020	
	Amount	%	Amount	%
Debts Instruments:				
State Government Securities	-	-	50	1
Corporate Bonds	-	-	601	6
Investment Funds:				
Insurance managed funds	10,767	98	9,331	91
Others:				
Cash and cash equivalents (net)	186	2	159	2
Total	**10,953**	**100**	**10,141**	**100**

G)

Recognised under:	**March 31, 2021**	**March 31, 2020**
Non-current employee benefit obligations [Refer Note 21(a)]	52	46
Current employee benefit obligations [Refer Note 21(b)]	1,046	758

H)

Particulars	**March 31, 2021**	**March 31, 2020**
Expected gratuity contribution for the next year	1,146	1,097

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I) **Defined benefit liability and employer contributions**

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2019 – 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Funded Plan			
	Less than a year	Between 2 - 5 years	Over 5 years	Total
March 31, 2021				
Defined benefit obligation (gratuity)	1,305	5,319	13,634	20,258
March 31, 2020				
Defined benefit obligation (gratuity)	1,268	4,647	12,954	18,869

Particulars	Unfunded Plan			
	Less than a year	Between 2 - 5 years	Over 5 years	Total
March 31, 2021				
Defined benefit obligation (gratuity)	-	26	134	160
March 31, 2020				
Defined benefit obligation (gratuity)	-	23	104	127

J) **Risk exposure**

Through its defined benefit plans, The group is exposed to a number of risks, the most significant of which are detailed below:

Asset Volatility

The plan liabilities are calculated using a discount rate set with reference to market yield of Government securities as at the Balance Sheet date; if plan asset underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grade and in Government of India securities, Group Gratuity Scheme of Life Insurance Corporation of India, Public Sector Undertaking Bonds, Special Deposit Scheme and Other Securities. These are subject to interest rate risk and the funds manages interest rate risk. The group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The management intends to maintain the above investment mix in the continuing years.

Changes in yields

A decrease in yields of plan assets will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' holdings.

ii) **Provident Fund**

The group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by The group has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2021 and March 31, 2020 respectively.

The details of fund and plan asset position are given below:

Particulars	Funded Plan	
	As at March 31, 2021	As at March 31, 2020
Plan assets at period end, at fair value	41,500	37,265
Present value of benefit obligation at year end	(41,500)	(37,265)
Asset recognized in balance sheet	-	-

The plan assets have been primarily invested in government securities.

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Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	Funded Plan	
	As at March 31, 2021	As at March 31, 2020
Government of India (GOI) bond yield	6.44%	6.82%
Remaining term to maturity of portfolio	5 years	5 years
Expected guaranteed interest rate - First year:	8.50%	8.25%
- Thereafter:	8.50%	8.25%

The Group contributed Rs. 1,541 lakhs and Rs. 1,553 lakhs to the provident fund during the years ended March 31, 2021 and March 31, 2020, respectively and the same has been recognised in the Consolidated Statement of Profit and Loss under the head Employees Benefit Expenses.

III) The liability for compensated absences as at year end is Rs. 4,376 lakhs (March 31, 2020 - Rs. 3,529 lakhs). (Refer note 21)

34 Finance Costs

	As at March 31, 2021	As at March 31, 2020
Unwinding of interest on deposits / retention money / employee loans	-	160
Interest on Micro and Small Enterprises	65	68
Interest expense on delayed payments of taxes	-	119
Interest on Goods and Services Tax	-	1
Interest on Lease Liability	333	437
	398	**785**

35 Depreciation and amortisation expense

	As at March 31, 2021	As at March 31, 2020
Depreciation of property, plant and equipment (Owned Assets)	999	1,064
Amortisation of Right of use assets	1,565	1,466
Amortisation of intangible assets	316	325
	2,880	**2,855**

36 Operating and other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Consumption of stores and consumables	961	1,134
Packing and forwarding charges	3,388	4,064
Repairs and maintenance:		
- Buildings	257	339
- Plant and machinery	104	75
- Vehicles	19	19
- Others	686	831
Rent (Refer note 38)	297	371
Rates and taxes	229	659
Insurance	849	916
Power and fuel	284	407
Expenses on contracts for installation/ service	5,905	7,862
Advertising, publicity and sales promotion	92	193
Commission	1,326	1,529
Commission to Non-Executive Directors	15	15
Royalties	5,898	6,935
Communication costs	741	552
Travelling and conveyance	1,299	1,771
Printing and stationery	110	198
Legal and professional charges [Refer note (i) below]	2,112	1,979
Housekeeping expenses	1	7
System and software maintenance expenses (Refer note 44)	2,309	2,091
Management fees (Refer note 44)	904	704

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
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	As at March 31, 2021	As at March 31, 2020
Bad trade receivables and other financial assets written off	1,144	1,145
Less: Withdrawn from provision for expected credit loss	(766)	(1,145)
	378	-
Bad non-financial assets written off	34	435
Less: Withdrawn from provision for expected credit loss	(3)	(119)
	31	316
Provision for expected credit loss and other financial assets	2,212	1,412
Product upgradation expense (Refer note 26)	-	54
Directors' fees	5	4
Expenditure towards Corporate Social Responsibility activities [Refer Note (ii) below]	477	463
Doubtful Debts	9	1
Loss on fluctuation in foreign exchange (net)	896	914
Miscellaneous expenses	112	131
	31,906	**35,946**

(i) Legal and professional charges includes auditors' remuneration (net of taxes, where applicable):

For statutory audit	58	50
For tax audit	6	6
For other services	1	4
Reimbursement of expenses	*	3
	65	**63**

* Amounts are below rounding off norms adopted by the Group.

(ii) Corporate Social Responsibility Expenses:
(a) Gross amount required to be spent by the group during the year was Rs. 477 lakhs (Previous Year Rs. 463 Lakhs)
(b) Amount spent during the year on:

Particulars	Paid during the year	Yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	Rs. 477 lakhs (Previous Year Rs. 457 lakhs)	Rs. NIL (Previous Year Rs. 6 lakh)	Rs. 477 lakhs (Previous Year Rs. 463 lakhs)

The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects.

37 Earnings per share

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Profit attributable to the owners of the company	16,375	18,237
Weighted Average number of Equity Shares of Rs. 10 each during the year	11,808,222	11,808,222
Earnings Per Share (Basic and Diluted)	138.67	154.45
Nominal Value of an Equity Share	10	10

The Holding Company does not have any outstanding potential equity shares. Consequently, the basic and the diluted earnings per share remain the same.

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38 Leases : Maturity Pro

Particulars	Less than 1 year	Between 1 and 5 years	Over 5 years
March 31, 2021			
Repayment of lease liabilities	1,454	1,032	92
Interest on lease liabilities	200	154	13
Total cash outflow on leases	**1,654**	**1,186**	**105**

Particulars	Less than 1 year	Between 1 and 5 years	Over 5 years
March 31, 2020			
Repayment of lease liabilities	1,768	2,302	160
Interest on lease liabilities	321	326	25
Total cash outflow on leases	**2,089**	**2,628**	**185**

Weighted average effective interest rate is 8% p.a.-11.25% p.a.

39 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Holding Company. The Group has identified the following segments i.e. (i) Contract for supply and installation of elevators, escalators and trav-o-lators and (ii) services for maintenance, repairs and modernisation of elevators and escalators as reporting segments based on the information reviewed by CODM.

The above business segments have been identified considering:

a) the nature of products and services

b) the differing risks and returns

c) the internal organisation and management structure, and

d) the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Group.

Particulars	2020-21			2019-20		
	New Equipment Installation	Service	Total	New Equipment Installation	Service	Total
Revenue						
Segment revenue	99,950	71,059	171,009	103,666	73,060	176,726
Inter-segment revenue	-	-	-	-	-	-
External revenue	**99,950**	**71,059**	**171,009**	**103,009**	**73,060**	**176,726**
Other income	797	221	1,018	218	209	427
Expenses						
Identifiable operating expenses	70,441	13,542	83,983	63,408	13,638	77,046
Allocated expenses	34,311	36,203	70,514	38,413	36,921	75,334
Segment result	**(4,005)**	**21,535**	**17,530**	**2,063**	**22,710**	**24,773**
Unallocable Income /(Expenses)						
Other income	-	-	5,142	-	-	4,997
Other expenses	-	-	(538)	-	-	(1,114)
Profit before taxation			**22,134**			**28,656**
Depreciation						
Segment depreciation	1,930	950	2,880	1,970	885	2,855
Total Depreciation			**2,880**			**2,855**
Non Cash Expenses /(income) other than Depreciation						
Segment Non Cash Expenditure	1,078	1,461	2,539	922	350	1,272
Unallocable Non Cash Expenditure	-	-	331	-	761	761
Total Non Cash Expenditure other than Depreciation			**2,870**			**2,033**

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(All amounts are in Rupees in Lakhs, except otherwise as stated)

Information about major customers
There is no single customer which contributes more than 10% of the Group's total revenues.

Geographical Information
The Group is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is disclosed in Note 53 (a)
Non-current assets other than financial instruments and deferred tax assets (broken down by location of the assets) are situated entirely in India amounting to Rs. 16,358 lakhs as at 31 March 2021 and Rs. 21,690 as at 31 March 2020.

40 Research and development expenses

The Cost of Material Consumed, Employee Benefits Expense, Depreciation and Other Expenses shown in the Statement of Profit and Loss include Rs. 2,123 lakhs (Previous Year Rs. 1,651 lakhs) in respect of the research activities undertaken during the year.

41 In the previous year, under the Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019, announced by the Government of India, the Group has written back net provision of Rs. 362 lakhs as part of provision for contingency no longer required written back, against various disputed liabilities since the Group has settled these liabilities.

Maharashtra state Government had introduced Modified Value Added Tax Amnesty Scheme 2019 on July 9, 2019. Group availed the benefit under this scheme and settled various Value Added Tax (VAT) liabilities pertaining to different years and has written back net provision of Rs. 1,226 lakhs as part of provision for contingency no longer required written back.

42 Financial instruments - Fair values and risk management

A. Accounting classification and fair values
The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

– Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
– Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
– Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

March 31, 2021		Carrying amount			
	Note No.	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets					
(i) Loans	6(a) and 6(b)	-	-	2,548	2,548
(ii) Contract work-in-progress	12	-	-	5,920	5,920
(iii) Trade receivables	13(a) and 13(b)	-	-	40,313	40,313
(iv) Cash and cash equivalents	14	-	-	50,629	50,629
(v) Bank balance other than (iv) above	15	-	-	742	742
(vi) Other financial assets	7 and 16	-	-	2,281	2,281
(vii) Derivatives not designated as hedges-Foreign exchange forward contracts	16	41	-	-	41
		41	**-**	**102,433**	**102,474**
Financial liabilities					
(I) Trade payables	24	-	-	36,297	36,297
(ii)Other financial liabilities	25	172	-	3,663	3,835
(iii) Lease liabilities	29	-	-	1,454	1,454
(iii) Other non current financial liabilities	23	-		797	797
		172	**-**	**42,211**	**42,383**

(All amounts are in Rupees in Lakhs, except otherwise as stated)

March 31, 2020	Carrying amount				
	Note No.	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets					
(i) Loans	6(a) and 6(b)	-	-	2,547	2,547
(ii) Contract work-in-progress	12	-	-	6,104	6,104
(iii) Trade receivables	13(a) and 13(b)	-	-	37,250	37,250
(iv) Cash and cash equivalents	14	-	-	47,166	47,166
(v) Bank balance other than (iv) above	15	-	-	581	581
(vi) Other financial assets (including non-current bank balance)	7 and 16	-	-	1,947	1,947
(vii) Derivatives not designated as hedges-Foreign exchange forward contracts	16	214	-	-	214
		214	**-**	**95,595**	**95,809**
Financial liabilities					
(I) Trade payables	24	-	-	33,279	33,279
(ii) Other financial liabilities	25	46	-	3,434	3,480
(iii) Lease liabilities - current	29	-	-	1,768	1,768
(iii) Other non current financial liabilities		-		1,835	1,835
		46	**-**	**40,316**	**40,362**

B. Measurement of fair values

i) **Valuation processes**

The finance department of the Group includes a team that carries out the valuations of financial assets and liabilities required for financial reporting purposes.

ii) **Fair value hierarchy**

No financial instruments are recognised and measured at fair value, except derivative contracts which are measured at fair value through profit and loss. These derivative contracts are over-the-counter short term foreign exchange forwards that are not traded in an active market. Their fair valuation is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates and quotes received from the banks. Since all significant inputs required to fair value these derivative contracts are observable, the instruments are classified as level 2.

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. The carrying amounts of loans, contract work in progress, trade receivables, trade payables, cash and cash equivalents, other bank balances, short term borrowings, other financial assets and other financial liabilities are considered to be the same as their fair values due to their short term nature.

C. Financial risk management

Risk management framework

The Group's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risks. The Group's senior management and key management personnel have the ultimate responsibility for managing these risks. The Group has mechanism to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

i. Management of the credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit-worthiness of customers to which the Group grants credit terms in the normal course of business.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Concentrations of credit risk with respect to trade receivables are limited, due to the Group's customer base being large. All trade receivables are reviewed and assessed for default on a regular basis. The historical experience of collecting receivables, supported by the level of default, is that credit risk is low.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. The Group assesses and manages credit risk based on the Group's credit policy. Under the Group credit policy each new customer is analysed individually for credit worthiness before the Group's standard payment and delivery terms and conditions are offered. The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining

OTIS ELEVATOR COMPANY (INDIA) LIMITED

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whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group's accounts receivable are geographically dispersed. The Management do not believe there are any particular customer or Group of customers that would subject the Group to any significant credit risks in the collection of accounts receivable.

Following is the movement in Provision for Expected Credit Loss on Trade Receivables:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Loss allowance at the beginning of the year	7,025	6,920
Changes in allowance during the year	1,277	105
Loss allowance as at the end of the year	**8,302**	**7,025**

Loans to related parties:
The Group has given unsecured loans to other Group entities of United Technologies Corporation Inc. The loans outstanding as of March 31, 2021 have not been repaid subsequent to the year end. The loans outstanding as of March 31, 2020 have been repaid during the current year.

Cash and cash equivalents
The Group is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The Group believes that its credit risk in respect to cash and cash equivalents and term deposits is insignificant as funds are invested in term deposits at pre -determined interest rates for specified period of time. For cash and cash equivalents only high rated banks are accepted.

Derivatives
The Group may be exposed to losses in the future if the counterparties to derivative contracts fail to perform. The Group is satisfied that the risk of such non-performance is remote due to its monitoring of credit exposures. Additionally, the Group enter into master netting agreements with contractual provisions that allow for netting of counterparty positions in case of default.

Other financial assets:
The Group periodically monitors the recoverability and credit risks of its other financials assets including employee loans, deposits and other receivables. The Group evaluates 12 month expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Group considers life time expected credit losses for the purpose of impairment provisioning.

Following is the movement in Provision for expected credit loss on other financial assets:

Security deposits	Year ended March 31, 2021	Year ended March 31, 2020
Loss allowance at the beginning of the year	651	682
Changes in allowance during the year (Refer Notes - 7 and 16)	25	(31)
Loss allowance as at the end of the year	**676**	**651**

ii. **Liquidity risk**
Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Group maintained a cautious funding strategy, with a positive cash balance throughout the years. This was the result of cash generated from the business. Cash flow from operating activities provides the funds to service the working capital requirement. Accordingly, low liquidity risk is perceived.

Exposure to liquidity risk
The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

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Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1- 5 years	More than 5 years
As at March 31, 2021					
Non-derivative financial liabilities					
Other financial lease liabilities (Non-current and current)	2,251	2,578	1,454	1,032	92
Trade payables	36,297	36,297	36,297	-	-
Other financial liabilities	3,663	3,663	3,663	-	-
Derivative Financial Liabilities					
Foreign exchange forward contracts	172	172	172	-	-
As at March 31, 2020					
Non-derivative financial liabilities					
Other financial lease liabilities (Non-current and current)	3,603	4,230	1,768	2,302	160
Trade payables	33,279	33,279	33,279	-	-
Other financial liabilities	3,434	3,434	3,424	-	-
Derivative Financial Liabilities					
Foreign exchange forward contracts	46	46	46	-	-

iii. **Market risk**

The Group's size and operations result in it being exposed to foreign currency risk. The foreign currency risk may affect the Group's income and expenses, or its financial position and cash flows. The objective of the Group's management of foreign currency risk is to maintain this risk within acceptable parameters, while optimising returns. The Group manages currency exposures within prescribed limits, through use of forward exchange contracts. Foreign exchange transactions are fully covered with strict limits placed on the amount of uncovered exposure, if any, at any point in time. The Group's exposure to, and management of this risks is explained below:

The details of forward contracts outstanding as at the balance sheet date are as follows:

Particulars	March 31, 2021		March 31, 2020	
	Foreign currency	Amount	Foreign currency	Amount
Import contracts				
EUR	21	1,874	27	2,199
JPY	21	15	63	52
USD	21	1,537	24	1,715
CHF	1	56	1	51
CNH	413	4,743	388	4,272
		8,225		**8,289**
Export contracts				
USD	40	2,982	10	738
		2,982		**738**

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR lakhs, are as follows:

Particulars	March 31, 2021		March 31, 2020	
	Foreign currency	Amount	Foreign currency	Amount
Receivables				
USD	23	1,399	2	112
EUR	1	54	-	-
Payables				
USD	70	5,109	75	5,643
EUR	15	1,241	8	684
HKD	23	219	23	227
JPY	47	30	18	4
CNH	207	2,199	410	4,164

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Sensitivity analysis

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of Group would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

	Profit or loss	
Currencies	**March 31, 2021**	**March 31, 2020**
USD	(371)	(552)
EUR	119	68
HKD	(22)	(23)
JPY	(3)	*
CNH	(220)	(416)
	(497)	**(923)**

* Amounts are below rounding off norms adopted by the group

43 A INCOME TAX EXPENSE

Amounts recognised in Statement of Profit and Loss

	Year ended March 31, 2021	Year ended March 31, 2020
Income tax expense		
Current tax		
Current tax on profits for the year	5,700	6,560
Adjustments for current tax of prior periods	(36)	(247)
Total current tax expense	**5,664**	**6,313**
Deferred tax		
(Decrease) / increase in deferred tax liabilities	95	4,106
Total deferred tax expense/(benefit)	**95**	**4,106**
Income tax expense	**5,759**	**10,419**

B Amounts recognised in other comprehensive income

	For the Year ended March 31, 2021		
	Before tax	**Tax expense/ (benefit)**	**Net of tax**
Remeasurements of defined benefit liability / (asset)	(482)	119	(363)
	(482)	**119**	**(363)**

	For the Year ended March 31, 2020		
	Before tax	**Tax expense/ (benefit)**	**Net of tax**
Remeasurements of defined benefit liability/(asset)	(235)	59	(176)
	(235)	**59**	**(176)**

C Reconciliation of effective tax rate

	Year ended March 31, 2021	Year ended March 31, 2020
Profit before tax	**22,134**	**28,656**
Tax using the domestic tax rate (Current year 25.168% and Previous Year 25.168%)	5,571	7,212
Add Tax Effect on amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments for current tax of prior periods	(36)	(247)
Effect of changes in tax rate*	-	3,295
Effect of non-deductible expenses	180	202
Tax losses for which no deferred income tax was recognised	30	22
Ind AS 116 Lease Impact	(7)	
Foreseeable losses on contracts	36	(207)
Other	(15)	142
	5,759	**10,419**

* The Holding Company has decided to take the benefit of reduced tax rate @22% from previous year by exercising the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019.

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D Movement in deferred tax balances

		Year ended March 31, 2021		March 31, 2021		
Deferred Tax Assets/(Liabilities)	**Net balance April 1, 2020**	**Recognised in profit or loss**	**Recognised in OCI/ Retained earnings**	**Net**	**Deferred tax asset**	**Deferred tax liability**
Provision for expected credit loss	2,222	364	-	2,586	2,586	-
Provision for Compensated Absences and Gratuity	1,072	286	-	1,358	1,358	-
Provision for Product Upgradation	28	(15)	-	13	13	-
Disallowances under Section 40(a) of the Income Tax Act, 1961	99	-	-	99	99	-
Depreciation and amortisation	150	31	-	181	181	-
Provision for Contingency	3,024	(688)	-	2,336	2,336	-
Remeasurments of define benefit obligation	-	(119)	119	-	-	-
Provision for foreseeable losses on contracts	1,170	(36)	-	1,134	1,134	-
Mark to Market adjustment on derivative contracts gains	(42)	75	-	33	33	-
Ind AS 116 Lease impact	(7)	7	-	-	-	-
Deferred Tax Assets	**7,716**	**(95)**	**119**	**7,740**	**7,740**	-
Net tax assets	**7,716**	**(95)**	**119**	**7,740**	**7,740**	-

D. Movement in deferred tax balances

		Year ended March 31, 2020		March 31, 2020		
Deferred Tax Assets/(Liabilities)	**Net balance April 1, 2019**	**Recognised in profit or loss**	**Recognised in OCI/ Retained earnings**	**Net**	**Deferred tax asset**	**Deferred tax liability**
Provision for expected credit loss	3,034	(812)	-	2,222	2,222	-
Provision for Compensated Absences and Gratuity	1,366	(353)	59	1,072	1,072	-
Provision for Product Upgradation	73	(45)	-	28	28	-
Disallowances under Section 40(a) of the Income Tax Act, 1961	136	(37)	-	99	99	-
Depreciation and amortisation	95	55	-	150	150	-
Provision for Contingency	5,325	(2,301)		3,024	3,024	-
Remeasurments of define benefit obligation	-	-	-	-	-	-
Provision for foreseeable losses on contracts	1,407	(237)	-	1,170	1,170	-
Mark to Market adjustment on derivative contracts gains	130	(172)	-	(42)	-	42
Impact on adoption of Ind AS 116	-	(7)	-	(7)	-	7
Others	197	197	-	-	-	-
Deferred Tax Assets	**11,763**	**(4,106)**	**59**	**7,716**	**7,765**	**49**
Net tax assets	**11,763**	**(4,106)**	**59**	**7,716**	**7,765**	**49**

Deferred tax assets and deferred tax liabilities have been offset because they related to the same governing taxation laws.

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E Unused tax losses for which no deferred tax asset has been recognised.

	As at March 31, 2021			As at March 31, 2020		
Financial Year	**Unused tax Losses**	**Potential tax benefit**	**Year of Expiry**	**Unused tax Losses**	**Potential tax benefit**	**Year of Expiry**
2010-11	-	-	-	1,374	382	2020
2011-12	10,051	2,796	2021	10,051	2,796	2021
2012-13	5,804	1,615	2022	5,804	1,615	2022
2013-14	3,457	962	2023	3,457	962	2023
2014-15	1,436	400	2024	1,436	400	2024
2015-16	5,879	1,635	2025	5,879	1,635	2025
2016-17	18,515	5,151	2026	18,515	5,151	2026
2017-18	3,780	1,052	2027	3,780	1,052	2027
2018-19	14,584	4,057	2028	14,584	4,057	2028
2019-20	11,268	3,135	2029	11,268	3,135	2029
2020-21	10,403	2,894	2030	-	-	-

F Unrecognised deferred tax asset of Subsidiary

	As at March 31, 2021	As at March 31, 2020
Deferred tax assets		
Depreciation/amortisation (Including Ind AS 116)	12	17
Provision for compensated absences	6	7
Provision for gratuity	16	14
Provision for doubtful debts	3	2
Provision for doubtful advances	2	1
Carried Forward Losses	237	212
Gross Deferred Tax Assets	**276**	**253**
Deferred tax liabilties		
Depreciation / amortisation	-	
Gross Deferred Tax Liabilities	-	
	-	
Deferred Tax Assets (Net)	**276**	**253**
Recognised deferred tax asset to the extent of deferred tax liability	-	-
Unrecognised deferred tax asset	276	253

The Group has recognised the deferred tax asset to the extent of deferred tax liabilities since it is not probable that future taxable amounts will be available to utilise against such deferred tax assets.

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44 Related Party Disclosures

A Relationships:

(I) Where Control Exists

Otis Worldwide Corporation, United States (Refer Note 48)	Ultimate Holding Company
Otis International Asia Pacific Pte. Ltd., Singapore *	Parent Company

* Name changed from United Technologies South Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

'(II) Parties Under Common Control with whom transactions have taken place during the year.

Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey
Carrier Airconditioning & Refrigeration Limited, India
Carrier Race Technologies Private Limited, India
Chubb Alba Control Systems Limited, India
Elevators (Private) Limited, Sri Lanka
Guangzhou Otis Elevator Company Ltd, China
Otis Global Services Centre Private Limited, India
Jsc Mos Otis ,Russia
Nippon Otis Elevator Company, Japan
Otis Electric Elevator Co., Ltd., China
Otis Elevator (China) Co., China
Otis Elevator Co Pty Ltd, Australia
Otis Elevator Company (M) SDN BHD, Malasiya
Otis Elevator Company (S) Pte. Ltd., Singapore
Otis Elevator Company Ltd, Thailand
Otis Elevator Company, New Jersey, United States
Otis Elevator Company (Taiwan) Limited, Taiwan
Otis Elevator Traction Machine (China) Co. Ltd., China
Otis Elevator, Korea
Otis Elevators International Inc., Hong Kong
Otis Elevator Management (Shanghai) Company Limited,
Otis Limited, United Kingdom
Otis Gmbh & Co. OHG, Germany
Otis Science and Technology Development Shanghai, China
(Previously Known as Otis High-Rise Elevator(Shanghai) Co., Ltd., China)

Otis LLC, U.A.E
Otis Scs, France
P.T.Citas Otis Elevator, Indonesia
Seral Otis Industria Metalurgica Ltda, Chile
U.T. Building & Industrial Systems W.L.L., Qatar
Otis International Asia Pacific Pte. Ltd, Singapore
(Previously Known as United Technologies South Asia
Pacific Pte Ltd, Singapore)
Zardoya Otis S.A., Spain

(IV) Key Managerial Personnel

Sebi Joseph	Managing Director
Puthan Naduvakkat Suma	Director
Bharat Nayak **	Director (w.e.f. October 14, 2020)
Priya Shankar Dasgupta	Independent Director
Anil Vaish	Independent Director

(V) Transaction with Post Emploment benefit entities

Otis Elevator Company (India) Limited Employees' Gratuity Fund
Otis Elevator Company (India) Limited Staff Provident Fund

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Transactions:

(I) Transactions with parties referred to in (IV) above

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Short term employee benefits:		
- Salaries and other employee benefits	827	722
Post employment benefits - gratuity	41	36
Long term employee benefits- Compensated absences	35	24
Employee share-based payment #	378	322
Commission and sitting fee to independent directors	20	18
Total	**1,301**	**1,122**

In addition to the above, 6,270 units stock options (Previous Year 2,456 Units stock options) of Otis Worldwide Corpotation (Previous year United Technologies Corporation Inc., USA), the Ultimate Holding Company, were exercised during the year.

** Mr. Bharat Nayak was appointed as an Additional Director of the Holding Company w.e.f. October 22, 2019 in terms of Section 161(1) of the Companies Act, 2013 (the Act) to hold office upto next Annual General Meeting. Thereafter Mr. Bharat Nayak has been appointed as a Director w.e.f. October 14, 2020.

(ii) The following are the details of transactions and balances with related parties:

Particulars	Category	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of goods and materials			
Otis Elevator (China) Co., China	II	1,101	2,411
Otis Electric Elevator Co., Ltd., China	II	17,178	20,827
Zardoya Otis S.A., Spain	II	2,316	2,663
Otis GMBH & Co. OHG, Germany	II	3,033	4,191
Otis Elevator Company, New Jersey, United States	II	227	572
Otis Elevator Traction Machine (China) Co. Ltd., China	II	2,181	1,664
Nippon Otis Elevator Company, Japan	II	303	497
OTIS SCS, France	II	1,155	789
Guangzhou Otis Elevator Company Ltd, China	II	1	90
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	II	7,574	5,889
Otis A.S., Czech Republic	II	-	*
Otis Elevator Management (Shanghai) Company Limited, China	II	*	-
Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey	II	586	93
Otis Elevator Co Pty Ltd, Australia	II	-	2
Otis Elevator, Korea	II	4	-
Jsc Mos Otis, Russia	II	-	8
Total		**35,659**	**39,696**
Purchase of Intangible assets			
Otis Elevator Company, New Jersey, United States	II	65	105
Total		**65**	**105**
System and software maintenance expenses			
Otis Elevator Company, New Jersey, United States	II	1,083	968
Otis Elevators International Inc., Hong Kong	II	256	241
Otis International Asia Pacific Pte. Ltd., Singapore	I	257	17
Total		**1,596**	**1,226**

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Particulars	Category	For the year ended March 31, 2020	For the year ended March 31, 2021
Legal and professional expenses			
Otis Elevator Company, New Jersey, United States	II	4	*
Total		**4**	*****
Royalties expenses			
Otis Elevator Company, New Jersey, United States	II	5,898	6,935
Total		**5,898**	**6,935**
Management fee			
Otis International Asia Pacific Pte Ltd, Singapore	II	904	704
Total		**904**	**704**
Support & Service Expense			
Otis Elevator Company (S) Pte. Ltd. Singapore	II	6	-
Otis Elevator Company, New Jersey, United States	II	154	-
Total		**160**	**-**
Repairs and maintenance charges of elevators			
Elevators (Private) Limited, Sri Lanka	II	123	108
Total		**123**	**108**
Repairs and maintenance - Others			
Carrier Airconditioning & Refrigeration Limited, India	II	-	44
Total		**-**	**44**
Reimbursement of expenses to related parties			
Otis Elevator Company, New Jersey, United States	II	31	24
Otis Elevator Company (S) Pte. Ltd., Singapore	II	-	1
Nippon Otis Elevator Company, Japan	II	1	72
Carrier Airconditioning & Refrigeration Limited, India	II	-	*
Otis International Asia Pacific Pte Ltd, Singapore	I	7	12
Otis Electric Elevator Co., Ltd., China	II	-	100
Otis Elevator Company Ltd, Thailand	II	-	1
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	II	-	1
Otis Elevator Company (M) SDN BHD, Malasiya	II	3	-
Total		**42**	**211**
Rent paid to other companies			
Carrier Airconditioning & Refrigeration Limited, India	II	-	61
Total		**-**	**61**
Revenue from sale of goods/services			
Otis Elevator Company (S) Pte. Ltd., Singapore	II	-	(10)
Seral Otis Industria Metalurgica Ltda, Chile	II	114	109
OTIS SCS, France	II	-	*
P.T.Citas Otis Elevator, Indonesia	II	-	*
Elevators (Private) Limited, Sri Lanka	II	1,655	1,276
Nippon Otis Elevator Company, Japan	II	*	*
Otis International Asia Pacific Pte Ltd, Singapore	I	28	27
Otis Elevator Co Pty Ltd, Australia	II	2	2
Otis Elevators International Inc., Hong Kong	II	34	1
Otis LLC, U.A.E	II	-	*
Otis Elevator, Korea	II	-	1
U.T. Building & Industrial Systems W.L.L., Qatar	II	4	-
Otis Elevator Company (Taiwan) Limited, Taiwan	II	3	-
Total		**1,840**	**1,406**
Recovery from related parties (other income)			
Otis Elevator Company, New Jersey, United States	II	554	182
United Technologies South Asia Pacific Pte Ltd, Singapore	I	227	180
Total		**781**	**362**

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Particulars	Category	For the year ended March 31, 2021	For the year ended March 31, 2020
Recovery of expenses from related parties			
Otis Elevator Company (M) SDN BHD, Malasiya	II	246	202
Otis Elevator Company, New Jersey, United States	II	31	61
Otis International Asia Pacific Pte Ltd, Singapore	I	268	167
Otis Electric Elevator Co., Ltd., China	II	-	31
Nippon Otis Elevator Company, Japan	II	1	(1)
Otis Elevators International Inc., Hong Kong	II	-	2
P.T.Citas Otis Elevator, Indonesia	II	-	5
Guangzhou Otis Elevator Company Ltd, China	II	107	-
Otis Elevator (China) Co., China	II	-	42
Otis Elevator Traction Machine (China) Co. Ltd., China	II	-	1
Otis Elevator, Korea	II	-	1
Total		**653**	**511**
Recovery of rent from related parties (netted off from rent expense)			
Carrier Airconditioning & Refrigeration Limited, India	II	-	15
Total		**-**	**15**
Inter corporate loan given / (repaid) (net)			
Otis Global Services Centre Private Limited, India	II	-	2,450
Total		**-**	**2,450**
Interest on inter corporate loan given			
Otis Global Services Centre Private Limited, India	II	276	108
Chubb Alba Control Systems Limited, India	II	-	402
Carrier Race Technologies Private Limited, India	II	-	55
United Technologies Corporation India Private Limited, India	II	-	31
Total		**276**	**596**
Dividend paid during the year			
United Technologies South Asia Pacific Pte Ltd, Singapore	I	15,660	12,180
Total		**15,660**	**12,180**
Loan / advance receivable			
Otis Global Services Centre Private Limited, India	II	2,450	2,450
Total		**2,450**	**2,450**
Accrued Interest on Inter Corporate Deposit (net of TDS)			
Otis Global Services Centre Private Limited, India	II	254	97
Total		**254**	**97**
Payables			
Otis Elevator Company, New Jersey, United States	II	2,338	2,653
Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey	II	68	-
Otis Elevators International Inc., Hong Kong	II	219	227
Otis Elevator Company (S) Pte. Ltd., Singapore	II	6	-
OTIS SCS, France	II	488	327
Zardoya Otis S.A., Spain	II	1,404	952
Otis GMBH & Co. OHG, Germany	II	1,143	1,210
Nippon Otis Elevator Company, Japan	II	47	56
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	II	3,787	1,909
Otis Elevator (China) Co., China	II	677	166
Otis Elevator Traction Machine (China) Co. Ltd., China	II	955	520
Otis Electric Elevator Co., Ltd., China	II	5,440	9,715
Otis International Asia Pacific Pte Ltd, Singapore	I	308	682
Elevators (Private) Limited, Sri Lanka	II	17	17
Jsc Mos Otis, Russia	II	-	3
Otis Elevator Co Pty Ltd, Australia	II	-	2
Total		**16,888**	**18,439**

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Particulars	Category	For the year ended March 31, 2021	For the year ended March 31, 2020
Receivables			
Non Current Financial Assets:			
Trade Receivables			
Elevators (Private) Limited, Sri Lanka	II	321	86
Other Current Financial Assets :			
Otis International Asia Pacific Pte Ltd, Singapore	I	145	81
Otis Elevators International Inc., Hong Kong	II	33	1
P.T.Citas Otis Elevator, Indonesia	II	-	*
Otis Elevator Company (M) SDN BHD, Malasiya	II	73	53
Seral Otis Industria Metalurgica Ltda, Chile	II	43	11
OTIS SCS, France	II	-	*
Carrier Airconditioning & Refrigeration Limited, India	II	-	1
Chubb Alba Control Systems Limited, India	II	-	*
Nippon Otis Elevator Company, Japan	II	-	(1)
Carrier Race Technologies Private Limited, India	II	-	*
Chubb Alba Control Systems Limited, India	II	-	*
Nippon Otis Elevator Company, Japan	II	-	(1)
Carrier Race Technologies Private Limited, India	II	-	*
Otis GMBH & Co. OHG, Germany	II	-	1
Otis Elevator Company, New Jersey, United States	II	156	238
Otis Electric Elevator Co., Ltd., China	II	-	32
Otis Elevator (China) Co., China	II	-	44
Otis Elevator Co Pty Ltd, Australia	II	2	2
Otis Elevator Traction Machine (China) Co. Ltd., China	II	-	1
Otis LLC, U.A.E	II	-	1
Otis Elevator, Korea	II	-	*
Total		**773**	**551**

Note:

For information on transactions with post employment benefit plans mentioned in B (i) above, refer the note 33.

* Amounts are below rounding off norms adopted by the Group.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

45 Dues to Micro and Small Enterprises

The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
The principal amount remaining unpaid to any supplier as at the end of each accounting year;	2,465	1,882
The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	174	109
The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
'The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	65	68
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of dis allowance as a deductible expenditure under section 23 of the MSMED Act.	-	-

The above information regarding total outstanding dues to Micro Enterprises and Small Enterprises and that is given in Note 24 has been determined to the extent such parties have been identified on the basis of information available with the Group. The auditor have relied upon the management for identification of such parties.

46 Contingent Liabilities	As at March 31, 2021	As at March 31, 2020
a) Claims against the Group not acknowledged as debt		
(i) Sales tax matters		
- Show Cause Notices	646	646
- Demand Notices	31,073	29,354

Note:
Assessed Sales Tax liabilities of the Group not acknowledged as debts and not provided for, In respect of which the Group is in appeal pertains to litigations/ disputes with various Sales Tax Authorities. Based on opinion received from legal consultants, the Management is of view that the Group does not expect an outflow in this regard.

	As at March 31, 2021	As at March 31, 2020
(ii) Excise and Service Tax matters		
Excise matters		
- Show Cause Notices	48,517	48,517
- Demand Notices	2,185	2,185
Service Tax matters		
- Show Cause Notices	6,274	6,274
- Demand Notices	24,362	24,362
Custom matters		
- Show Cause Notices	10	15

Excise, Custom and Service tax liabilities of the Group not acknowledged as debts and not provided for, in respect of which the Group is in appeal pertains to litigations/ disputes with various Excise, Custom and Service Tax Authorities. Based on opinion received from legal consultants, the Management is of view that the Group has strong grounds of appeal and does not foresee any outflow in this regard.
Interest with respect to above matters has been considered to the extent quantified by the tax authorities.
*The Holding Company has received a favorable order from CESTAT that has set aside demand of 22,428 lakhs vide order dated February 13,2020 received on June 112,2020. However, the department has filed an appeal before the Honorable Bombay High Court in March 2021. The appeal in the admission process and the Company has filed a CAVEAT in response to the appeal in Honorable Bombay High court.

(All amounts are in Rupees in Lakhs, except otherwise as stated)

b)	Litigations / claims against the Group by customers / ex-employees / general public. The Group has strong grounds of appeal and does not foresee any outflow in this regard.	2,970	3,006
c)	**Commitments**		
I.	Estimated amount of contracts [net of capital advances of Rs. NIL (Previous Year Rs. 40) remaining to be executed on Capital Account not provided for.	89	56
ii.	Guarantees given by banks to various government departments and customers for specific business purpose. The Management is of opinion that there will be no impact on future cash flow of the Group.	22,394	22,228

d) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion In basic wages for the purposes of computation of Provident Fund contribution.

In view of the management, the liability for the period from date of the SC order to 31st March, 2019 is not significant. Further, pending directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the financial statements.

47 Capital Management

The Group determines the capital requirements based on its financial performance, operating and long term investment plans. The funding requirements are met through operating cash flows generated. For the purpose of Group's Capital Risk Management, "Capital" includes issued equity share capital, securities premium and all other equity reserves attributable to it's shareholders.

The Group's objective in managing its capital is to safeguard its ability to continue as a going concern and to maximise shareholder's values.

The capital structure of the Group is based on management's assessment of the appropriate balance of key elements in order to meet its strategic and day-to day needs. The Group considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group maintains a stable and strong capital structure with a focus on total equity so as to maintain shareholders and creditors confidence and to sustain future development and growth of its business. The Group takes appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The management monitors the return on capital as well as the level of dividends to shareholders. Refer table below for the dividends paid :

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Equity shares Interim dividend Rs. 150 per share fully paid (Previous year - Rs.105)	17,712	12,399

48 On April 3, 2020, Otis Worldwide Corporation ("OWC"), a company incorporated in United States of America was listed on The New York Stock Exchange. Reorganisation has been made in the United Technologies Corporation Inc., United States (UTC) and OWC has become the ultimate holding company of Otis Elevator Company (India) Limited. Since then, UTC has become the former ultimate holding company and is no longer the ultimate holding company.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

51 Offsetting financial assets and financial liabilities

The following table presents the recognized financial instruments that are subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2021 and March 31, 2020

Particulars	Gross Amounts	Related amounts not offset	
		Amounts subject to master netting arrangements	Net Amount
As at March 31, 2021			
Other financial assets			
Derivative not designated as hedges			
- Foreign exchange forward contracts	41	(41)	-
Other financial liabilities			
Derivative Financial Liabilities			
Foreign exchange forward contracts	172	(41)	131
As at March 31, 2020			
Other financial assets			
Derivative not designated as hedges			
- Foreign exchange forward contracts	214	(214)	-
Other financial liabilities			
Derivative Financial Liabilities			
Foreign exchange forward contracts	99	(214)	(115)

Master netting arrangements - not currently enforceable

Agreements with derivative counterparties are based on ISDA Master Agreement. Under the terms of these arrangements, only where certain credit events occur (such as default), the net position owing/receivable to a single counterparty in the same currency will be taken as owing and all the relevant arrangements terminated. As the group does not presently have a legally enforceable right of set-off, these amounts have not been offset in the balance sheet, but have been presented separately in the table above.

52 Employee share based payments

Prior to the reorganization of United Corporation Technologies, Inc. (UTC) in April 2020, certain employees of the Group had been granted Long-Term Incentive Plan (LTIP) namely - Stock Appreciation Rights (SAR), Performance Stock Units (PSU), and Restricted Stock Units (RSU) by the former Ultimate Parent Company i.e. UTC

'- SARs are the grant of a "right" to acquire UTC shares based on the appreciation in value of a fixed number of shares.

'- PSUs are units (representing one UTC Share) transferred to the employee subject to the satisfaction of certain performance conditions.

'- RSUs are units (representing one UTC Share) transferred to the employee at the end of the vesting period.

Generally, stock appreciation rights and stock options have a term of ten years and a minimum three-year vesting period. LTIP awards with performance based vesting generally have a minimum three-year vesting period and vest based on performance against pre-established metrics. The fair value of each option award is estimated on the date of grant using a binomial lattice model.

In conjunction with the reorganization, Otis Worldwide Corporation ("OWC") i.e. the new Ultimate Parent Group adopted the 2020 Long-Term Incentive Plan (the "Plan"). The Plan became effective on April 3, 2020. The Plan provides for the grant of various types of awards including RSUs, SARs, stock options and PSUs. Under the Plan, the exercise price of awards, if any, is set on the grant date and may not be less than the fair market value per share on that date.

The value of the replaced stock-based awards was designed to preserve the aggregate intrinsic value of the award immediately after the separation when compared to the aggregate intrinsic value of the award immediately prior to reorganization. The incremental charge to the Group is not material.

The Group has recognised an employee benefit expense towards share based payment of Rs. 290 Lakhs (Previous year: Rs 394 lakhs) with a corresponding increase in Other Equity as equity contribution from the Ultimate Holding Company.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

49 Interests in other entities
(a) Subsidiary

The Company's subsidiary as at March 31, 2021 is set out below. Subsidiary has capital consisting solely of equity shares that are held directly by the Company: -

Name of Entity	Place of business/country of incorporation	Ownership interest held by the ownership group		Principal activities
		March 31, 2021	March 31,2020	
Supriya Elevator Company (India) Limited	India	100%	100%	Manufacture, erection, installation and maintenance of elevators, escalators and travolators.

50 'Disclosures mandated by schedule III of Companies Act 2013, by way of additional information

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive inocme	Amount	As % of consolidated other comprehensive inocme	Amount
Parent (Indian) Otis Elevator Company (India) Limited								
March 31, 2021	102%	25,271	100%	16,376%	98%	(357)	100%	16,019
March 31, 2020	102%	26,674	99%	18,081%	101%	(177)	99%	17,904
Subsidiaries (Indian) Supriya Elevator Company (India) Limited								
March 31, 2021	-5%	(1,253)	-1%	(124)	2%	(6)	-1%	(130)
March 31, 2020	-4%	(1,124)	0%	(88)	-1%	2	0%	(86)
Inter-company eliminations and consolidation adjustments								
March 31, 2021	3%	759	1%	123	0%	-	1%	123
March 31, 2020	2%	637	1%	244	0%	(1)	1%	243
Total								
March 31, 2021	100%	24,777	100%	16,375	100%	(363)	100%	(16,012)
March 31, 2020	100%	26,187	100%	18,237	99%	(176)	100%	(18,081)

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

53 Disclosure as per Ind AS 115

(a) Disaggregation of revenue from contracts with customers
In the following table, revenue from contracts with customers is disaggregated by primary geographical area.

Particulars Primary geographical markets	**Year ended March 31, 2021**	**Year ended March 31, 2020**
India	1,64,638	1,69,601
Sri Lanka	3,721	5,308
Nepal	746	758
Bangladesh	1,038	221
Bhutan	172	472
	1,70,315	1,76,360

(b) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
Receivables which are included in Trade receivables	40,313	37,250
Contract assets		
- Amount due from customers on construction contract	5,920	6,104
- Accrued value of work done net off provision	1,98,183	1,79,902
Contract liabilities		
- Amount due to customers under construction contract	36,440	35,169
- Advance from customer	5,749	5,606

The contract assets primarily relate to the group's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the period ended 31 March 2020 was impacted by an impairment charge of INR NIL. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the group issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

Amounts due from contract customers represents the gross unbilled amount expected to be collected from customers for contract work performed till date. It is measured at cost plus profit recognised till date less progress billings and recognised losses when incurred.

Amounts due to contract customers represents the excess of progress billings over the revenue recognised (cost plus attributable profits) for the contract work performed till date.

Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred in the group's contract activity based on normal operating capacity.

Significant changes in contract asset and contract liabilities balances during the year are as follows:

	Particulars	**Year ended March 31, 2021**	**Year ended March 31, 2020**
(A)	**Due from contract customers:**		
	At the beginning of the reporting period (Para 116 (a))	6,104	7,678
	Add: Increase / (decrease) in progress work (net)	51,161	(9,077)
	Less: Increase / (decrease) in aggregate amount of progress billing (net)	51,345	(7,503)
	At the end of the reporting period (Para 116 (a))	5,920	6,104
(B)	**Due to contract customers:**		
	At the beginning of the reporting period (Para 116 (a))	35,169	34,810
	Less: Increase / decrease) in aggregated amount of cost incurred and recognised profits (less recognised losses) (net)	(32,880)	21,111

(All amounts are in Rupees in Lakhs, except otherwise as stated)

Add: Increase / (decrease) in Progress billings made towards contracts-in-progress (net)	(31,609)	21,470
At the end of the reporting period (Para 116 (a))	36,440	35,169

(c) Performance obligation

The Group evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Contracts where the group provides a significant integration service to the customer by combining all the goods and services are concluded to have a single performance obligations. Contracts with no significant integration service, and where the customer can benefit from each unit on its own, are concluded to have multiple performance obligations. In such cases consideration is allocated to each performance obligation, based on standalone selling prices. Where the group enters into multiple contracts with the same customer, the group evaluates whether the contract is to be combined or not by evaluating factors such as commercial objective of the contract, consideration negotiated with the customer and whether the individual contracts have single performance obligations or not.

The Group recognises contract revenue over time as the performance creates or enhances an asset controlled by the customer. For such arrangements revenue is recognised using cost based input methods. Revenue is recognised with respect to the stage of completion, which is assessed with reference to the proportion of contract costs incurred for the work performed at the balance sheet date relative to the estimated total contract costs.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the group recognises the entire estimated loss in the period the loss becomes known.

Variations in contract work, claims, incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

The Group recognises revenue from Operations and Maintenance services using the time-elapsed measure of progress i.e. input method on a straight line basis.

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at 31 March 2021:

Particulars	March 2022	March 2023	2024 - 2028	TOTAL
Contract revenue	124,578	68,185	9,854	202,617
	124,578	**68,185**	**9,854**	**202,617**

Particulars	March 2021	March 2022	2023 - 2027	TOTAL
Contract revenue	106,292	99,672	12,695	218,659
	106,292	**99,672**	**12,695**	**218,659**

The Group applies practical expedient in paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations that have original expected duration of one year or less.

(d) Reconciliation of revenue recognised in the Statement of Profit and Loss

The following table discloses the reconciliation of amount of revenue recognised for the year ended 31 March 2021:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Contract price of the revenue recognised	1,70,315	1,76,360
Revenue recognised in the Statement of Profit and Loss	**1,70,315**	**1,76,360**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2021
(All amounts are in Rupees in Lakhs, except otherwise as stated)

54 Recent Accounting Pronouncements

Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021

55. COVID-19

The COVID-19 pandemic has caused social and economic disruption across India and also has also impacted our industry. The Group has taken various measures to deal with the situation. Group's factory operations have resumed shipments in early May and the field teams are doing installation, maintenance and attending to breakdowns following enhanced internal safety and government guidelines. As per assessment, the Group is of the view that there would be a slowdown in demand in short term during the lockdown and demand would gradual bounce back with the easing off the lockdown. The Group has considered internal and external information while assessing recoverability of its assets disclosed in the consolidated financial statements up to the date of the approval of these financial statements by the Board of Directors. Based on such assessment and considering the current economic indicators, the Group expects to recover the carrying amount of these assets. The management has also considered the impact of COVID-19 on the business for the foreseeable future and have concluded that the Group has sufficient resources to continue as a going concern and will be able to meet its financial obligations over the foreseeable future. The Group will continue to closely monitor the economic situation and take appropriate actions.

56 Prior year comparative

Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification/ disclosure.

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants
Firm Registration No. 101248W/W-100022

Maulik Jhaveri
Partner
Membership No. 116008

Place: Mumbai
Date: August, 26, 2021

For and on behalf of the Board of Directors of
Otis Elevator Company (India) Limited
CIN: U29150MH1953PLC009158

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai
Date: August, 26, 2021

Rutika Pawar
Company Secretary
Membership No. A17248

Place: Mumbai

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Supriya Elevator Company (India) Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4	Share capital	269
5	Reserves & surplus	(1,522)
6	Total assets	398
7	Total Liabilities	1,652
8	Investments	-
9	Turnover	607
10	(Loss) / Profit before taxation	(124)
11	Provision for taxation	-
12	(Loss) / Profit after taxation	(124)
13	Proposed Dividend	-
14	% of shareholding	100

Notes:

1 Names of subsidiaries which are yet to commence operations: None

2 Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Venture: Not Applicable

For and on behalf of the Board of Directors

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai

Date: August 26, 2021

NOTES