

ANNUAL REPORT

2023-24



**Empowering
Growth, Supporting
India's Infrastructure**



Gen3™

A platform for possibility



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Otis ONE™ – IoT



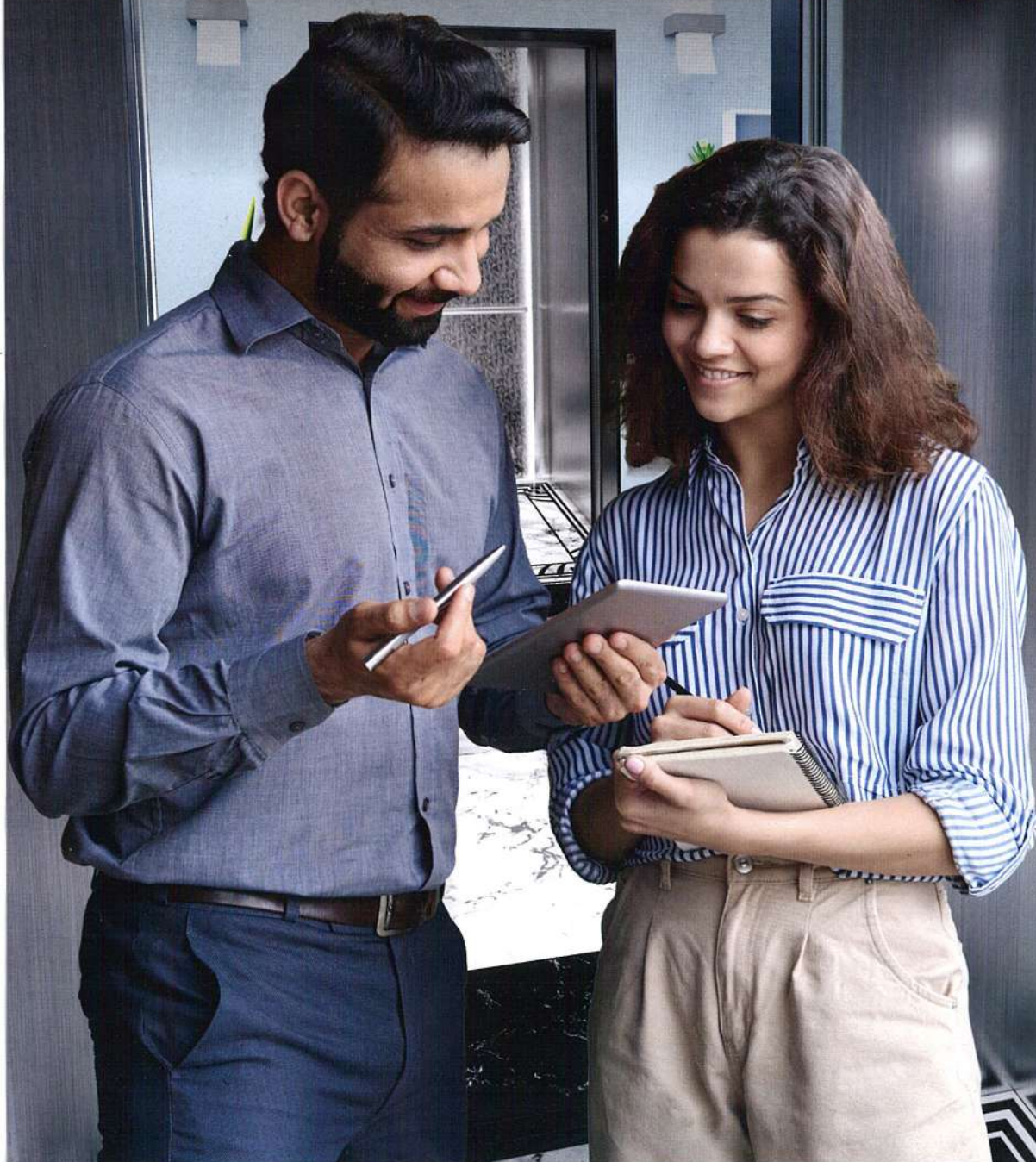
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MACHINE WITH REGEN DRIVE**
75% more energy efficient



**COATED STEEL BELTS
WITH PULSE MONITORING**
24X7 monitoring of
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AMBIANCE AESTHETICS
Superior cab designs
with accent lighting



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
<https://www.otis.com/en/in/>

Manufacturing Facility

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

West Region

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

East Region

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

North Region

Unit No. B-53/2, 3rd Floor, Tower B
The Corenthum, A-41 Sector - 62
Noida, Uttar Pradesh - 201 301

South Region

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. B S R & 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.
C 101, 247 Park, L.B.S Marg,
Vikhroli (West),
Mumbai - 400 083, Maharashtra

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

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

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THE UNIVERSITY OF CHICAGO

PHILOSOPHY DEPARTMENT
1100 EAST 58TH STREET
CHICAGO, ILLINOIS 60637
TEL: 773-936-3300
WWW.CHICAGOEDUCATION.ORG

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BOARD OF DIRECTORS

| | |
|---|--------------------------------|
| Sebi Joseph | - Chairman & Managing Director |
| P. S. Dasgupta (up to 31 March 2024) | - Independent Director |
| Jyotin Mehta (from 01 April 2024) | - Independent Director |
| Anil Vaish | - Independent Director |
| Suma P N | - Whole-time Director |
| Bharatkumar Nayak | - Whole-time Director |
| Manish Asopa | - Non-Executive Director |

CHIEF FINANCIAL OFFICER

Bharatkumar Nayak

COMPANY SECRETARY

Rutika Pawar

AUDIT COMMITTEE

| | |
|--------------|------------|
| Anil Vaish | - Chairman |
| Sebi Joseph | - Member |
| Jyotin Mehta | - Member |

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

| | |
|--------------|------------|
| Sebi Joseph | - Chairman |
| Suma P N | - Member |
| Jyotin Mehta | - Member |

NOMINATION AND REMUNERATION COMMITTEE

| | |
|--------------|------------|
| Anil Vaish | - Chairman |
| Sebi Joseph | - Member |
| Jyotin Mehta | - Member |
| Manish Asopa | - Member |

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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NOTICE OF 70TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **SEVENTIETH ANNUAL GENERAL MEETING** of **OTIS ELEVATOR COMPANY (INDIA) LIMITED** will be held on **Friday, 27th September 2024 at 2:30 PM** through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company.

ORDINARY BUSINESS:

1. To receive, consider and adopt:

- (A) Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2024 together with the Reports of the Board of Directors and Auditors thereon; and
- (B) Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2024 together with the Report of Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2024 together with the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby adopted.

RESOLVED FURTHER THAT the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2024 together with the report of the Auditors thereon, as circulated to the Members, be and are hereby adopted."

- 2.** To appoint a Director in place of Mr. Bharatkumar Sanjiva Nayak (DIN: 01919252), who retires by rotation and being eligible, offers himself for re-appointment and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s), amendments and/or re-enactment(s) thereof for the time being in force), Mr. Bharatkumar Sanjiva Nayak (DIN: 01919252), who retires by rotation at this Annual General Meeting of the Company, and being eligible, seeks re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

- 3.** To consider and appoint Mr. Jyotin Mehta (DIN: 0033518) as an Independent Director and, in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013 ("Act") and the Rules framed thereunder (including any amendment, modification, variation or re-enactment thereof), Articles of Association of the Company and other applicable laws, Mr. Jyotin Mehta (DIN:0033518), who was

appointed as an Additional Director of the Company in the capacity of an Independent Director with effect from 01st April 2024 by the Board of Directors pursuant to section 161 of the Company and who holds office up to the date of the Annual General Meeting of the Company and qualifies for being appointed as the Non-Executive Independent Director and has been recommended by the Nomination and Remuneration Committee and the Board of Directors, be and is hereby appointed as a Non-Executive Independent Director for a term of 5 years with effect from 1st April 2024 to 31st March 2029, not liable to retire by rotation.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution and for matters concerned and incidental thereto."

- 4.** To ratify the remuneration payable to M/s. Kishore Bhatia and Associates (Firm Registration No.: 00294), Cost Auditors of the Company for the Financial Year ending 31st March 2025 and, in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or amendment(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. Kishore Bhatia and Associates (Firm Registration No.: 00294), who was re-appointed by the Board of Directors as the Cost Auditor of the Company, based on the recommendation of the Audit Committee, to audit the cost records of the Company for the Financial Year ending 31st March 2025, amounting to Rs. 3,85,000/- (Rupees Three Lakhs Eighty-Five Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, if any, incurred in connection with the audit, be and is hereby ratified.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, and things as may be necessary, expedient, and desirable for the purpose of giving effect to this resolution and for matters concerned or incidental thereto."

By Order of the Board of Directors

Rutika Pawar
Company Secretary
Membership No. A17248

Place: Mumbai
Date: 23rd August 2024

REGISTERED OFFICE:
9th Floor, Magnus Towers,
MindSpace, Malad Link Road
Malad (W), Mumbai - 400 064
Maharashtra

NOTICE OF 70TH ANNUAL GENERAL MEETING

Notes:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special business to be transacted at the 70th Annual General Meeting (AGM), is annexed hereto.
2. The Ministry of Corporate Affairs ("MCA"), inter-alia, vide its General Circular Nos. 14/ 2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, followed by General Circular Nos. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 09/2023 dated September 25, 2023 (collectively referred to as "MCA Circulars") has permitted the holding of the AGM through Video Conferencing ("VC") or through Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. The forthcoming AGM will thus be held through VC or OAVM.

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 400 064, Maharashtra.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.
6. The facility for voting through electronic voting system shall 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 in an arrangement with **Central Depository Services (India) Limited (CDSL)** for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
7. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.otis.com/en/in/>. The AGM Notice is also disseminated on the website of CDSL i.e. www.evotingindia.com.
9. 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 September 20, 2024 through email to **Ms. Rutika Pawar, Company Secretary at e-mail id: otisindia.investors@otis.com**. The documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.
10. Corporate / Institutional members intending to authorize their representative to attend the Meeting through VC facility are requested to send to the Company a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the Meeting. The said resolution/ authorization shall be sent to the Company Secretary at otisindia.investors@otis.com.

Institutional Shareholders/Corporate Members (i.e., other than individuals, HUF, NRI, etc.) are requested to upload their Board Resolution/Power of Attorney/Authority Letter by clicking on 'Upload Board Resolution/Authority Letter' displayed under 'e-Voting' tab in their login or send a scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority letter, etc. with the attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer at jatin@jso-associates.com with a copy marked to evoting@cDSL.com.
11. 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 (West), Mumbai- 400089, Tel No: +91 22 49186000 Fax: + 01 22 49186060, Email id: rt.helpdesk@linktime.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.
12. The Company had paid dividends to its shareholders and pursuant to the Companies Act, 2013, the amount of such dividends pertaining to FY 2017-18, which were unclaimed/ unpaid will be transferred to the Investor Education and Protection Fund (IEPF) of the Government in the current Financial Year.

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, there were no shares liable to be transferred

NOTICE OF 70TH ANNUAL GENERAL MEETING

to IEPF, in respect of which Dividend had not been paid or claimed by the Shareholders for seven consecutive years or more to the Demat account of the Investor Education and Protection Fund Authority (IEPFA).

The Company has been sending reminders to those members having unpaid/unclaimed dividends before transfer of such dividend(s) to IEPF. The Company has uploaded full details (Name, Folio no/DP id/Client id) of such shareholders on its website <https://www.otis.com/en/in/>. The Company had also simultaneously published notice in the leading newspapers in English and regional language of the State having wide circulation as per statutory requirement. Members who have not encashed their dividend warrants pertaining to FY 2018-19 to FY 2023-24, may approach the Company or its Registrar & Share Transfer Agent located at C 101, 247 Park, LBS Road, Vikhroli (West), Mumbai-400089, Tel No: +91 22 49186000 Fax: +91 22 49186060, Email Id: rnt.helpdesk@linktime.co.in, Website: www.linkintime.co.in immediately for obtaining payment thereof mentioning the relevant folio number or DPID/ Client ID, for issuance of duplicate / revalidated dividend warrant(s). In case valid claim is not received, the respective shares will be credited to the demat account of the IEPF Authority.

13. Members may note that they can claim back the shares as well as unclaimed Dividends transferred to the IEPF Authority. Concerned Members/ Investors are advised to visit the weblink <http://www.iepf.gov.in/IEPF/refund.html> or contact RTA for lodging claim for refund of Shares and/ or Dividend from the IEPF Authority. No claims shall lie against the Company in respect of the dividend/shares so transferred.

14. Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/ its Registrar & Share Transfer Agent "RTA"/ 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 are to be followed:

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

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.

15. The Notice of the Annual General Meeting is being sent to those Members whose name appears in the Register of Members / List of Beneficial Owners as on Record Date i.e **Friday, August 23, 2024**. Members may note that the Notice of AGM will also be available on the Company's website.

16. The Register of Members and the Share Transfer Books of the Company will remain closed from **Friday, September 20, 2024 to Friday, September 27, 2024 (both days inclusive)**.

17. 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. **Friday, September 20, 2024** are entitled to vote on the Resolutions set forth in this notice.

18. Anyone who has acquired shares and became 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, by sending an email to otisindia.investors@otis.com or rnt.helpdesk@linktime.co.in by mentioning their Folio No./ DP ID and Client ID No.

19. The Company has appointed M/s. JSP & Associates, Practising Company Secretaries, to act as the Scrutinizer, for conducting the remote e-voting and e- 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.

20. 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 and 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.

21. The results shall be declared 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.

THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on **Monday, September 23, 2024 at 9:00 AM** and ends on **Thursday, September 26, 2024 at 5:00 PM**. During this period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of **Friday, September 20, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

Login method for e-voting and joining virtual meetings for Individual Shareholders holding securities in Demat mode CDSL/NSDL is given below:

NOTICE OF 70TH ANNUAL GENERAL MEETING

- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode with CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit www.cdslindia.com and click on Login icon & select New System Myeasi Tab. After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/ Easiest, option to register is available at CDSL Website. Visit the CDSL website at www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |

Individual Shareholders holding securities in demat mode with NSDL Depository

- If you are already registered for NSDL **IDeAS facility**, please visit the Services website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password and the Verification Code. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- If the user is not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com>. Select Register Online for IDeAS Portal or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReq.jsp>
- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

NOTICE OF 70TH ANNUAL GENERAL MEETING

| | |
|---|--|
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on the e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
|---|--|

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

| Login type | Helpdesk details |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdsindia.com or contact at toll free no. 1800 21 09911 |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000 |

Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form

- The Shareholder should log on to the e-voting website www.evotingindia.com.
- Click on "Shareholders" module.
- Now enter your User ID
 - For CDSL: 16 digits beneficiary ID,
 - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

- If you are a first-time user follow the steps given below:

| | For Physical shareholders and other than individual shareholders holding shares in Demat. |
|--|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

- After entering these details appropriately, click on "SUBMIT" tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN of Otis Elevator Company (India) Limited to vote.
- On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

NOTICE OF 70TH ANNUAL GENERAL MEETING

14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer or verification.

(iv) Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delinked in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; otisindia.investors@otis.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a **speaker** by sending their request in advance at least **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at otisindia.investors@otis.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at otisindia.investors@otis.com. These queries will be replied to by the company suitably by email. It is noted that the Company reserves the rights to restrict the number of questions and number of speakers, as approved for smooth conduct of AGM.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM 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 system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

NOTICE OF 70TH ANNUAL GENERAL MEETING

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

NOTICE OF 70TH ANNUAL GENERAL MEETING

ANNEXURE TO THE NOTICE

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

Item No. 3

Mr. Jyotin Mehta (DIN:0033518), (aged: 66 years) was appointed as an Additional Director in the capacity of an Independent Director on the Board with effect from 01st April 2024 by the Board of Directors at its meeting held on 27th March 2024 in accordance with the Articles of Association of the Company and Section 149, 152 and 161 of the Companies Act, 2013 ("the Act"). Pursuant to Section 161, Mr. Jyotin Mehta holds office up to the date of the forthcoming Annual General Meeting.

The Board of Directors has considered the appointment of Mr. Mehta as an Independent Director, not liable to retire by rotation, in its meeting held on 23rd August 2024 on the recommendation of the Nomination and Remuneration Committee ("NRC") and approved it subject to the approval of the members at the forthcoming Annual General Meeting. The NRC while recommending his appointment as an Independent Director, considered his integrity, expertise, experience and qualification. Mr. Mehta is not disqualified from being appointed as Director in terms of Section 164 of the Act and has also given his consent to act as an Independent Director of the Company.

Mr. Jyotin Mehta holds a Bachelor of Commerce degree and is a Gold Medallist from University of Mumbai and has professional qualifications of Chartered Accountant, Company Secretary and Cost Accountant from India. Mr. Mehta is an experienced Finance and GRC professional with excellent academic credentials and has 40 plus years of rich experience in Corporate Finance, Internal Audit, Corporate Governance, Risk and Controls, Company Law and Legal and Regulatory Compliance.

Mr. Mehta has held leadership positions in renowned companies and presently holds position as an Independent Director and Chairman/member of board committees in various listed and unlisted companies including Linde India Limited, Suryoday Small Finance Bank, Westlife Foodworld Limited, companies in the ICICI Group & M&M Group.

Mr. Mehta also gives mentorship support to senior professionals and is a visiting faculty at leading management schools in India including SP Jain Institute of Management Research and Welinkar Institute of Management (WeSchool). Mr. Mehta specializes and is passionate in areas of Cost Management, Governance, Risk and Controls.

Mr. Mehta has attended two meetings of the Board held during the Financial Year 2024-25 and is a member of the Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee of the Board.

Mr. Mehta holds 500 shares in the Company and is not related to any other Director or Key Managerial Personnel of the Company. He will be entitled to receive commission and sitting fees for attending board meetings as per the company's policy for Independent Directors. His appointment as an Independent Director is in accordance with Section 149, 152 of the Act and the Rules framed thereunder as amended from time to time and is subject to the approval of the members of the Company.

In terms of the provisions of the Companies Act, 2013, the consent of the members is required for the appointment and remuneration of Mr. Jyotin Mehta as an Independent Director of the Company.

The Board recommends the Ordinary Resolution as set out at Item no. 3 of the Notice for approval of the members. The terms set out in the resolution and in the explanatory statement may be treated as an abstract of the terms and conditions governing his appointment and remuneration and memorandum of interest pursuant to Section 190 of the Companies Act, 2013.

Interest of Directors:

Except Mr. Jyotin Mehta, no other Promoter, Director, Key Managerial Personnel of the Company and their relatives thereof is interested or concerned financially or otherwise in the proposed resolution.

Item No. 4

The Board of Directors, at its meeting held on 23rd August 2024, on the recommendation of the Audit Committee, approved the re-appointment of M/s. Kishore Bhatia & Associates (Firm Registration No.: 00294), Cost Accountants, Mumbai, as the Cost Auditor to conduct the audit of the cost records of the Company, if applicable, for the Financial Year ending 31st March 2025 at a remuneration not exceeding Rs. 3,85,000/- (Rupees Three Lakhs Eighty-Five Thousand Only) plus applicable taxes and out of pocket expenses at actuals.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Rules framed thereunder as amended, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution set out at Item no. 4 of the Notice.

Interest of Directors:

None of the Directors, Key Managerial Personnel or their relatives is concerned or interested, financially or otherwise, in this resolution.

By Order of the Board of Directors

**Rutika Pawar
Company Secretary
Membership No. A17248**

REGISTERED OFFICE:

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

Place: Mumbai
Date: August 23, 2024

BOARD'S REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Your directors take pleasure in presenting the 70th (Seventieth) Annual Report along with the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024.

FINANCIAL HIGHLIGHTS

The Financial highlights of your Company for the Financial year ended March 31, 2024 are as under:

| Particulars | (INR in millions) | | | |
|--|-------------------|------------|--------------|------------|
| | Standalone | | Consolidated | |
| | FY 2023-24 | FY 2022-23 | FY 2023-24 | FY 2022-23 |
| Revenue from operations | 27,620 | 24,273 | 27,707 | 24,350 |
| Other Income | 615 | 454 | 628 | 463 |
| Total Income | 28,235 | 24,727 | 28,335 | 24,813 |
| Profit before tax | 2,855 | 2,137 | 2,857 | 2,128 |
| Provision for Tax | 758 | 578 | 761 | 581 |
| Net Profit after tax | 2,097 | 1,559 | 2,096 | 1,547 |
| Surplus brought forward | 1,634 | 1,861 | 1,567 | 1,806 |
| Profit after tax available for appropriation | 3,731 | 3,420 | 3,663 | 3,353 |
| Items of Other Comprehensive Income | (59) | (15) | (59) | (15) |
| Appropriation: | | | | |
| Interim Dividend | 1,594 | 1,771 | 1,594 | 1,771 |
| Transaction with Non-controlling Interest | - | - | - | - |
| Surplus carried forward | 2,078 | 1,634 | 2,010 | 1,567 |

DIVIDEND

Your Company declared two interim dividends, one on 09th June 2023 at the rate of 1000% of Rs. 100/- per equity share and a second on 03rd November 2023 of 350% being Rs. 35/- per equity share. 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 Friday, September 20, 2024 to Friday, September 27, 2024 (both days inclusive) for the purpose of Annual General Meeting.

REVIEW OF OPERATIONS / STATE OF THE COMPANY'S AFFAIRS

FINANCIALS

On Standalone basis, Revenue from operations for FY 2023-2024 at Rs. 27,620 million was 14 % higher than previous year. All segments of business grew over last year. New equipment revenues grew by 17% driven by strong growth in factory shipments coupled with higher field activity. Repair and modernization business grew by 13%. Maintenance revenues grew by 7% driven by portfolio growth. Operating profit without interest income and non-recurring items was up 31% driven by continued focus on cost reductions and efficiency improvement across factory and field operations, coupled with stable commodity costs. We continue to constantly enhance our working capital management processes, and this has resulted in another strong year on cash flow generation from operations.

On Consolidated basis, Revenue from operations for FY 2023-24 at Rs. 27,707 million was higher by 14% over the previous year. Profit after tax ("PAT") for the year was Rs. 2,096 million recording an increase of 35% vis prior year.

BUSINESS

For the fiscal year 2023-24, GDP grew by 8.2% with growth across all sectors. Construction industry grew by 9.9%. The elevator and escalator market is anticipated to grow by CAGR of ~6% over the next 5 years. The growth of the market is driven by various factors, including the proliferation of high-speed metro projects, indicative of the country's increasing urbanization and demand for efficient vertical transportation solutions. Additionally, rising disposable income and robust economic growth contribute to heightened investment in infrastructure development, driving the need for elevators and escalators in commercial and residential complexes.

Your Company adapted the strategy to enhance sales coverage, penetrate all segments: residential, commercial and infrastructure, manage supply chain disruptions, improve execution capability and meet customer needs. Your Company continuously enhances its Business Continuity plan to mitigate various business risks.

Your Company continued its progress on the digital front. The digital bookings gained further momentum with the visible improvement. The online platform is supported by sustained Digital Marketing program across key social media platforms. The Company strengthened the service sales digitalization using the repair upgrade application to enable app-based lead generation for repair business. The OTIS ONE™ solution (IoT) has gained traction especially in key accounts who have signed up for active monitoring and connected solutions. The connected solutions offer both customer oriented features and improved service and field response time.

Your Company continued the focus on People First having a series of initiatives on professional development and personal development with specific focus on well-being and mental health.

NEW EQUIPMENT SALES

Your Company has taken significant steps to leverage the growth in elevator segment in FY 2023-24 and has further improved the share of segment with strong growth in orders and backlog. The segment coverage was enhanced through increased sales efficiency, increased digital marketing initiatives, and increased coverage of Tier 2/3 cities. The product range is further enhanced with increased choices for customers in aesthetics as well as option of having the installations connected through our IoT solutions; an integral part of our Gen 3 sales. The Company has launched the Modular Series that gives our customers the freedom to customize their elevator experience through a wide range of different combinations and fresh designs.

SERVICE

Your Company continues to be the leader in service portfolio in India with another year of strong growth in portfolio in the year. The service delivery has been further strengthened with enhanced deployment of strategic initiatives and digitalization including having the installations connected through IoT. The Company continued to add several critical features to the Service Transformation to improve service delivery and to sustain the leadership position.

BOARD'S REPORT

MODERNISATION (MOD) AND UPGRADATION

MOD is one of our strategic pillars to drive growth in coming years. The newly shaped MOD vertical delivered a strong double-digit growth in modernization orders and sales.

With new modernization packages like the Gen3 Mod Pro and Plus, we are poised to accelerate the growth in the modernization business and deliver customer satisfaction. Your Company is also focused on technical skilling as well as augmenting the Sales force in MOD business for improved coverage.

CURRENT OUTLOOK

For the current fiscal year, GDP is expected to grow by 7%. Construction industry is also expected to grow by 7% supported by government investment in infrastructure sector. The government driven initiatives on infrastructure development and urbanization are creating further opportunities for elevator and escalator manufacturers and service providers to equip cities with advanced vertical transportation systems.

Otis is committed to serving our customers by innovating and launching new connected products and deploying efficient field operations as we expand the maintenance portfolio and grow our repair and modernization business. We continue to invest in our business to remain the leader in the industry we founded. Digitalization is improving our customer's experiences and supporting overall service performance.

TRANSFER OF UNCLAIMED/UNPAID AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), dividends, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). Further, shares in respect of such dividends which have not been claimed for a period of 7 consecutive years are also liable to be transferred to the demat account of the IEPF Authority.

During the year, the unclaimed dividends of INR 32,29,430/- (Indian Rupees Thirty-Two Lakh Twenty-Nine Thousand Four Hundred Thirty Only) pertaining to the Financial Year 2015-16, were transferred to Investor Education and Protection Fund after giving notice to the members whose dividend was unpaid as per Rule 5(1) of the Companies (Declaration and Payment of Dividend) Rules, 2014 as amended.

The shareholders having claims with respect to unpaid dividends may approach the Company or Link Intime India Pvt. Ltd., the Registrar and Share Transfer Agent of the Company.

Any person, whose unclaimed or unpaid amount, along with shares, if any, has been transferred by the company to IEPF Authority may claim their refunds from the IEPF Authority by accessing following link <http://www.iepf.gov.in/IEPF/refund.html>. No claims shall lie against the Company in respect of the dividend/shares so transferred.

TRANSFER TO RESERVE

During the year under review, the Company has not transferred any amount to the 'General Reserve' and entire amount of profit for the year forms part of the 'Retained Earning'.

OTIS ABSOLUTES

During the year under review, your company continues to maintain high standards of Safety, Ethics and Quality. These core values establish standards of conduct and ethical principles and guide us in our day-to-day decisions. Your Company continues to strive to ensure that it delivers safe and quality products and services and its workplaces are safe from hazards.

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. The financials of the Subsidiary Company are disclosed in the Consolidated Financial Statements, which forms part of this Annual Report. The Company had no associate concern or joint ventures during the year under review.

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.

DIRECTORS' RESPONSE ON AUDITORS' COMMENT

The comment by the Statutory Auditors under para 2A(b) under 'Other Legal and Regulatory Requirement' section of Independent Auditor's Report was on account of back-up of the books of accounts and other relevant books and papers in electronic mode have not been on servers physically located in India. The Ministry of Corporate Affairs (MCA) had mandated the back-up of books of accounts on daily basis (from periodical basis) on servers located in India effective August 11, 2022. The Company is carrying daily back-up of its books of accounts on servers physically located outside India. The company is evaluating feasibility to have daily backup of books of accounts on server physically located in India.

The comment by the Statutory Auditors under para 2B(f) under 'Other Legal and Regulatory Requirement' section of Independent Auditor's Report was on accounting softwares for maintaining its books of accounts relating to general ledger and payroll records.

BOARD'S REPORT

Audit logs

With respect to enabling Audit trails, Company has Audit logs enabled in limited tables at application level and follows stringent IT change management and Process controls to restrict any direct changes to Audit Logs at database level. The Company is evaluating feasibility to enable all in-scope tables in accounting systems.

Payroll Audit logs

With respect to Third-party operated accounting software used for maintaining the books of accounts relating to payroll, the Company along with third party, will evaluate feasibility to meet the audit trail requirements in the payroll system.

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, 2024, 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, 2024 and the profit of the Company for the year ended March 31, 2024;
- 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.

PUBLIC 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 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 AND KMP

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

The second and final term of Mr. P. S. Dasgupta (DIN: 00012552) as an Independent Director has ended and he has ceased to be a Non-Executive Independent Director on the Board of the Company with effect from 31st March 2024. The Board places on record Mr. Dasgupta's contribution to the Company during his tenure with the company.

Mr. Jyotin Kantilal Mehta (DIN: 0033518) was appointed as an Additional Director by the Board in the capacity of a Non-Executive Independent Director of the Company pursuant to provisions of Section 149, 152 and 161 of the Companies Act, 2013 ("Act") and rules made thereunder for a period of 5 Years with effect from 01st April 2024 on recommendation of the Nomination and Remuneration Committee of the Board. He holds office as an Additional Director of the Company upto the conclusion of this Annual General Meeting. He has been inducted as a Member of the Audit Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee.

The Board, based on the recommendation of Nomination and Remuneration Committee, considers that given the background and experience of Mr. Jyotin Mehta, the continued association of Mr. Jyotin Mehta would be beneficial to the Company and it is desirable to continue availing his services as a Non-Executive Independent Director. Accordingly, it is proposed to appoint Mr. Jyotin Mehta as an Independent Director of the Company, not liable to retire by rotation on the Board of the Company.

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.

INDEPENDENT DIRECTORS

Mr. Jyotin Kantilal Mehta (DIN: 0033518) 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.

BOARD'S REPORT

The Company's policy on director's 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 Company's website at <http://www.otis.com/en/in>.

NUMBER OF MEETINGS OF THE BOARD

The Board met 5 times during the Financial Year 2023-24 on June 09, 2023, August 17, 2023, November 03, 2023, February 26, 2024 and March 27, 2024. 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 exceed 120 days.

Details of attendance of directors at the Board Meetings and Annual General Meeting (AGM) during the Financial Year 2023-24 are provided below:

| Name | Designation | Number of Board Meetings attended | Whether attended last AGM held on September 27, 2023 |
|-----------------------|-------------------------------------|-----------------------------------|--|
| Mr. Sebi Joseph | Chairman and Managing Director | 5 | Yes |
| Mr. P S Dasgupta* | Non-Executive Independent Director | 4 | Yes |
| Ms. Suma P N | Whole time Director | 4 | Yes |
| Mr. Anil Vaish | Non- Executive Independent Director | 5 | Yes |
| Mr. Bharatkumar Nayak | Whole time Director and CFO | 5 | Yes |
| Mr. Manish Asopa | Non-Executive Director | 5 | Yes |
| Mr. Jyotin Mehta** | Non-Executive Independent Director | - | - |

*Ceased to be a Director of the Company w.e.f. 31st March 2024

**Appointed as an Additional Director w.e.f. 1st April 2024

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. Anil Vaish, Independent Director - Chairman
2. Mr. Jyotin Mehta, 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.

NOMINATION AND REMUNERATION COMMITTEE

The constitution of the Nomination and Remuneration 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 Nomination and Remuneration Committee are as under:

1. Mr. Anil Vaish, Independent Director – Chairman
2. Mr. Jyotin Mehta, Independent Director – Member
3. Mr. Sebi Joseph, Managing Director – Member
4. Mr. Manish Asopa, Non-Executive Director – Member

AUDITORS

(A) STATUTORY AUDITORS AND AUDITOR'S REPORT

As per the provisions of Section 139, 141 of the Companies Act, 2013 and rules made thereunder, M/S B S R & Co. LLP Chartered Accountants (FRN: 101248W/W100022) were appointed as Statutory Auditors of the Company at the 68th Annual General Meeting held on September 27, 2022 till the conclusion of the 73rd Annual General Meeting to be held in the year 2027.

The Statutory Auditor's Report does not contain any qualifications, reservations or adverse remarks or disclaimers for the Financial Year 2023-24.

The Statutory Auditors of the Company have not reported any fraud to the Audit Committee as specified under section 143(12) of the Act, during the year under review.

(B) COST AUDITOR AND COST AUDIT REPORT

The Cost Accounts and records as required to be maintained under Section 148(1) of the Act are duly made and maintained by your Company.

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of your Company have, on the recommendation of the Audit Committee, appointed M/s. Kishore Bhatia & Associates, (FRN: 00294) Cost Accountants, Mumbai, to conduct the Cost Audit of your Company for the Financial Year ending 31st March, 2025, at a remuneration not exceeding INR 3,85,000/- (Indian Rupees Three Lakhs Eighty Five Thousand Only) plus applicable taxes and out of pocket expenses at actuals.

As required under the Act, the remuneration payable to the Cost Auditors has to be placed before the Members at a general meeting for ratification. Hence, a resolution relating to the same forms part of the Notice convening the 70th Annual General Meeting.

(C) SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of Companies Act, 2013 read with the Rules framed there under, M/s. JSP

BOARD'S REPORT

Associates, Company Secretaries in Practice (Firm Registration Number: S2004MH073200), were appointed as Secretarial Auditors of your Company to conduct a Secretarial Audit of records and documents of the Company for Financial Year 2023-24.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers for the Financial Year 2023-24. Report of the Secretarial Auditor is annexed as Annexure-A which forms part of this report.

The Company has Complied with the applicable Secretarial Standards (as amended from time to time) on meetings of the Board of Directors and Meeting of Shareholders i.e. SS-1 and SS-2 issued by The Institute of Company Secretaries of India and approved by Central Government under section 118(10) of the Companies Act, 2013.

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.

PARTICULARS OF EMPLOYEES AND REMUNERATION

The Statement containing the particulars of top ten employees and the employees drawing remuneration in excess of limits prescribed under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not annexed to this Report. In terms of the proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Members excluding this statement. The said statement is available for inspection with the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at rutika.pawar@otis.com.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE TILL THE DATE OF THIS REPORT

There are no material changes and commitments, affecting the financial position of the Company, which has occurred between the end of the financial year for the Company i.e., March 31, 2024, and the date of this Board's Report, except as follows:

The Board of Directors of the Company at its meeting held on July 23, 2024 has approved the proposal for the reduction of the issued, subscribed and paid up equity capital of the Company from the existing Rs 11,80,82,220 (Rupees Eleven Crore Eighty Lakhs Eighty-Two Thousand Two Hundred and Twenty) divided into 1,18,08,222 (One Crore Eighteen Lakhs Eight Thousand Two Hundred and Twenty-Two) equity shares having a face value of Rs 10 (Rupees Ten) each fully paid up to Rs 11,59,98,190 (Rupees Eleven Crore Fifty-Nine Lakhs Ninety-Eight Thousand One Hundred and Ninety) divided into 1,15,99,819 (One Crore Fifteen Lakhs Ninety-Nine Thousand Eight Hundred and Nineteen) equity shares having a face value of Rs. 10 (Rupees Ten) each fully paid up, by paying off, cancelling and extinguishing 2,08,403 (Two Lakh Eight Thousand Four Hundred and Three) equity shares having a face value of Rs 10 (Rupees Ten) being

1.76 % of the total issued, subscribed and paid-up equity share capital of the Company held by the equity shareholders of the Company at a fair value determined by the independent registered valuers, as on the Record Date (determined by the Board) other than the shares held by Otis International Asia Pacific Pte Ltd.

The Company on 30th July 2024 has issued a Postal Ballot Notice proposing the special resolution for the approval of shareholders for reduction of share capital by way of postal ballot and remote e-voting pursuant to section 66, 108 and 110 of the Companies Act, 2013. The Postal Ballot Notice is available on the website of the Company at URL: <http://www.otis.com/en/in>.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return in Form MGT-7 for the Financial Year ended 31st March, 2023 is available on the website of the Company at URL: <http://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, spends 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 of Mr. Sebi Joseph - Chairman of the CSR Committee, Mr. Jyotin Mehta, Independent Director and Ms. Suma P N, Whole Time Director.

The focus of the present CSR initiatives is on promoting education in the areas of Science, Technology, Engineering and Mathematics (STEM) and protecting the environment. 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-C to this Report.

During the year under review, the Company has spent Rs. 195.71 Lakhs out of Rs. 374.15 Lakhs as CSR contribution and transferred the unspent amount of Rs. 178.44 Lakhs to the Unspent CSR Account and the balance amount will be spent on ongoing projects as per the Annual Action Plan as per Financial Year 2023-24.

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

BOARD'S REPORT

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 workplace. 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 company has been able to operate efficiently because of the culture of professionalism, creativity, integrity, and continuous improvement in all functional areas and 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 and look forward to their continued support in future too.

For and on behalf of the Board of Directors

Sebi Joseph
Chairman & Managing Director
DIN: 05221403

Place : Mumbai
Date : August 23, 2024

ANNEXURE A TO THE BOARD'S REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 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),
Mumbai – 400 064

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, 2024 (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 *subject to my remarks mentioned hereinafter* 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, 2024 according to the provisions of:

- (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, 2018;
 - (v) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (vi) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - (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. 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 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.
- (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 *except the usage of accounting software with respect to reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 having feature of Audit Trail (edit log) which is not enabled in the said software / accounts database and that the back-up of the books of accounts and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis.*

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

For JSP Associates

Company Secretaries
[Firm Regn. No. S2004MH073200]

Jatin S. Popat
Proprietor
FCS 4047/ CP No. 6880
UDIN: F004047F001031029
Peer Review Regn. No 2867/2023

Place: Mumbai
Date: 23rd August 2024

ANNEXURE A TO THE BOARD'S REPORT**Annexure I to the Secretarial Audit Report for the financial year ended 31st March, 2024**

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 hybrid work system (work from home and office) adopted by the Company, the verification of all the documents and relevant records has been done based on physical / 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]

Place: Mumbai
Date: 23rd August 2024

Jatin S. Popat
Proprietor
FCS 4047/ CP No. 6880
UDIN: F004047F001031029
Peer Review Regn. No 2867/2023

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, 2024.

(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.

- In the newly installed Flexible Manufacturing System machine, we introduced servo driven motors instead of traditional hydraulic systems thereby saving approximately 25% of energy. The elimination of hydraulic system helped achieve a more environmentally friendly concept in manufacturing.
- Improved energy usage by 20% versus prior year through Shop floor operations optimization by elimination of 3rd shift, controlled running of paint line, stopping staggered shifts etc.

(ii) The steps taken by the Company for utilizing alternate sources of energy: Moved away from diesel & LPG to cleaner fuel like PNG (Piped Natural Gas) for pre-treatment tunnel of paint line.

(iii) The capital investment on energy conservation equipment: Capex approved for installing additional 180 kWp on-site Solar rooftop PV panels for generation of renewable electrical energy from existing 420 kWp.

(B) Technology absorption –

(i) The efforts made towards technology absorption:

Research & Development (R&D)

The Company continues to carry out R&D with respect to 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 and 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 INR 2,984 Lakhs & Capital expenditure is 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
Chairman & Managing Director
DIN: 05221403

Place : Mumbai
Date : August 23, 2024

ANNEXURE C TO THE BOARDS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) FOR THE FINANCIAL YEAR 2023-24

1. Brief outline on CSR Policy of the Company

The Company 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

| S. 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 | Mr. Jyotin Mehta** | Independent Director | - | NA |
| 4 | Ms. Suma P N | Whole Time Director | 1 | 1 |

* Ceased to be a director of the company w.e.f. 31st March 2024.

** Appointed as Additional Director and Member of CSR Committee w.e.f. 01st April 2024.

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:

<http://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 for the financial year under review.

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 for the financial year under review.

6. Average net profit of the company as per section 135(5) – Rs. 1,870,752,919

(Amt. in Rs.)

| | |
|---|-------------------|
| (a) Two percent of the average net profit of the Company as per section 135(5) | 37,415,058 |
| (b) Surplus arising out of the CSR projects or programs 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) | 37,415,058 |

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 (in Rs.) | Date of Transfer | Name of the Fund | Amount | Date of Transfer |
| 19,571,122 | 17,843,936 | 29 th April 2024 | NA | NA | NA |

ANNEXURE C TO THE BOARDS' REPORT

(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 implementation - Direct (Y/N) | Mode of implementation - Through Implementing Agency | |
|---------|---|--|------------------|--|---|--------------------------|--|--|---|---------------------------------------|--|--------------|
| | | | | State | Districts | | | | | | Name | CSR Rgn. No. |
| 1. | To set up Mini science centers (MSC) & Tinkering Labs in Rural Govt. Schools across India benefitting school children from marginalized communities | Education | Y | West Bengal, Delhi, Telangana, Maharashtra | Kolkata, Delhi, Hyderabad and Mumbai | March 2024 to March 2025 | 17,115,058 | 14,125,260 | 2,989,798 | N | Samarthanam Trust for the Disabled | CSR00000063 |
| 2. | Tree Plantation Drive in metro cities | Environment Protection | Y | Maharashtra, Karnataka, West Bengal, Delhi | Mumbai, Pune, Bangalore, Kolkata, Delhi | March 2024 to March 2025 | 2,800,000 | 1,400,000 | 1,400,000 | N | Samarthanam Trust for the Disabled | CSR00000063 |
| 3. | To set up Tinkering Labs benefitting students of government schools and under privileged private schools from rural area | Education | Y | Bihar, Chhatisgarh | Gaya, Raipur | March 2024 to March 2025 | 8,000,000 | 2,879,000 | 5,121,000 | N | Mantra Social Services | CSR00000796 |
| 4. | To support and increase access to technology for underprivileged students through STEM education in schools in southern India | Education | Y | Tamil Nadu | Chennai, Tiruvallur, Coimbatore | March 2024 to March 2025 | 8,500,000 | 750,000 | 7,750,000 | N | Bhumi | CSR00001059 |
| 5. | Otis CSR Programs | Education | Y | | | | 1,000,000 | 416,862 | 583,138 | Y | - | - |
| | Total | | | | | | 37,415,058 | 19,571,122 | 17,843,936 | | | |

(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 Schedule VII to the Act | Local Area (Y/N) | Location of the project | | Amount spent for the project (in Rs) | Mode of implementation - Direct (Y/N) | Mode of implementation - Through Implementing Agency | |
|----------------------|---------------------|---|------------------|-------------------------|----------|--------------------------------------|---------------------------------------|--|--------------|
| | | | | State | District | | | Name | CSR Rgn. No. |
| ---Not Applicable--- | | | | | | | | | |

(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. 19,571,122

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

ANNEXURE C TO THE BOARDS' REPORT

| Sr. No. | Particulars | Amount (in Rs) |
|---------|---|----------------|
| (i) | Two percent of average net profit of the company as per Section 135(5) | 37,415,058 |
| (ii) | Total amount spent for the Financial Year | 19,571,122 |
| (iii) | Excess amount spent for the financial year [(ii)-(i)] | Nil |
| (iv) | Surplus arising out of the CSR projects or programs 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

| Sr. 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. | F.Y 2022-23 | 21,428,460 | 21,428,460 | NA | NA | NA | NA |

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

| Sr. No. | Implementing Agency | 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) |
|---------|------------------------------------|-----------------------------|-----------------------------|--|---|---|---|
| 1. | Samarthanam Trust for the Disabled | Promotion of STEM Education | February 2023 to March 2024 | 170,54,000 | 41,28,460 | 170,54,000 | Completed |
| 2. | Mantra Social Services | | | 125,00,000 | 60,00,000 | 125,00,000 | Completed |
| 3. | Bhumi | | | 125,00,000 | 113,00,000 | 125,00,000 | Completed |

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

| | |
|--|-----|
| (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) -

During the FY 2023-24, the company has spent Rs. 19,571,122 towards various projects. The unspent balance of Rs. 17,843,936 is towards various ongoing projects and has been transferred to the unspent CSR account in accordance with the CSR rules.

For and on behalf of the Board of Directors

Sebi Joseph
Chairman of CSR Committee
DIN: 05221403

Bharat Nayak
CFO & Whole Time Director
DIN: 01919252

Place: Mumbai
Date : August 23, 2024

INDEPENDENT AUDITOR'S 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 2024, 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 material accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the branch auditor of the Company's branch at Dhaka, Bangladesh.

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 2024, and its profit and other comprehensive loss, 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 obtained by us 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 financial statements and auditor's report(s) 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' Responsibilities 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 the 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, misrepresentations, or the override of internal control.

INDEPENDENT AUDITOR'S REPORT

- 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 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 in preparation of standalone 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 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.
- Obtain sufficient appropriate audit evidence regarding the financial statements of branch of the Company to express an opinion on the standalone financial statements. For the branch included in the standalone financial statements, which has been audited by branch auditor, such branch auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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.

Other Matter

- a. We did not audit the financial statements of one branch included in the standalone financial statements of the Company whose financial statements reflects total assets (before consolidation adjustments) of Rs. 1,282 Lakhs as at 31 March 2024, total revenue (before consolidation adjustments) of Rs. 550 Lakhs and net cash flows (before consolidation adjustments) amounting to Rs. 122 Lakhs

for the year ended on that date, as considered in the standalone financial statements. The financial statements of this branch has been audited by the branch auditor whose report has been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branch, is based solely on the report of such branch auditor.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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, based on our audit and on the consideration of report of the branch auditor on financial statements of such branch as was audited by branch auditor, as noted in the "Other Matters" paragraph, 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.
 - 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 the report of the branch auditor and proper returns adequate for the purposes of our audit have been received from the branches not visited by us, except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis.
 - c. The report on the accounts of the branch office of the Company audited under Section 143(8) of the Act by branch auditor have been sent to us and have been properly dealt with by us in preparing this report.
 - d. 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 return received from the branch not visited by us.
 - e. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - f. On the basis of the written representations received from the directors as on 01 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

INDEPENDENT AUDITOR'S REPORT

- g. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
- h. 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 Auditor's 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 :
- a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 21 and 46 to the standalone financial statements.
 - b. 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 24 and 26 to the standalone financial statements.
 - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - d.
 - (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 51 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 51 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.
- f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of accounts relating to general ledger and payroll records.
- In respect of accounting softwares used for maintaining general ledger (a) the feature of recording audit trail (edit log) facility was not enabled at database level to log any direct data changes and (b) in absence of sufficient and appropriate evidence, we are unable to comment whether audit trail feature was enabled at the application level and operated throughout the year for all relevant transactions recorded in the respective softwares or whether there were any instances of the audit trail feature being tampered with.
- Further, based on our examination, for an accounting software used for maintaining the books of accounts relating to payroll, which is operated by a third party software service provider, in the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of service organization, we are unable to comment whether the audit trail feature of the said accounting software was enabled and operated throughout the year for all the relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.
- C. **With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:**
- 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.:101248W/W-100022

Bhavesh Dhupelia

Partner

Place: Mumbai
Date: 23 August 2024

Membership No.: 042070
ICAI UDIN:24042070BKQCYN3752

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Otis Elevator Company (India) Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made investments, in companies, firms, limited liability partnerships or any other parties. The Company has granted interest free unsecured loans, to other parties during the year in respect of which the requisite information is as below. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans to other parties as below:

| Particulars | Loans (Rs. in Lakhs) |
|---|----------------------------|
| Aggregate amount during the year Others - Employees | 103 |
| Balance outstanding as at balance sheet date Others - Employees | 109 |

- (b) According to the information and explanation given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of loans during the year are prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2023

- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not made any investments or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the loans given by the Company, in our opinion the provisions of Section 185 and 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (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 in respect of its manufactured goods (and/or services provided by it) and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases of Employees State Insurance, Goods and Service Tax and Profession Tax.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Sales Tax, Value Added Tax, Service Tax, Excise, Duty of Customs or Cess which have not been deposited on account of any dispute are as follows:

| Name of the statute | Nature of the dues | Amount (Rs. in lakhs) | Amount-Paid under protest (Rs. in Lakhs) | Period to which the amount relates | Forum where dispute is pending |
|--------------------------------|------------------------|-----------------------|--|--|---|
| The Central Excise Act, 1944 | Excise duty liability | 9.13 | - | March 1993 to October 1995 | High Court |
| The Central Excise Act, 1944 | Excise duty liability | 77.54 | - | 1997-1998 2013-2016 | Customs, Excise and Service Tax Appellate Tribunal, Mumbai |
| The Central Excise Act, 1944 | Excise duty liability | 19.54 | - | 1994-1995 | The Additional Commissioner of Central Excise, Mumbai. |
| The Customs Act, 1962 | Custom Duty Liability | 92.68 | 46.34 | Jun. 17 to Mar. 21 | CESTAT |
| The Customs Act, 1962 | Custom Duty Liability | 362.80 | - | January 2019 to December 2022 | Adjudicating Authority |
| Finance Act 1994 (Service Tax) | Service Tax in dispute | 22,428.01 | - | 2007 to 2013 | High Court |
| Finance Act 1994 (Service Tax) | Service Tax in dispute | 8,141.71 | 140.58 | 2013 to 2017 | Tribunal, Mumbai |
| Sales Tax/ Value Added Tax | Sales Tax in dispute | 21,524.78 | 1,059.10 | FY 1995-96 FY 1998-2001 FY 2002-18 | Assessing Authorities and First Appellate Authorities of Various States |
| Sales Tax/ Value Added Tax | Sales Tax in dispute | 1,469.26 | 385.00 | FY 2003-05 FY 2007-08 FY 2009-13 | Appellate Tribunal |
| Sales Tax/ Value Added Tax | Sales Tax in dispute | 4,256.27 | 98.72 | FY 2003-11 FY 2014-18 | High Court |
| Goods and Service Tax, 2017 | GST in dispute | 3,969.17 | 182.88 | FY 2017-2023 | Appellate Authority |
| Income Tax Act, 1961 | Income Tax | 168 | - | FY 2019-20 | Income Tax Appellate Tribunal |

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2023

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of 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, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Establishment of vigil mechanism is not mandated for the Company. We have taken into consideration the whistle blower complaints received under the vigil mechanism established voluntarily by the Company during the year and shared with us while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2023

the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

- (b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the Act.

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

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:24042070BKCQYN3752

Place: Mumbai
Date: 23 August 2024

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT - 31 MARCH 2024

Annexure B to the Independent Auditor's Report on the standalone financial statements of Otis Elevator Company (India) Limited for the year ended 31 March 2024

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 Act

(Referred to in paragraph 2(A)(h) 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 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date [which includes internal financial controls with reference to financial statements of one branch].

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 2024, 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 and Board of Directors' Responsibilities 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 Act.

Auditor's 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 and the audit evidence obtained by the branch auditor of the Company's branch at Dhaka, Bangladesh in terms of their report referred to in the Other Matter paragraph below, 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 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 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one branch, which is incorporated outside India, is based on the corresponding report of the auditor of such branch.

Our opinion is not modified in respect of this matter.

For B S R & Co. LLP
Chartered Accountants

● Firm's Registration No.:101248W/W-100022

Bhavesh Dhupelia
Partner

Place: Mumbai
Date: 23 August 2024

Membership No.: 042070
ICAI UDIN:24042070BKCYN3752

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Balance Sheet as at March 31, 2024

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

| | Note no. | As at March 31, 2024 | As at March 31, 2023 |
|--|----------|-------------------------|-------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4(a) | 6,926 | 5,008 |
| Capital work-in-progress | 4(a) | 458 | 660 |
| Right-of-use assets | 4(d) | 2,837 | 2,960 |
| Intangible assets | 4(b) | 537 | 684 |
| Intangible assets under development | 4(b) | 506 | - |
| Financial assets | | | |
| (i) Investments | 5 | - | - |
| (ii) Trade receivables | 6(a) | 1,441 | 477 |
| (iii) Loans | 7(a) | 48 | 2,239 |
| (iv) Other financial assets | 8 | 802 | 690 |
| Deferred tax assets (net) | 9 | 7,565 | 7,145 |
| Other non-current assets | 11 | 6,284 | 6,457 |
| Total non-current assets | | 27,405 | 26,320 |
| Current assets | | | |
| Inventories | 12 | 22,682 | 26,400 |
| Financial assets | | | |
| (i) Trade receivables | 6(b) | 45,718 | 45,437 |
| (ii) Cash and cash equivalents | 13 | 65,307 | 53,878 |
| (iii) Bank balances other than (ii) above | 14 | 595 | 1,063 |
| (iv) Loans | 7(b) | 61 | 57 |
| (v) Other financial assets | 15 | 3,286 | 2,679 |
| Income tax assets (net) | 10 | 2,766 | 4,837 |
| Other current assets | 16 | 22,031 | 15,017 |
| Assets held for sale | 4(c) | 10 | - |
| Total current assets | | 162,456 | 149,368 |
| TOTAL ASSETS | | 189,861 | 175,688 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity share capital | 17 | 1,181 | 1,181 |
| Other equity | 18 | 26,429 | 21,387 |
| Total equity | | 27,610 | 22,568 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| Lease liabilities | 19 | 1,877 | 578 |
| Other non-current liabilities | 20 | 2,719 | 3,026 |
| Provisions | 21 | 5,882 | 7,020 |
| Total non-current liabilities | | 10,478 | 10,624 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Lease liabilities | 22 | 1,356 | 2,667 |
| (ii) Trade payables | 23 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises; and | | 2,706 | 3,222 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 50,430 | 49,217 |
| (iii) Other financial liabilities | 24 | 4,021 | 3,828 |
| Other current liabilities | 25 | 81,220 | 74,798 |
| Provisions | 26 | 12,040 | 8,764 |
| Total current liabilities | | 151,773 | 142,496 |
| Total liabilities | | 162,251 | 153,120 |
| TOTAL EQUITY AND LIABILITIES | | 189,861 | 175,688 |
| Material accounting policies | 1-3 | | |

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report of even date attached.

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

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: August 23 2024

30

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

Sebi Joseph
Managing Director
DIN 05221403

Rutika Pawar
Company Secretary
Membership No. A17248

Place: Mumbai
Date: August 23 2024

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Profit and Loss for the year ended March 31, 2024

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

| | Note no. | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|----------|------------------------------|------------------------------|
| Income | | | |
| Revenue from operations | 27 | 276,196 | 242,731 |
| Other income | 28 | 6,149 | 4,535 |
| Total income | | 282,345 | 247,266 |
| Expenses | | | |
| Cost of materials consumed | 29 | 145,307 | 130,042 |
| Employee benefit expenses | 30 | 48,602 | 44,079 |
| Finance costs | 31 | 482 | 636 |
| Depreciation and amortisation expense | 32 | 2,620 | 2,706 |
| Other expenses | 33 | 56,780 | 48,433 |
| Total expenses | | 253,791 | 225,896 |
| Profit before tax | | 28,554 | 21,370 |
| Tax expense | | | |
| 1. Current tax | 43 | 7,650 | 4,900 |
| 2. Deferred tax charge | 43 | (221) | 772 |
| 3. Current tax relating to earlier years | | 155 | 107 |
| | | 7,584 | 5,779 |
| Profit for the year | | 20,970 | 15,591 |
| Other comprehensive income | | | |
| Items that will not be reclassified subsequently to Profit or Loss: | | | |
| Actuarial (loss) arising from remeasurements of post-employment benefit obligations | | (779) | (238) |
| Income tax relating to items that will not be reclassified to Profit or Loss | | 196 | 60 |
| Items that will be reclassified subsequently to Profit or Loss: | | | |
| Exchange differences on translating financial statements of foreign operations | | (11) | 43 |
| Income tax relating to items that will be subsequently reclassified to Profit or Loss | | 3 | (11) |
| Other comprehensive loss for the year, net of tax | | (591) | (146) |
| Total comprehensive income for the year | | 20,379 | 15,445 |
| Earnings per Equity Share - (Basic and Diluted) | 34 | 177.59 | 132.03 |
| [Nominal value of share Rs. 10 each] (Previous Year - Rs. 10 each) | | | |

Material accounting policies

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report of even date attached.

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

Bhavesh Dhupelia
Partner
Membership No. 042070

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

Sebi Joseph
Managing Director
DIN 05221403

Rutika Pawar
Company Secretary
Membership No. A17248

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252

Place: Mumbai
Date: August 23 2024

Place: Mumbai
Date: August 23 2024

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Cash flows for the year ended March 31, 2024

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

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Cash flows from operating activities: | | |
| Profit Before Tax | 28,554 | 21,370 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 2,620 | 2,706 |
| Provision for other financial assets | 687 | 115 |
| Provision for other current assets | 131 | 79 |
| Unrealised (gain)/loss on fluctuation in foreign exchange (net) | (313) | 41 |
| Interest on lease liability | 416 | 403 |
| Interest income on : | | |
| - Deposits with bank | (2,830) | (1,902) |
| - Income tax refund | (183) | (79) |
| - Loans to related parties | (140) | (178) |
| - Others | (3) | (1) |
| Loss on sale / disposal of Property, Plant and Equipment (net) | 10 | 17 |
| Liabilities no longer required written back | - | (48) |
| Provision for contingency no longer required written back (net) | (1,084) | (478) |
| Bad debts provision utilised | (1,038) | (658) |
| Interest due on Micro, Small and Medium Enterprises | 55 | 91 |
| Unwinding of interest on deposits/ retention money/ employee loans | (59) | (142) |
| Mark to market on foreign exchange forward contracts | 164 | 153 |
| Share based payments to employees | 604 | 519 |
| Cash generated from operations before working capital changes | 27,591 | 22,008 |
| Working Capital changes | | |
| (Increase) in trade receivables - current | 120 | (3,597) |
| (Increase) in trade receivables - non current | (964) | (251) |
| (Increase) in inventories | 3,718 | (1,704) |
| Increase in trade payables | 944 | 3,511 |
| (Increase) in other current financial assets | (562) | (1,012) |
| (Increase) in current loans | (4) | (2) |
| Decrease in other non - current assets | (134) | 1,035 |
| (Increase) in other current assets | (7,145) | (1,486) |
| (Decrease) in provisions - non current | (54) | (481) |
| (Decrease) / Increase in provisions - current | 2,497 | (2,046) |
| (Decrease) / Increase in other current financial liabilities | 142 | 27 |
| Increase / (Decrease) in non-current liabilities | (307) | 816 |
| Decrease / (Increase) in other non-current financial assets | (167) | 95 |
| Decrease / (Increase) in non-current loans | (9) | 13 |
| Increase in other current liabilities | 6,422 | 9,168 |
| Operating profit after working capital changes | 32,088 | 26,094 |
| Taxes paid (net of refunds) | (5,734) | (5,976) |
| Net cash flows generated from operating activities (A) | 26,354 | 20,118 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Cash flows for the year ended March 31, 2024

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

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Cash flows from investing activities | | |
| Purchase of Property, Plant and Equipment (including Capital Work in Progress and Intangible assets under development) | (3,029) | (2,221) |
| Loans repaid by related parties | 2,200 | 250 |
| Interest received | 3,011 | 2,050 |
| Decrease / (Increase) in other bank balances | 468 | (290) |
| Net Cash flows generated from Investing Activities (B) | 2,650 | (211) |
| Cash flows from financing activities | | |
| Dividend paid | (15,890) | (17,727) |
| Repayment of principal lease liabilities | (1,269) | (1,388) |
| Interest on lease liabilities | (416) | (403) |
| Net cash flows (used in) Financing Activities (C) | (17,575) | (19,518) |
| Net increase in Cash and Cash Equivalents (A+B+C) | 11,429 | 389 |
| Cash and Cash Equivalents at the Beginning of the Year | 53,878 | 53,487 |
| Effects of exchange rate changes on cash and cash equivalents | - | 2 |
| Cash and Cash Equivalents at the End of the Year | 65,307 | 53,878 |
| *Amounts are below rounding off norms adopted by the Company. | | |
| Cash and Cash Equivalents comprise : | | |
| Bank Balances: | | |
| - In Current accounts | 5,420 | 7,963 |
| - In Demand Deposits | 59,665 | 45,664 |
| Cheques on hand | 222 | 251 |
| | 65,307 | 53,878 |

Notes:

- The above Standalone Statement of Cash flows has been prepared under "Indirect Method" set out in Indian 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.
- Details regarding Corporate Social Responsibility payments have been disclosed in note 33(ii)
- The accompanying notes are an integral part of these standalone financial statements.

In terms of our report of even date attached.

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

Bhavesh Dhupelia
Partner
Membership No. 042070

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

Sebi Joseph
Managing Director
DIN 05221403

Rutika Pawar
Company Secretary
Membership No. A17248

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252

Place: Mumbai
Date: August 23 2024

Place: Mumbai
Date: August 23 2024

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Changes in Equity (SOCIE) for the year ended March 31, 2024

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

A. Equity Share Capital (Refer Note 17)

| Particulars | Amount |
|---|--------|
| Balance as at March 31, 2022 | 1,181 |
| Changes in equity share capital due to prior period error | - |
| Changes in equity share capital during the year | - |
| Balance as at March 31, 2023 | 1,181 |
| Changes in equity share capital due to prior period error | - |
| Changes in equity share capital during the year | - |
| Balance as at March 31, 2024 | 1,181 |

B. Other equity (Refer Note 18)

| Particulars | Reserves and Surplus | | | Other Equity (Refer note 48) | Items of Other Comprehensive Income | Total |
|---|----------------------------------|--------------------|----------------------|--|--|---------------|
| | Capital redemption reserve | General reserve | Retained earnings | Employees Share Option Plan (ESOP) reserve | Exchange differences on translating of foreign operations (net of tax) | |
| Balance as at April 1, 2022 | 73 | 1,759 | 18,606 | 2,694 | 3 | 23,135 |
| Profit for the year | - | - | 15,591 | - | - | 15,591 |
| Other comprehensive income for the year | - | - | (178) | - | 32 | (146) |
| Total comprehensive income for the year | - | - | 15,413 | - | 32 | 15,445 |
| Dividends paid to share holders (Refer Note 36) | - | - | (17,712) | - | - | (17,712) |
| Additions towards share based payments | - | - | - | 519 | - | 519 |
| Balance as at March 31, 2023 | 73 | 1,759 | 16,307 | 3,213 | 35 | 21,387 |

| Particulars | Reserves and Surplus | | | Other Equity (Refer note 48) | Items of Other Comprehensive Income | Total |
|---|----------------------------------|--------------------|----------------------|--|--|---------------|
| | Capital redemption reserve | General reserve | Retained earnings | Employees Share Option Plan (ESOP) reserve | Exchange differences on translating of foreign operations (net of tax) | |
| Balance as at April 1, 2023 | 73 | 1,759 | 16,307 | 3,213 | 35 | 21,387 |
| Profit for the year | - | - | 20,970 | - | - | 20,970 |
| Other comprehensive income for the year | - | - | (583) | - | (8) | (591) |
| Total comprehensive income for the year | - | - | 20,387 | - | (8) | 20,379 |
| Dividends paid to share holders (Refer Note 36) | - | - | (15,941) | - | - | (15,941) |
| Additions towards share based payments | - | - | - | 604 | - | 604 |
| Balance as at March 31, 2024 | 73 | 1,759 | 20,753 | 3,817 | 27 | 26,429 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED**Standalone Statement of Changes in Equity (SOCIE) for the year ended March 31, 2024**

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

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. The reserve can be utilised in accordance with the provisions of section 69 of Companies Act, 2013.

b. General reserve

General reserve represents appropriation of retained earnings and are available for distribution to shareholders. The amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

c. Retained earnings

Retained earnings are the profits that the Company has earned till date less dividend paid to shareholders.

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 Holding Company. Refer note 48 for details.

Material accounting policies

The accompanying notes are an integral part of these standalone financial statements.

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No. 042070

For and on behalf of the Board of Directors of**Otis Elevator Company (India) Limited**

CIN: U29150MH1953PLC009158

Sebi Joseph

Managing Director

DIN 05221403

Rutika Pawar

Company Secretary

Membership No. A17248

Bharat Nayak

Chief Financial Officer and Director

DIN 01919252

Place: Mumbai

Date: August 23 2024

Place: Mumbai

Date: August 23 2024

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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 23, 2024.

(b) Basis of measurement

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
- (iii) The standalone financial statement have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in these standalone financial statements.

(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.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amount recognised in the financial statements is included in the following notes:

- Reverse factoring: presentation of amounts related to Supply chain financing arrangements in the balance sheet and in the statement of cash flows (Refer Note 23)
- Lease term: the company is reasonably certain to exercise extension options [Refer Note 4(d)]

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Estimation of total contract cost for revenue recognition (Refer Note 50)
- Estimation of defined benefit obligations, key actuarial assumptions (Refer Note 26 and 30)
- Impairment of Investments (Refer Note 5)
- Expected credit loss of trade receivables and other receivables (Refer Note 6, 7, 8, 11 and 15)
- Recognition and measurement of provisions and contingencies (Refer Note 21 and 26)
- Useful life of Property plant and equipment and intangible assets (Refer Note 4)
- Estimation of excess and obsolete and sparelending inventory provision (Refer Note 12)

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

(d) Current vs non-current classification

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

3 Material 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 at the reporting 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 recognised in standalone statement of profit or loss.

(iii) Foreign operations

"The results and financial position of foreign operations related to branch (which does not have the currency of a hyperinflationary economy) that has a functional currency different from the presentation currency is translated into the presentation currency as follows:

- Assets and liabilities are translated into Indian rupee, the functional currency of the Company, at the exchange rates at the reporting date.
- The income and expenses of foreign operations are translated into Indian rupee at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction, and
- All resulting exchange differences are recognised in foreign currency translation reserve (FCTR) through the other comprehensive income and accumulated in equity."

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

(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. However, trade receivables that do not contain a significant financing component are measured at transaction price. 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 other income using the effective interest rate method.

A financial asset is classified at amortised cost 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 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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.

Recognition, measurement and classification

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

(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, loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. 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. The gross carrying amount of a financial assets is written off when the Company has no reasonable expectation of recovering a financial assets in its entirety or a portion there of.

(vi) Derivatives

The Company enters into derivative contracts, viz. forward exchange contract to manage its risk towards foreign exchange. The Company does not hold derivative financial instruments for speculative purposes. 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

(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 or net realisable value.

Cost of components for service and repair inventories are computed on weighted average cost basis. Cost for components of 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. The comparison of cost and net realisable value is made on item basis.

(d) Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. Amount disclosed as revenue are net of 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 applied the following accounting policy for revenue recognition:

Revenue from sale of contracts for supply and installation of elevators, escalators and travolators.

The Company 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 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.

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. The invoices are payable as per the due date mentioned in the invoice.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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 using the input method. 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 time proportion 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. 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 under repairs and maintenance.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

The cost of property, plant and equipment at 1st April 2016, the company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on diminishing balance 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 | Estimated Useful lives |
|--------------------------|------------------------|
| Buildings | 30 years |
| Plant and equipments | 15 years |
| Furniture and fittings | 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.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

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.

Asset held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met:

- (i) decision has been made to sell,
- (ii) the assets are available for immediate sale in its present condition,
- (iii) the assets are being actively marketed and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

(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, if any.

Software's 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

(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

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. At commencement or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of its relative standalone prices. However, for the leases of property the company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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) or leases of low value assets equal to or below Rs. 150,000. The Company recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

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 measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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

Company as a lessor, at the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Company is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Company applies the exemption described above, then it classifies the sub-lease as an operating lease.

The company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

(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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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.

Superannuation Fund

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.

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 in the standalone statement of profit and loss.

b) Defined benefit plansGratuity (Funded)

The Company provides 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 standalone 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 standalone statement of changes in equity and in the standalone 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 and loss as and when incurred.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

v) Share based payments

Share based compensation benefits are provided to employees by the Ultimate Holding Company, Otis Worldwide Corporation, United States. The fair value of options granted is recognised as an employee benefit expenses with a corresponding increase in equity as contribution from the Ultimate Holding Company, Otis Worldwide Corporation, United States.

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."

(k) Provisions (Other than Employee Benefits)

Onerous Contracts: A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract (Refer note 26)

(l) 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.

The company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

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 operates and generates 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 standalone 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.

(m) Provisions, contingent liabilities and contingent assets

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.

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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 within 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.

Contingent assets are not recognised in the standalone financial statements.

(n) 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.

(o) 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.

(p) 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.

(q) Investments in subsidiary

Investments in subsidiary is carried at cost less accumulated impairment losses. 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, the difference between net disposal proceeds and the carrying amounts are 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 at the previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2016.

(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.

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

All assets and liabilities for which fair value is measured or disclosed in the standalone 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) Material accounting policy information

The Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements. The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

(t) Rounding off 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, 2024

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

4 Property, plant and equipment**(a) Tangible assets**

| Description | Gross Block | | | | Accumulated Depreciation | | | | Net Block |
|--------------------------|---------------------|-----------------------|------------------------|----------------------|--------------------------|--------------|------------------------|----------------------|----------------------|
| | As at April 1, 2023 | Additions/ Adjustment | Deductions/ Adjustment | As at March 31, 2024 | As at April 1, 2023 | For the year | Deductions/ Adjustment | As at March 31, 2024 | As at March 31, 2024 |
| Freehold land | 250 | - | - | 250 | - | - | - | - | 250 |
| Buildings | 5,312 | 64 | 21 | 5,355 | 2,723 | 253 | 11 | 2,965 | 2,390 |
| Leasehold improvements | 593 | 35 | - | 628 | 507 | 34 | - | 541 | 87 |
| Plant and equipments | 5,229 | 2,691 | 39 | 7,881 | 3,391 | 605 | 31 | 3,965 | 3,916 |
| Furniture and fittings | 202 | 4 | 15 | 191 | 155 | 10 | 13 | 152 | 39 |
| Electrical installations | 293 | - | 4 | 289 | 261 | 5 | 4 | 262 | 27 |
| Computers | 936 | - | - | 936 | 817 | 63 | - | 880 | 56 |
| Vehicles | - | - | - | - | - | - | - | - | - |
| Office equipments | 363 | 164 | - | 527 | 316 | 49 | - | 365 | 162 |
| Total | 13,178 | 2,958 | 79 | 16,057 | 8,170 | 1,019 | 59 | 9,130 | 6,927 |
| Capital work-in-progress | 660 | 2,756 | 2,958 | 458 | - | - | - | - | 458 |

| Description | Gross Block | | | | Accumulated Depreciation | | | | Net Block |
|--------------------------|---------------------|-----------------------|------------------------|----------------------|--------------------------|--------------|------------------------|----------------------|----------------------|
| | As at April 1, 2022 | Additions/ Adjustment | Deductions/ Adjustment | As at March 31, 2023 | As at April 1, 2022 | For the year | Deductions/ Adjustment | As at March 31, 2023 | As at March 31, 2023 |
| Freehold land | 250 | - | - | 250 | - | - | - | - | 250 |
| Buildings | 5,137 | 206 | 31 | 5,312 | 2,460 | 280 | 17 | 2,723 | 2,589 |
| Leasehold improvements | 591 | 4 | 2 | 593 | 452 | 57 | 2 | 507 | 86 |
| Plant and equipments | 4,782 | 450 | 3 | 5,229 | 3,045 | 346 | - | 3,391 | 1,838 |
| Furniture and fittings | 199 | 3 | - | 202 | 143 | 12 | - | 155 | 47 |
| Electrical installations | 293 | - | - | 293 | 252 | 9 | - | 261 | 32 |
| Computers | 901 | 35 | - | 936 | 624 | 193 | - | 817 | 119 |
| Vehicles | 5 | - | 5 | - | 5 | - | 5 | - | - |
| Office equipments | 338 | 25 | - | 363 | 299 | 17 | - | 316 | 47 |
| Total | 12,496 | 723 | 41 | 13,178 | 7,280 | 914 | 24 | 8,170 | 5,008 |
| Capital work-in-progress | 260 | 1,123 | 723 | 660 | - | - | - | - | 660 |

Ageing of Capital work-in-progress as on March 31, 2024

| Particulars | Amounts in Capital work-in-progress for a period of | | | | |
|-------------------------------------|---|-----------|-----------|-------------------|------------|
| | Less than one year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 445 | 13 | - | - | 458 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 445 | 13 | - | - | 458 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

Ageing of Capital work-in-progress as on March 31, 2023

| Particulars | Amounts in Capital work-in-progress for a period of | | | | |
|-------------------------------------|---|-----------|-----------|-------------------|------------|
| | Less than one year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 660 | - | - | - | 660 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 660 | - | - | - | 660 |

(b) Intangible assets

| Description | Gross Block | | | | Accumulated Amortisation | | | | Net Block |
|--|---------------------|------------|------------|----------------------|--------------------------|--------------|------------|----------------------|----------------------|
| | As at April 1, 2023 | Additions | Deductions | As at March 31, 2024 | As at April 1, 2023 | For the year | Deductions | As at March 31, 2024 | As at March 31, 2024 |
| Software | 2,234 | 76 | - | 2,310 | 1,550 | 222 | - | 1,772 | 537 |
| Total | 2,234 | 76 | - | 2,310 | 1,550 | 222 | - | 1,772 | 537 |
| Intangible assets under development | - | 582 | 76 | 506 | - | - | - | - | 506 |

| Description | Gross Block | | | | Accumulated Amortisation | | | | Net Block |
|--|---------------------|------------|------------|----------------------|--------------------------|--------------|------------|----------------------|----------------------|
| | As at April 1, 2022 | Additions | Deductions | As at March 31, 2023 | As at April 1, 2022 | For the year | Deductions | As at March 31, 2023 | As at March 31, 2023 |
| Software | 1,628 | 606 | - | 2,234 | 1,182 | 368 | - | 1,550 | 684 |
| Total | 1,628 | 606 | - | 2,234 | 1,182 | 368 | - | 1,550 | 684 |
| Intangible assets under development | 87 | 519 | 606 | - | - | - | - | - | - |

Aging of Intangible assets under development as on March 31, 2024

| Particulars | Amounts in intangible assets under development for a period of | | | | |
|-------------------------------------|--|-----------|-----------|-------------------|------------|
| | Less than one year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 506 | - | - | - | 506 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 506 | - | - | - | 506 |

Aging of Intangible assets under development as on March 31, 2023

| Particulars | Amounts in intangible assets under development for a period of | | | | |
|-------------------------------------|--|-----------|-----------|-------------------|----------|
| | Less than one year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | - | - | - | - | - |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

There are no projects under Capital work in progress and intangible assets under development whose completion is overdue or have exceeded its budgeted cost.

(c) Assets held for sale

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------|----------------------|----------------------|
| Building (net) | 10 | - |
| | 10 | - |

In July 2024, the Company has sold the Godown No. 12 & 13 and garage no. 1 located at Seeta Mahal Co-op Housing Society Limited, Mumbai 400 026 and office premises located at Sarvodaya Industrial Premises Co-operative Society Limited, Andheri (East), Mumbai 400 093. Accordingly, the net book value of building apportionment thereto has been classified as assets held for sale.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

(d) Right of use assets**Movements during the year**

| Description | Gross Block | | | Accumulated Depreciation | | | | Net block | |
|------------------------------|-----------------------------|--------------|------------|------------------------------|-----------------------------|--------------|------------|------------------------------|------------------------------|
| | Balance as at April 1, 2023 | Additions | Deductions | Balance as at March 31, 2024 | Balance as at April 1, 2023 | For the Year | Deductions | Balance as at March 31, 2024 | Balance as at March 31, 2024 |
| Leasehold buildings | 7,163 | 1,230 | - | 8,394 | 4,602 | 1,212 | - | 5,814 | 2,580 |
| Leasehold vehicles | 963 | - | 38 | 924 | 614 | 133 | 13 | 733 | 191 |
| Leasehold office equipment's | 177 | 52 | - | 229 | 127 | 36 | - | 163 | 67 |
| Total | 8,303 | 1,282 | 38 | 9,547 | 5,343 | 1,380 | 13 | 6,710 | 2,837 |

Movements during the year

| Description | Gross Block | | | Accumulated Depreciation | | | | Net block | |
|------------------------------|-----------------------------|--------------|------------|------------------------------|-----------------------------|--------------|------------|------------------------------|------------------------------|
| | Balance as at April 1, 2022 | Additions | Deductions | Balance as at March 31, 2023 | Balance as at April 1, 2022 | For the Year | Deductions | Balance as at March 31, 2023 | Balance as at March 31, 2023 |
| Leasehold buildings | 5,084 | 2,079 | - | 7,163 | 3,382 | 1,220 | - | 4,602 | 2,561 |
| Leasehold vehicles | 798 | 172 | 7 | 963 | 446 | 172 | 4 | 614 | 349 |
| Leasehold office equipment's | 180 | 3 | 6 | 177 | 96 | 33 | 2 | 127 | 50 |
| Total | 6,062 | 2,254 | 13 | 8,303 | 3,924 | 1,425 | 6 | 5,343 | 2,960 |

Notes:

- (i) The Company incurred Rs. 197 lakhs (Previous Year Rs. 117 lakhs) for the year ended March 31, 2024 towards expenses relating to short-term leases and leases of low-value assets. Interest on lease liabilities is Rs. 416 lakhs (Previous Year Rs.403 lakhs) for the year.
- (ii) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee), as disclosed in notes to the financial statements, are held in the name of the Company.
- (iii) Valuation of Property, plant and equipment, intangible asset and right-of-use assets:

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

* Derecognition of the right-to-use assets is as a result of entering into foreclosure of the lease arrangement.

5 Non-current investments (carried at cost)

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
|--|-------------------------|-------------------------|

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 in value of investment

(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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| 6(a) Trade receivables - non current | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------------------|-------------------------|-------------------------|
| Considered good - Unsecured | 1,441 | 477 |
| | <u>1,441</u> | <u>477</u> |
| 6(b) Trade receivables - current | As at March 31, 2024 | As at March 31, 2023 |
| Considered good - Unsecured * | 45,718 | 45,437 |
| Trade Receivables - credit impaired | 5,722 | 6,123 |
| | <u>51,440</u> | <u>51,560</u> |
| Less: Allowance for doubtful debts | (5,722) | (6,123) |
| | <u>45,718</u> | <u>45,437</u> |

* This includes amount receivable from related parties Rs. 1,694 lakhs (Previous Year Rs. 1,294 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.

Ageing of trade receivables: As at March 31, 2024

| Particulars | Unbilled | Current but not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|------------|---------------------|--|-------------------|--------------|------------|-------------------|---------------|
| | | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 754 | 3,398 | 36,909 | 3,830 | 2,147 | 121 | - | 47,159 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Undisputed Trade receivable – credit impaired | - | 71 | 774 | 467 | 883 | 750 | 2,367 | 5,312 |
| Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | 9 | - | 55 | 51 | 295 | 410 |
| Total | 754 | 3,469 | 37,692 | 4,297 | 3,085 | 922 | 2,662 | 52,881 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024
(All amounts are in Rupees in Lakhs, unless otherwise stated)

Ageing of trade receivables: As at March 31, 2023

| Particulars | Unbilled | Current but not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|--------------|---------------------|--|-------------------|--------------|--------------|-------------------|---------------|
| | | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 1,625 | 2,112 | 35,986 | 3,865 | 2,045 | 268 | - | 45,901 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Undisputed Trade receivable – credit impaired | - | 115 | 802 | 479 | 791 | 775 | 3,028 | 5,990 |
| Disputed Trade receivables – considered good | - | - | - | 4 | 9 | - | - | 13 |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | 4 | 1 | 4 | 12 | 112 | 133 |
| Total | 1,625 | 2,227 | 36,792 | 4,349 | 2,849 | 1,055 | 3,140 | 52,037 |

7(a) Loans - Non-current

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Unsecured, considered good: | | |
| Loans to employees | 48 | 39 |
| Loans to related party: | | |
| Otis Global Services Centre Private Limited (Refer note 44) | - | 2,200 |
| Unsecured, considered doubtful: | | |
| Loans to related party: | | |
| Supriya Elevator Company (India) Limited (Refer note 44) | 130 | 130 |
| Less: Provision for loss allowance | (130) | (130) |
| | <u>48</u> | <u>2,239</u> |

Details of Loans to Related Parties and disclosure pursuant to Section 186 of the Companies Act (refer note below).

| Particulars | As at March 31, 2024 | Purpose | Rate of interest % | Repayable on or before |
|--|-------------------------|-----------------|-----------------------|---------------------------|
| Otis Global Services Centre Private Limited (Maximum amount of loan outstanding during the year INR 2,200 Lakhs) | - | | 7.25 | - |
| Supriya Elevator Company (India) Limited (Maximum amount of loan outstanding during the year INR 130 Lakhs) | 130 | Working capital | 7.25 | 19/09/2026 |
| | <u>130</u> | | | |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| Particulars | As at March 31, 2023 | Purpose | Rate of interest % | Repayable on or before |
|--|-------------------------|---|-----------------------|---------------------------|
| Otis Global Services Centre Private Limited (Maximum amount of loan outstanding during the year INR 2,450 Lakhs) | 2,200 | Project financing and working capital | 7.25 | 31-Dec-26 |
| Supriya Elevator Company (India) Limited (Maximum amount of loan outstanding during the year INR 130 Lakhs) | 130 | Working capital | 7.25 | 19-Sep-26 |
| | 2,330 | | | |

The Company has given unsecured loans to other group entities of Otis Worldwide Corporation. During the current year, Rs. 2,200 (Previous Year Rs. 250 lakhs) have been paid out of the loans outstanding as at March 31, 2023. No additional loans were given to related parties during the year.

7(b) Loans - Current

Unsecured, considered good:

Loans to employees

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| | 61 | 57 |
| | 61 | 57 |

In line with circular no. 04/2015, issued by MCA dated March 10, 2015, loans given to employees are not considered for the purpose of disclosure under Section 186(4) of the Companies Act 2013.

8 Other financial assets (Non - current)

Unsecured, considered good

Security deposits

Long-term deposits with bank with maturity period more than 12 months

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| | 787 | 690 |
| | 15 | - |

Unsecured, considered doubtful

Receivable from related party (Refer note 44):

Supriya Elevator Company (India) Limited

Less: Provision for expected credit loss

| | | |
|--|---------|---------|
| | 1,463 | 1,349 |
| | (1,463) | (1,349) |
| | - | - |

Security deposits

Less: Provision for expected credit loss

| | | |
|--|------------|------------|
| | 70 | 70 |
| | (70) | (70) |
| | - | - |
| | 802 | 690 |

9 Deferred tax assets

[Refer Note 43D]

Deferred Tax Assets

Provision for expected credit loss

Provision for compensated absences and gratuity

Provision for impairment

Disallowances under Section 40(a) of the Income tax Act, 1961

Depreciation / amortisation

Provision for contingency

Mark to market adjustment on derivative contracts

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| | 2,252 | 2,327 |
| | 1,697 | 1,323 |
| | 142 | 142 |
| | 98 | 98 |
| | 176 | 286 |
| | 1,481 | 1,767 |
| | 42 | 39 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024
(All amounts are in Rupees in Lakhs, unless otherwise stated)

| | | |
|--|-----------------------|-----------------------|
| Provision for foreseeable losses on contracts | 1,334 | 883 |
| Voluntary separation plan | 244 | 214 |
| Lease Liabilities | 812 | 811 |
| | 8,278 | 7,890 |
| Deferred Tax Liabilities | | |
| Right of Use Assets | 713 | 745 |
| | 7,565 | 7,145 |
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| 10 Income tax assets (net) | | |
| [Refer Note 3 (I)] | | |
| Advance income tax | 48,922 | 48,224 |
| Provision for tax | (46,156) | (43,387) |
| | 2,766 | 4,837 |
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| 11 Other non-current assets | | |
| Unsecured, considered good | | |
| Capital advances | 269 | 576 |
| Prepaid expenses | 88 | 82 |
| Balances with Government Authorities | 5,927 | 5,799 |
| Unsecured, considered doubtful | | |
| Balances with Government Authorities | 950 | 950 |
| Less: Impairment loss allowance | (950) | (950) |
| | - | - |
| | 6,284 | 6,457 |
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| 12 Inventories (at lower of cost or net realisable value) | | |
| Raw materials: | | |
| Components and spares [including Components In-transit Rs. 7,873 lakhs (Previous year Rs. 7,899 lakhs)] | 22,682 | 26,400 |
| | 22,682 | 26,400 |
| During the year, the Company has written down inventories by Rs. 163 lakhs (Previous Year Rs. 121 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, 2024 and March 31, 2023. | | |
| | As at | As at |
| | March 31, 2024 | March 31, 2023 |
| 13 Cash and cash equivalents | | |
| Balances with banks | | |
| - In Current accounts | 5,420 | 7,963 |
| - Deposits with original maturity of less than three months | 59,665 | 45,664 |
| Cheques on hand | 222 | 251 |
| | 65,307 | 53,878 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 14 Bank balances other than above | | |
| Earmarked balances: | | |
| Unpaid dividend accounts * | 452 | 401 |
| Deposits with original maturity of more than three months and less than twelve months | 38 | 300 |
| Deposit with banks [towards security deposit against sales tax and other matters] | 105 | 362 |
| | <u>595</u> | <u>1,063</u> |
| * The Company can utilise this balance only towards settlement of unclaimed dividend. | | |
| 15 Other financial assets - current | | |
| | As at March 31, 2024 | As at March 31, 2023 |
| Other receivables - Unsecured considered good | | |
| Other receivables # | 2,593 | 1,600 |
| Deposits | 522 | 651 |
| Interest accrued on fixed deposits | - | 238 |
| Advance to Employees | 171 | 176 |
| Derivatives not designated as hedges - foreign exchange forward contracts | - | 14 |
| Unsecured considered doubtful | | |
| Security deposits | 482 | 546 |
| Less: Impairment loss allowance | (482) | (546) |
| | - | - |
| | <u>3,286</u> | <u>2,679</u> |
| # This includes amount receivable from related parties Rs. 533 lakhs (Previous Year Rs. 321 lakhs). (Refer Note 44). | | |
| 16 Other current assets | | |
| | As at March 31, 2024 | As at March 31, 2023 |
| Prepaid expenses | 626 | 581 |
| Advance to suppliers* | 2,740 | 608 |
| Balances with Government Authorities | 2,366 | 2,311 |
| Contract Work-In-Progress (Refer Note 50) | 80,202 | 65,983 |
| Less: Aggregate amount of progress billings | 63,903 | 54,466 |
| | <u>16,299</u> | <u>11,517</u> |
| | <u>22,031</u> | <u>15,017</u> |
| * This includes advance to related parties Rs. Nil (Previous Year Rs. 22 lakhs). (Refer Note 44). | | |
| 17 Equity share capital | | |
| | As at March 31, 2024 | As at March 31, 2023 |
| 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 |
| | <u>1,181</u> | <u>1,181</u> |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

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

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|--------------|----------------------|--------------|
| | 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) Rights, preferences and restrictions attached to shares

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

| | Relationship | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------|-------------------------|-------------------------|
| 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 |

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

| Name of the Shareholder | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|-----------|----------------------|-----------|
| | Number of shares | % holding | Number of shares | % holding |
| Otis International Asia Pacific Pte. Ltd. | 11,599,819 | 98.24% | 11,599,819 | 98.24% |

(e) List of shares held by Promoter as at the Balance Sheet date:

| Name of Promoter | As at March 31, 2024 | | |
|---|----------------------|-----------|--------------------------|
| | Number of shares | % holding | % change during the year |
| Otis International Asia Pacific Pte. Ltd. | 11,599,819 | 98.24% | - |

| Name of Promoter | As at March 31, 2023 | | |
|---|----------------------|-----------|--------------------------|
| | Number of shares | % holding | % change during the year |
| Otis International Asia Pacific Pte. Ltd. | 11,599,819 | 98.24% | - |

| 18 Other equity | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Capital redemption reserve | 73 | 73 |
| General reserve | 1,759 | 1,759 |
| Retained earnings | 20,780 | 16,342 |
| Employees Share Option Plan (ESOP) reserve | 3,817 | 3,213 |
| | 26,429 | 21,387 |
| a. Capital redemption reserve | | |
| Balance as at the beginning of the year | 73 | 73 |
| Closing balance | 73 | 73 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

b. General reserve

| | | |
|---|--------------|--------------|
| Balance as at the beginning of the year | 1,759 | 1,759 |
| Closing balance | <u>1,759</u> | <u>1,759</u> |

c. Retained earnings

| | | |
|---|---------------|---------------|
| Balance as at the beginning of the year | 16,342 | 18,609 |
| Add: Profit for the year | 20,970 | 15,591 |
| Add/(less) Items of other comprehensive income recognised directly in retained earnings | | |
| - Re-measurements of post employment benefit obligation (net of tax) | (583) | (178) |
| - Exchange differences of foreign operations (net of tax) | (8) | 32 |
| Less: Appropriations | | |
| - Dividend on equity shares during the year (Refer Note 36) | 15,941 | 17,712 |
| Balance as at the end of the year | <u>20,780</u> | <u>16,342</u> |

d. Employees Share Option Plan (ESOP) reserve

| | | |
|--|---------------|---------------|
| Balance as at the beginning of the year | 3,213 | 2,694 |
| Add: Additions during the year (Refer Note 48) | 604 | 519 |
| Closing balance | <u>3,817</u> | <u>3,213</u> |
| | <u>26,429</u> | <u>21,387</u> |

Note:

The Board of Directors of the Company at its meeting held on July 23, 2024 has approved the proposal for the reduction of the issued, subscribed and paid up equity capital of the Company by paying off, cancelling and extinguishing 2,08,403 equity shares having a face value of Rs 10 being 1.76 % of the total issued, subscribed and paid-up equity share capital of the Company held by the equity shareholders of the Company at a fair value determined by the independent registered valuers, as on the Record Date (determined by the Board) other than the shares held by Otis International Asia Pacific Pte Ltd.

19 Lease liabilities - non-current

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Lease Liabilities | 1,877 | 578 |
| | <u>1,877</u> | <u>578</u> |

20 Other non-current liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Advance service and maintenance billing | 2,068 | 2,486 |
| Deferred Revenue for Elevator Contracts towards Service and Maintenance | 651 | 540 |
| | <u>2,719</u> | <u>3,026</u> |

21 Provisions - non-current

| | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------|-------------------------|-------------------------|
| Provision for Contingency | 5,882 | 7,020 |
| | <u>5,882</u> | <u>7,020</u> |

Provision for contingency

Provisions for contingencies represents estimates made for probable liabilities arising from pending matters pending with various tax authorities. These are reviewed on an yearly basis including obtaining 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

In the previous year, Maharashtra Government has announced a "Amensty Scheme, 2022" in order to complete the pre-GST legacy matters, the Company had utilized provision of Rs. 400 lakhs in principal liability and Rs 81 lakhs in interest as part of provision for contingency, against various disputed liabilities since the Company had settled these liabilities.

Provision for 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 Company is not able to reasonably ascertain the time of outflow.

Movement in provisions

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|---------------------------|---|---------------------------|---|
| | Provision for contingency | Provision for foreseeable losses on contracts | Provision for contingency | Provision for foreseeable losses on contracts |
| Opening balance | 7,020 | 3,508 | 7,979 | 5,244 |
| Provision recognised during the year | 371 | 6,845 | 547 | 1,657 |
| Provision utilised during the year | (54) | - | (481) | - |
| Provision reversals/written back during the year | (1,455) | (5,055) | (1,025) | (3,393) |
| Closing balance | 5,882 | 5,298 | 7,020 | 3,508 |

| | | |
|--|---------------------------------|---------------------------------|
| 22 Lease liabilities - current | As at March 31, 2024 | As at March 31, 2023 |
| Lease Liabilities (Refer Note 35) | 1,356 | 2,667 |
| | <u>1,356</u> | <u>2,667</u> |
| 23 Trade payables | As at March 31, 2024 | As at March 31, 2023 |
| Trade payables to related parties (Refer Note 44) | 17,557 | 22,189 |
| Trade payables - others | | |
| - Total outstanding dues of micro enterprises and small enterprises (Refer Note 45) | 2,706 | 3,222 |
| - Total outstanding dues of creditors other than micro enterprises and small enterprises | 32,873 | 27,028 |
| | <u>53,136</u> | <u>52,439</u> |

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

The company started participating in a supply chain financing arrangement (SCF) from December 2023 which is disclosed under the trade payables under which its suppliers may elect to receive early payment of their invoice from a bank by factoring their receivable from the company. Under the arrangement, a bank agrees to pay amounts to a participating supplier in respect of invoices owed by the company and receives settlement from the company at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable the willing suppliers to sell their receivables due from the company to a bank before their due date.

The company has not derecognized the original liabilities to which the arrangement applies because neither a legal release was obtained, nor the original liability was substantially modified on entering into the arrangement. From the company's perspective, the arrangement does not extend payment terms beyond the normal terms agreed with other suppliers that are not participating. The company does not incur any additional interest towards the bank on the amounts due to the suppliers. The company therefore discloses the amount factored by suppliers within Trade Payables because the nature and function of the financial liability remain the same as those of other Trade Payables.

All payables under the SCF aggregating to Rs. 7,650 lakhs as at 31st March 24 and Rs. Nil lakhs as a 31st March 23 are classified as current.

The payments to the banks are included within operating cash flows because they continue to be part of the normal operating cycle of the company and their principal nature remains operating - i.e. payments for the purchase of goods and services. The payments to a supplier by the bank are considered non-cash transactions and amount to Rs. 9,528 lakhs (Previous Year Rs. NIL lakhs).

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

Ageing of trade payables: As at March 31, 2024

| Particulars | Unbilled provision | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|--|--------------------|---------------|--|--------------|--------------|-------------------|---------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Total outstanding dues of micro enterprises and small enterprises | - | 3,095 | (47) | (2) | - | - | 3,046 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 10,197 | 16,936 | 18,918 | 1,179 | 1,444 | 1,416 | 50,090 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| | 10,197 | 20,031 | 18,871 | 1,178 | 1,444 | 1,416 | 53,136 |

Ageing of trade payables: As at March 31, 2023

| Particulars | Unbilled provision | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|--|--------------------|--------------|--|--------------|------------|-------------------|---------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Total outstanding dues of micro enterprises and small enterprises | 270 | 2,228 | 724 | - | - | - | 3,222 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 13,882 | 7,177 | 23,577 | 3,104 | 994 | 483 | 49,217 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| | 14,152 | 9,405 | 24,301 | 3,104 | 994 | 483 | 52,439 |

24 Other financial liabilities - current

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Capital creditors | 150 | 150 |
| Unpaid dividends* | 452 | 401 |
| Salaries, wages and bonus payable | 3,077 | 3,110 |
| Derivatives not designated as hedges - foreign exchange forward contracts | 164 | 167 |
| Others | 178 | - |
| | 4,021 | 3,828 |

* There are no amounts which are required to be transferred to Investor Education Protection Fund (IEPF)

25 Other current liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Advances from customers | 12,937 | 9,146 |
| Advance service and maintenance billing | 11,412 | 9,222 |
| Statutory liabilities * | 2,470 | 2,558 |
| Invoices raised in respect of Incomplete Contracts | 266,346 | 226,970 |
| Less: Adjusted against aggregated amount of cost incurred and recognised profits (less recognised losses) | 214,544 | 175,182 |
| | 51,802 | 51,788 |
| Deferred Revenue for elevator contracts towards service and maintenance | 2,599 | 2,084 |
| | 81,220 | 74,798 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| | | |
|--|--------------------------------------|--------------------------------------|
| * Statutory liabilities includes below break up: | | |
| Goods and Services Tax, Sales Tax and Service Tax | 44 | 470 |
| Tax deducted and tax collected at source | 1,973 | 1,675 |
| Provident fund and family pension scheme | 415 | 390 |
| Employees state insurance | 5 | 4 |
| Others (Labour Welfare Fund and Profession Tax) | 33 | 19 |
| | 2,470 | 2,558 |
| 26 Provisions - current | As at March 31, 2024 | As at March 31, 2023 |
| Provision for foreseeable losses on contracts (Refer Note 21) | 5,298 | 3,508 |
| Provision for employee benefits (Refer Note 30): | | |
| Provision for gratuity | 839 | 355 |
| Provision for compensated absences | 5,290 | 4,871 |
| Provision for provident fund | 613 | 30 |
| | 12,040 | 8,764 |
| 27 Revenue from operations | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Contract revenue (Refer note 50) : | | |
| Contracts for supply and installation of elevators, escalators and trav-o-lators | 178,633 | 152,498 |
| Income from modernization and repairs | 24,795 | 21,879 |
| Income from maintenance services | 72,589 | 67,783 |
| Other operating revenues: | | |
| Sale of raw materials and components | 43 | 39 |
| Sale of scrap | 136 | 532 |
| | 276,196 | 242,731 |
| 28 Other income | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Interest income: | | |
| - Deposits with banks | 2,830 | 1,902 |
| - Income tax refund | 183 | 79 |
| - Loans to related parties (Refer note 44) | 140 | 178 |
| - Others | 3 | 1 |
| Provision for contingency no longer required written back (net) (Refer note 21) | 1,084 | 478 |
| Provisions written back | 64 | 115 |
| Liabilities no longer required written back | - | 48 |
| Service income from related parties (Refer note 44) | 1,490 | 1,162 |
| Unwinding of interest on deposits / retention money / employee loans | 59 | 142 |
| Others | 296 | 430 |
| | 6,149 | 4,535 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| 29 Cost of materials consumed | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---------------------------------------|------------------------------|------------------------------|
| Raw materials - Components and spares | | |
| Opening stock | 26,400 | 24,696 |
| Add : Purchases | 141,589 | 131,746 |
| Less: Closing stock | 22,682 | 26,400 |
| | 145,307 | 130,042 |

| 30 Employee benefit expenses | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Salaries, wages, allowances, bonus and benefits * | 42,919 | 39,403 |
| Contribution to Provident and other funds | 2,631 | 1,868 |
| Contribution to Superannuation Scheme | 207 | 200 |
| Contribution to Gratuity Fund (refer note below) | 813 | 798 |
| Contribution to Employees' State Insurance and Employees' Deposit Linked Insurance Scheme | 46 | 27 |
| Share-based payment to employees (Refer Note 48) | 604 | 519 |
| Workmen and staff welfare expenses | 1,382 | 1,264 |
| | 48,602 | 44,079 |

*includes voluntary separation plan cost for Rs. 415 lakhs (Previous year Rs. 1,065 lakhs)
(Refer note 3(j)(iv))

(I) Defined Contribution Plans

| i) Superannuation Fund | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Amount recognised in the Standalone Statement of Profit and Loss | | |
| Employers' Contribution to Superannuation | 207 | 200 |
| | 207 | 200 |

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 following assumptions there is below shortfall as at March 31, 2024.

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

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Plan assets at period end, at fair value | 51,270 | 46,543 |
| Present value of benefit obligation at period end | (51,883) | (46,573) |
| Net (liability)/Asset recognized in balance sheet | (613) | (30) |

The plan assets have been primarily invested in government securities.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024
(All amounts are in Rupees in Lakhs, unless otherwise stated)

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| Government of India (GOI) bond yield | 7.19% | 7.47% |
| Remaining term to maturity of portfolio | 7 years | 7 years |
| Expected guaranteed interest rate - Current year : | 8.25% | 8.15% |
| - Thereafter : | 8.00% | 8.00% |

The Company contributed Rs. 2,631 lakhs and Rs. 1,868 lakhs to the provident fund during the years ended March 31, 2024 and March 31, 2023 respectively and the same has been recognised in the Standalone Statement of Profit and Loss under the head Employees Benefit Expenses.

II Defined Benefit Plans**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, 2023 | 12,712 | 12,357 | 355 |
| Interest cost /income | 945 | 918 | 27 |
| Current service cost | 787 | - | 787 |
| Total amount recognised in the Statement of Profit and Loss | 1,732 | 918 | 814 |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions | (37) | - | (37) |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | (172) | - | (172) |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | 647 | - | 647 |
| Actuarial Gain / (Loss) on plan assets | - | (341) | 341 |
| Total amount recognised in other comprehensive income | 438 | (341) | 779 |
| Contributions by employer | (1,109) | - | (1,109) |
| Benefit Paid | - | - | - |
| Balance as on March 31, 2024 | 13,773 | 12,934 | 839 |

| Particulars | Present Value of Obligation | Fair Value of Plan Assets | Net defined benefit (asset)/ liability |
|--|-----------------------------|---------------------------|--|
| Balance as on March 31, 2022 | 12,410 | 11,735 | 675 |
| Interest cost /income | 866 | 819 | 47 |
| Current service cost | 750 | - | 750 |
| Total amount recognised in the Statement of Profit and Loss | 1,616 | 819 | 797 |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions | - | - | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | 1 | - | 1 |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | 85 | - | 85 |
| Actuarial Gain / (Loss) on plan assets | - | (152) | 152 |
| Total amount recognised in other comprehensive income | 86 | (152) | 238 |
| Contributions by employer | (771) | 584 | (1,355) |
| Benefit Paid | (629) | (629) | - |
| Balance as on March 31, 2023 | 12,712 | 12,357 | 355 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

B) The net liability disclosed above relates to funded plan as below:

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Present Value of funded obligation as at the year end | (13,773) | (12,712) |
| Fair Value of Plan Assets as at the year end | 12,934 | 12,357 |
| Net (Liability) recognised in Balance Sheet | (839) | (355) |

C) Amount recognised in the Balance Sheet

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Present Value of obligation at the end of the year | (13,773) | (12,712) |
| Fair value of plan assets at the end of the year | 12,934 | 12,357 |
| Net (Liability) recognised in the Balance Sheet | (839) | (355) |

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:

| | As at March 31, 2024 | As at March 31, 2023 |
|--|--|--|
| Rate of Return on Plan Assets | 7.19% | 7.47% |
| Discount rate (per annum) | 7.19% | 7.47% |
| Rate of increase in Salary | 9.00% | 9.50% |
| Rate of Employee Turnover | 5.80% | 5.50% |
| Mortality Rate During Employment | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) |
| Expected Future Service (in years ¹) | 10 | 11 |

- 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, 2024 | | As at March 31, 2023 | |
|--------------------------------------|----------------------|------------------|----------------------|------------------|
| | Increase in rate | Decrease in rate | Increase in rate | Decrease in rate |
| Discount Rate (0.5 % movement) | (390) | 417 | (372) | 399 |
| Compensation levels (0.5 % movement) | 408 | (386) | 389 | (367) |
| Employee turnover (0.5 % movement) | (52) | 55 | (55) | 58 |

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 standalone balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024
(All amounts are in Rupees in Lakhs, unless otherwise stated)

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

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--------------------------|----------------------|---------------|----------------------|---------------|
| | Amount | % | Amount | % |
| Investment Funds: | | | | |
| Insurance managed funds | 12,930 | 99.97 | 12,351 | 99.95 |
| Others | 4 | 0.03 | 6 | 0.05 |
| Total | 12,934 | 100.00 | 12,357 | 100.00 |

| G) Recognised under: | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Provisions current - Provision for employee benefits (Refer Note 26) | 839 | 355 |

| H) Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------|----------------------|
| Expected gratuity contribution for the next year | 1,442 | 1,142 |

I) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 8 years (Previous year - 7 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, 2024 | | | | |
| Defined benefit obligation (gratuity) | 2,102 | 6,453 | 15,695 | 24,250 |
| March 31, 2023 | | | | |
| Defined benefit obligation (gratuity) | 2,283 | 5,242 | 16,054 | 23,579 |

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 Undertaking Bonds, Special Deposit Scheme and Other Securities. These are subject to interest rate risk and the funds manages interest rate risk. The Company 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.

III) The Liability for compensated absences as at year end is Rs. 5,290 lakhs (Previous Year - Rs. 4,871 lakhs). (Refer Note 26)

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| 31 Finance costs | | |
| Unwinding of interest on deposits / retention money / employee loans | 11 | 142 |
| Interest on Micro and Small Enterprises (Refer Note 45) | 55 | 91 |
| Interest on Lease Liability | 416 | 403 |
| | 482 | 636 |
| 32 Depreciation and amortisation expense | | |
| Depreciation of Property, Plant and Equipment | 1,018 | 913 |
| Depreciation of Right-of-use assets | 1,380 | 1,425 |
| Amortisation of Intangible assets | 222 | 368 |
| | 2,620 | 2,706 |
| 33 Operating and other expenses | | |
| Consumption of stores and consumables | 2,419 | 1,885 |
| Packing and forwarding charges | 9,100 | 7,837 |
| Repairs and maintenance: | | |
| - Buildings | 484 | 382 |
| - Plant and machinery | 309 | 189 |
| - Vehicles | 23 | 20 |
| - Others | 1,047 | 1,101 |
| Rent | 197 | 117 |
| Rates and taxes | 294 | 226 |
| Insurance | 1,311 | 1,153 |
| Power and fuel | 470 | 470 |
| Expenses on contracts for installation/ service | 11,433 | 9,040 |
| Advertising, publicity and sales promotion | 500 | 393 |
| Commission | 2,202 | 1,535 |
| Commission to Non-Executive Directors | 25 | 20 |
| Royalties (Refer Note 44) | 9,476 | 8,697 |
| Communication costs | 1,012 | 1,187 |
| Travelling and conveyance | 2,291 | 2,054 |
| Printing and stationery | 202 | 190 |
| Legal and professional charges [Refer note (i) below] | 3,438 | 2,867 |
| System and software maintenance expenses # | 3,310 | 2,916 |
| Management fees (Refer Note 44) | 4,014 | 3,604 |
| Bad trade receivables and other financial assets written off | 1,409 | 1,010 |
| Less: Withdrawn from provision for expected credit loss | (1,038) | (658) |
| | 371 | 352 |
| Bad non-financial assets written off | 93 | 833 |
| Less: Withdrawn from provision for expected credit loss | - | (644) |
| | 93 | 189 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| | | |
|--|---------------|---------------|
| Provision for other financial assets | 751 | 230 |
| Provision for other current assets | 131 | 79 |
| Directors fees | 10 | 10 |
| Expenditure towards Corporate Social Responsibility activities [Refer Note (ii) below] | 374 | 421 |
| Loss on sale / disposal of property, plant and equipment | 10 | 17 |
| Loss on fluctuation in foreign exchange (net) | 1,002 | 1,008 |
| Donation | 5 | - |
| Miscellaneous expenses | 476 | 244 |
| TOTAL | 56,780 | 48,433 |

This includes amount from related parties Rs. 2,199 lakhs (Previous Year Rs. 2,040 lakhs).(Refer note 44)

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

| | | |
|---------------------------|-----------|-----------|
| For statutory audit | 61 | 53 |
| For tax audit | 6 | 7 |
| For other services | 1 | 2 |
| Reimbursement of expenses | 5 | 4 |
| | 73 | 66 |

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

(ii) Corporate Social Responsibility expenses :

- (a) Amount required to be spent by the Company during the year was Rs. 374 lakhs (Previous Year Rs. 421 lakhs)
(b) Amount approved by the Board to be spent by the Company during the year was Rs. 374 lakhs (Previous Year Rs. 421 lakhs)
(c) 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. 196 lakhs (Previous Year Rs. 207 lakhs) | Rs. 178 lakhs (Previous Year Rs. 214 lakhs) | Rs. 374 lakhs (Previous Year Rs. 421 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.

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| (i) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year; | 178 lakhs | 214 lakhs |
| (ii) The total of previous years' shortfall amounts; | NIL | NIL |

(iii) Unspent amount pertaining to ongoing projects have been transferred to separate CSR Unspent Bank A/c on April 29, 2024 (Previous year on April 15, 2023).

34 Earnings per share

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Profit attributable to the owners of the Company | 20,970 | 15,591 |
| 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) | 177.59 | 132.03 |
| 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

35 Leases:-

i) Movement in lease liabilities

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Opening lease liabilities | 3,245 | 2,387 |
| Addition during the year | 1,218 | 2,127 |
| Interest accrued during the year | 416 | 403 |
| Payment for lease liabilities including interest | 1,646 | 1,673 |
| Closing lease liabilities | 3,233 | 3,245 |
| - Non current | 1,877 | 578 |
| - Current | 1,356 | 2,667 |

ii) Maturity Profile

| Particulars | Less than 1 year | Between 1 and 5 years | More than 5 years |
|-------------------------------------|------------------|-----------------------|-------------------|
| March 31, 2024 | | | |
| Repayment of lease liabilities | 1,356 | 1,877 | - |
| Interest on lease liabilities | 305 | 319 | - |
| Total cash outflow on leases | 1,661 | 2,196 | - |

| Particulars | Less than 1 year | Between 1 and 5 years | More than 5 years |
|-------------------------------------|------------------|-----------------------|-------------------|
| March 31, 2023 | | | |
| Repayment of lease liabilities | 2,667 | 559 | 19 |
| Interest on lease liabilities | 255 | 277 | 2 |
| Total cash outflow on leases | 2,922 | 836 | 21 |

Weighted average effective interest rate is 8% to 10.4% p.a.

36 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 its shareholders. 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 | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Equity shares | | |
| Interim dividend Rs. 135 per share fully paid (Previous year Rs. 150 per share) | 15,941 | 17,712 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

37 Research and development expenses

The Cost of Material Consumed, Employee Benefits Expense, Depreciation and Other Expenses shown in the standalone statement of Profit and Loss include Rs. 2,984 lakhs (Previous Year Rs. 2,687 lakhs) in respect of the research activities undertaken during the year.

38 The Company has carried out an independent review for assessing compliance up to March 31, 2023 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, 2023 to March 31, 2024 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.

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 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 disclosed only in the consolidated financial statements.' Accordingly, the Segment information is disclosed in the consolidated financial statements of the Company.

40 Events occurring after the balance sheet date

The Board of Directors of the Company at its meeting held on July 23, 2024 has approved the proposal for the reduction of the issued, subscribed and paid up equity capital of the Company by paying off, cancelling and extinguishing 2,08,403 equity shares having a face value of Rs 10 being 1.76 % of the total issued, subscribed and paid-up equity share capital of the Company held by the equity shareholders of the Company at a fair value determined by the independent registered valuers, as on the Record Date (determined by the Board) other than the shares held by Otis International Asia Pacific Pte Ltd.

41 Note on investment and receivables for wholly owned 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, 2024 and March 31, 2023. 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. 114 lakhs (Previous Year Rs. 103 lakhs) on other financial assets (Refer note 8).

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).

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| March 31, 2024 | Carrying amount / Fair value | | | | |
|--|------------------------------|------------|--------|----------------|----------------|
| | Note No. | FVTPL | FVTOCI | Amortised Cost | Total |
| Financial assets | | | | | |
| (i) Trade receivables | 6(a) and 6(b) | - | - | 47,159 | 47,159 |
| (ii) Cash and cash equivalents | 13 | - | - | 65,307 | 65,307 |
| (iii) Bank balance other than (ii) above | 14 | - | - | 595 | 595 |
| (iv) Loans | 7(a) and 7(b) | - | - | 109 | 109 |
| (v) Other financial assets | 8 and 15 | - | - | 4,088 | 4,088 |
| (vi) Derivatives not designated as hedges - foreign exchange forward contracts | 15 | - | - | - | - |
| | | - | - | 117,258 | 117,258 |
| Financial liabilities | | | | | |
| (i) Lease liabilities | 19 and 22 | - | - | 3,233 | 3,233 |
| (ii) Trade payables | 23 | - | - | 53,136 | 53,136 |
| (iii) Other financial liabilities | 24 | - | - | 3,857 | 3,857 |
| (iv) Derivatives not designated as hedges - foreign exchange forward contracts | 24 | 164 | - | - | 164 |
| | | 164 | - | 60,226 | 60,390 |

| March 31, 2023 | Carrying amount / Fair value | | | | |
|--|------------------------------|------------|--------|----------------|----------------|
| | Note No. | FVTPL | FVTOCI | Amortised Cost | Total |
| Financial assets | | | | | |
| (i) Trade receivables | 6(a) and 6(b) | - | - | 45,914 | 45,914 |
| (ii) Cash and cash equivalents | 13 | - | - | 53,878 | 53,878 |
| (iii) Bank balance other than (ii) above | 14 | - | - | 1,063 | 1,063 |
| (iv) Loans | 7(a) and 7(b) | - | - | 2,296 | 2,296 |
| (v) Other financial assets | 8 and 15 | - | - | 3,355 | 3,355 |
| (vi) Derivatives not designated as hedges - foreign exchange forward contracts | 15 | 14 | - | - | 14 |
| | | 14 | - | 106,506 | 106,520 |
| Financial liabilities | | | | | |
| (i) Lease liabilities | 19 and 22 | - | - | 3,245 | 3,245 |
| (ii) Trade payables | 23 | - | - | 52,439 | 52,439 |
| (iii) Other financial liabilities | 24 | - | - | 3,661 | 3,661 |
| (iv) Derivatives not designated as hedges - foreign exchange forward contracts | 24 | 167 | - | - | 167 |
| | | 167 | - | 59,345 | 59,512 |

B. Measurement of fair values

i) Valuation processes

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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

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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.

Key input for Level 2 Fair Valuation Technique:

Derivative liabilities (Level 2)

- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rate of respective currencies.

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 and other 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.

The Company's accounts receivable are geographically dispersed. The Management does 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 | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Loss allowance at the beginning of the year | 6,123 | 6,897 |
| Changes in allowance written back during the year | (401) | (774) |
| Loss allowance as at the end of the year | 5,722 | 6,123 |

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Set out below is the information about the credit risk exposure on the Company's trade receivables and contract assets using a provision matrix.

| Ageing | Year ended March 31, 2024 | | Year ended March 31, 2023 | |
|---------------------|---------------------------|-----------|---------------------------|-----------|
| | Expected credit | Average % | Expected credit | Average % |
| Not due | 70 | 2.52% | 115 | 2.52% |
| 0-180 days | 783 | 2.52% | 806 | 2.52% |
| 180-360 days | 467 | 10.91% | 480 | 10.91% |
| 360-540 days | 476 | 22.62% | 522 | 22.62% |
| 540-720 days | 462 | 42.93% | 273 | 42.93% |
| 720-900 days | 462 | 64.10% | 492 | 64.10% |
| 900-1080 days | 340 | 100.00% | 295 | 100.00% |
| More than 1080 days | 2,662 | 100.00% | 3,140 | 100.00% |
| Total | 5,722 | | 6,123 | |

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 enters 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 financial 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 | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Loss allowance at the beginning of the year | 616 | 633 |
| Changes in allowance during the year (Refer Notes - 8 and 15) | (64) | (17) |
| Loss allowance as at the end of the year | 552 | 616 |

| Receivable from subsidiary company | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Loss allowance at the beginning of the year | 1,479 | 1,376 |
| Changes in allowance during the year (Refer Notes - 7(a) and 8) | 114 | 103 |
| Loss allowance as at the end of the year | 1,593 | 1,479 |

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.

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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.

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 undiscounted cash flows | | | |
|---|-----------------|-------------------------------------|------------------|------------|-------------------|
| | | Total | Less than 1 year | 1- 5 years | More than 5 years |
| As at March 31, 2024 | | | | | |
| Non-derivative financial liabilities | | | | | |
| Lease liabilities | 3,233 | 3,233 | 1,356 | 1,877 | - |
| Trade payables | 53,136 | 53,136 | 53,136 | - | - |
| Other financial liabilities | 3,857 | 3,857 | 3,857 | - | - |
| Derivative Financial Liabilities | | | | | |
| Foreign exchange forward contracts | 164 | 164 | 164 | - | - |
| As at March 31, 2023 | | | | | |
| Non-derivative financial liabilities | | | | | |
| Lease liabilities | 3,245 | 3,245 | 2,667 | 559 | 19 |
| Trade payables | 52,439 | 52,439 | 52,439 | - | - |
| Other financial liabilities | 3,661 | 3,661 | 3,661 | - | - |
| Derivative Financial Liabilities | | | | | |
| Foreign exchange forward contracts | 167 | 167 | 167 | - | - |

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, 2024 | | As at March 31, 2023 | |
|-------------------------|-------------------------|--------------|-------------------------|---------------|
| | Foreign currency Amount | Amount | Foreign currency Amount | Amount |
| Import contracts | | | | |
| EUR | 13 | 1,224 | 44 | 3,928 |
| JPY | 68 | 40 | 83 | 54 |
| USD | 3 | 237 | 5 | 452 |
| CHF | 1 | 86 | 1 | 50 |
| CNH | 482 | 5,767 | 637 | 7,895 |
| SGD | - | - | * | 1 |
| Total | | 7,354 | | 12,380 |
| Export contracts | | | | |
| USD | 3 | 255 | 6 | 529 |
| Total | | 255 | | 529 |

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

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

| Particulars | March 31, 2024 | | March 31, 2023 | |
|--------------------|-------------------------|--------|-------------------------|--------|
| | Foreign currency Amount | Amount | Foreign currency Amount | Amount |
| Receivables | | | | |
| USD | 38 | 3,208 | 27 | 2,241 |
| EUR | - | - | 5 | 462 |
| BDT | 415 | 312 | 244 | 186 |
| Payables | | | | |
| USD | 38 | 3,134 | 54 | 4,461 |
| EUR | 20 | 1,806 | 4 | 301 |
| HKD | 7 | 73 | 14 | 162 |
| JPY | 43 | 22 | - | - |
| CNH | 463 | 5,149 | 410 | 4,636 |

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, 2024 | March 31, 2023 |
| Currencies | | |
| USD | 7 | (222) |
| EUR | (181) | 16 |
| HKD | (7) | (16) |
| CNH | (515) | (464) |
| BDT | 31 | 19 |
| | (666) | (667) |

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

43 Tax expense

A Amounts recognised in Statement of Profit and Loss

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Income tax expense | | |
| Current tax | | |
| Current tax on profits for the year | 7,650 | 4,900 |
| Adjustments for current tax of prior periods | 155 | 107 |
| Total current tax expense | <u>7,805</u> | <u>5,007</u> |
| Deferred tax | | |
| Decrease in deferred tax assets | (221) | 772 |
| Total deferred tax (credit)/charge | <u>(221)</u> | <u>772</u> |
| Income tax expense | <u>7,584</u> | <u>5,779</u> |

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| Deferred Tax Assets | Deferred Tax Assets / (Liability) April 1, 2023 | Recognised in Statement of Profit and Loss | Recognised in OCI / Retained earnings | Deferred tax assets | Deferred tax liability | Net Deferred Tax Assets March 31, 2024 |
|---|---|--|---------------------------------------|---------------------|------------------------|--|
| Mark to Market adjustment on derivative contracts gains | 39 | 3 | - | 42 | - | 42 |
| Provision for impairment | 142 | - | - | 142 | - | 142 |
| Voluntary separation plan | 214 | 30 | - | 244 | - | 244 |
| Lease liabilities | 811 | 1 | - | 812 | - | 812 |
| Deferred Tax Assets | | | | | | |
| Lease liabilities-Right-of-use assets | 745 | (32) | - | 713 | - | 713 |
| Deferred Tax Assets (Net) | 7,145 | 221 | 199 | 7,565 | - | 7,565 |

| Deferred Tax Assets | Deferred Tax Assets / (Liability) April 1, 2022 | Recognised in Statement of Profit and Loss | Recognised in OCI / Retained earnings | Deferred tax assets | Deferred tax liability | Net Deferred Tax Assets March 31, 2023 |
|---|---|--|---------------------------------------|---------------------|------------------------|--|
| Provision for expected credit loss | 2,606 | (279) | - | 2,327 | - | 2,327 |
| Provision for compensated absences and gratuity | 1,341 | (18) | - | 1,323 | - | 1,323 |
| Provision for Product Upgradation | - | - | - | - | - | - |
| Disallowances under Section 40(a) of the Income Tax Act, 1961 | 98 | - | - | 98 | - | 98 |
| Depreciation | 293 | (7) | - | 286 | - | 286 |
| Provision for Contingency | 2,008 | (241) | - | 1,767 | - | 1,767 |
| Remeasurements of defined benefit obligation | - | (60) | 60 | - | - | - |
| Exchange differences in translating foreign operations | - | 11 | (11) | - | - | - |
| Provision for foreseeable losses on contracts | 1,320 | (437) | - | 883 | - | 883 |
| Mark to Market adjustment on derivative contracts gains | 33 | 6 | - | 39 | - | 39 |
| Provision for impairment | 142 | - | - | 142 | - | 142 |
| Voluntary separation plan | - | 214 | - | 214 | - | 214 |
| Lease liabilities | - | - | - | 811 | - | 811 |
| Deferred Tax Assets | | | | | | |
| Lease liabilities-Right-of-use assets | 27 | 39 | - | 745 | - | 745 |
| Deferred Tax Assets | 7,868 | (772) | 49 | 7,145 | - | 7,145 |

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

44 Related Party Disclosures as per Ind AS 24

A Relationships:

(I) Where Control Exists on the Company

Otis Worldwide Corporation, United States

Ultimate Holding Company

Otis International Asia Pacific Pte. Ltd., Singapore

Holding Company

(II) Subsidiary Company

Supriya Elevator Company (India) Limited, India

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

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

Aitken Spence Elevators (Pvt) Ltd., Sri Lanka
 Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey
 Elevadores Otis Ltda, Brazil
 Express Elevator Co. Ltd., China
 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 Colombia S.A..S, Colombia
 Otis Elevator Company Ltd, Thailand
 Otis Elevator Company Saudi Arabia Ltd, Saudi Arabia
 Otis Elevator Company, New Jersey, United States
 Otis Elevator Company, South Carolina
 Otis Elevator Manufacturing Co Ltd, China
 Otis Elevator Traction Machine (China) Co. Ltd., China
 Otis Elevator Vietnam Company Limited, Vietnam
 Otis Elevator, Korea
 Otis Elevators International Inc., Hong Kong
 Otis Global Services Centre Private Limited, India
 Otis GMBH & Co. OHG, Germany
 Otis LLC, U.A.E
 Otis Mobility S.A., Spain
 (Previously Known as Zardoya Otis S.A., Spain)
 Otis Science and Technology Development Shanghai, China
 OTIS SCS, France
 P.T.Citas Otis Elevator, Indonesia
 Seral Otis Industria Metalurgica Ltda, Chile
 U.T. Building & Industrial Systems W.L.L., Qatar
 Zayani Otis Elevator Co W.L.L., Bahrain
 Otis Far East Holdings Limited, Hong Kong
 Otis Morocco

(IV) Key Managerial Personnel

| | |
|---|------------------------|
| Sebi Joseph | Managing Director |
| Puthan Naduvakkat Suma | Director |
| Bharat Nayak | Director |
| Manish Asopa (w.e.f. November 23, 2022) | Non-executive Director |
| Priya Shankar Dasgupta (until March 31, 2024) | Independent Director |
| Anil Vaish | Independent Director |
| Jyotin Mehta (w.e.f. April 1, 2024) | 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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(All amounts are in Rupees in Lakhs, unless otherwise stated)

B Transactions:

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

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Short term employee benefits: | | |
| - Salaries and other employee benefits | 1,314 | 1,164 |
| Post employment benefits - gratuity | 87 | 44 |
| Current employee benefits- Compensated absences | 55 | 35 |
| Employee share-based payment # | 669 | 180 |
| Commission and sitting fee to non executive directors | 35 | 30 |
| Total | 2,160 | 1,453 |

In addition to the above, 8,660 units stock options (Previous Year 2,631 Units stock options) of Otis Worldwide Corporation, the Ultimate Holding Company, were exercised during the year.

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

| Particulars | Category | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|----------|--------------------------------------|--------------------------------------|
| Purchase of Goods and Materials | | | |
| Otis Elevator (China) Co., China | III | 606 | 857 |
| Express Elevator Co. Ltd., China | III | 1,108 | 1,483 |
| Otis Electric Elevator Co., Ltd., China | III | 1,415 | 1,595 |
| Otis Mobility S.A., Spain | III | 4,040 | 3,221 |
| Otis GMBH & Co. OHG, Germany | III | 2,891 | 3,681 |
| Otis Elevator Company, New Jersey, United States | III | 1,225 | 1,743 |
| Otis Elevator Traction Machine (China) Co. Ltd., China | III | 5,113 | 6,097 |
| Nippon Otis Elevator Company, Japan | III | 142 | 206 |
| OTIS SCS, France | III | 2,855 | 2,094 |
| Otis Science and Technology Development Shanghai, China | III | 4,122 | 8,097 |
| Otis A.S., Czech Republic | III | 2 | 64 |
| Supriya Elevator Company (India) Limited, India | II | 79 | 25 |
| Otis Elevator Company (S) Pte. Ltd., Singapore | III | - | 1 |
| Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey | III | 11 | 184 |
| Otis Elevator Company Colombia S.A..S, Colombia | III | - | 7 |
| Otis Elevator, Korea | III | 11 | 21 |
| Otis Elevator Manufacturing Co Ltd, China | III | 4,154 | 2,167 |
| Otis International Asia Pacific Pte. Ltd, Singapore | III | 7,490 | 6,342 |
| Jsc Mos Otis ,Russia | III | - | 2 |
| Otis Elevator Company Ltd, Thailand | III | 7 | - |
| Total | | 35,270 | 37,887 |
| Purchase of Property, plant and equipment | | | |
| Otis Mobility S.A., Spain | III | 19 | 3 |
| Total | | 19 | 3 |

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

| Particulars | Category | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|----------|--------------------------------------|--------------------------------------|
| Purchase of Intangible Assets | | | |
| Otis Elevator Company, New Jersey, United States | III | 506 | 231 |
| Total | | 506 | 231 |
| System and Software Maintenance Expenses | | | |
| Otis Elevator Company, New Jersey, United States | III | 1,918 | 1,455 |
| Otis Elevators International Inc., Hong Kong | III | 97 | 185 |
| Otis International Asia Pacific Pte. Ltd, Singapore | III | 184 | 400 |
| Total | | 2,199 | 2,040 |
| Royalties Expenses | | | |
| Otis Elevator Company, New Jersey, United States | III | 9,476 | 8,697 |
| Total | | 9,476 | 8,697 |
| Management Fee Expenses | | | |
| Otis Elevator Company, New Jersey, United States | III | 2,770 | 2,417 |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 1,244 | 1,187 |
| Total | | 4,014 | 3,604 |
| Support & Service Expenses | | | |
| Otis Elevator Company, New Jersey, United States | III | 777 | 460 |
| Total | | 777 | 460 |
| Repairs & Maintenance charges of elevators | | | |
| Aitken Spence Elevators (Pvt) Ltd., Sri Lanka | III | 132 | 132 |
| Total | | 132 | 132 |
| Reimbursement of Expenses to related parties | | | |
| Otis Elevator Company, New Jersey, United States | III | 5 | - |
| Nippon Otis Elevator Company, Japan | III | - | 42 |
| Otis Global Services Centre Private Limited, India | III | - | 319 |
| Otis A.S., Czech Republic | III | 7 | - |
| Otis Elevator Manufacturing Co Ltd, China | III | 3 | - |
| Otis, Morocco | III | 9 | - |
| Total | | 24 | 361 |
| Rent paid | | | |
| Supriya Elevator Company (India) Limited, India | II | 22 | 15 |
| Total | | 22 | 15 |
| Revenue from Sale of Goods/Services | | | |
| Otis Elevator Company (S) Pte. Ltd., Singapore | III | 45 | 13 |
| Seral Otis Industria Metalurgica Ltda, Chile | III | 160 | 155 |
| P.T.Citas Otis Elevator, Indonesia | III | 84 | 120 |
| Aitken Spence Elevators (Pvt) Ltd., Sri Lanka | III | 1,026 | 1,240 |
| Otis Elevator Co Pty Ltd, Australia | III | * | (2) |
| Otis Elevator Vietnam Company Limited, Vietnam | III | - | 40 |
| Zayani Otis Elevator Co W.L.L., Bahrain | III | 196 | 81 |
| Otis LLC, U.A.E | III | 1,655 | 1,473 |
| U.T. Building & Industrial Systems W.L.L., Qatar | III | 40 | 186 |

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

| Particulars | Category | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|----------|--------------------------------------|--------------------------------------|
| Otis GMBH & Co. OHG, Germany | III | - | 88 |
| Supriya Elevator Company (India) Limited, India | II | 3 | 3 |
| Elevadores Otis Ltda, Brazil | III | 8 | 8 |
| Otis Elevator Company Ltd, Thailand | III | 1,204 | 435 |
| Otis Elevator Company Saudi Arabia Ltd, Saudi Arabia | III | 235 | - |
| OTIS SCS, France | III | 2 | 1 |
| Otis Elevators International Inc., Hong Kong | III | 10 | - |
| Otis Far East Holdings Limited, Hong Kong | III | * | - |
| Otis Elevator (Cambodia) Company Limited, Cambodia | III | 13 | - |
| Otis Elevator Company, South Carolina | III | * | - |
| OTIS Elevator Overseas Limited, UAE | III | 50 | - |
| Otis Elevator, Korea | III | 3 | - |
| Total | | 4,735 | 3,841 |
| Service income from related parties | | | |
| Otis Elevator Company, New Jersey, United States | III | 653 | 520 |
| Otis Elevator Company, South Carolina | III | 124 | 112 |
| OTIS SCS, France | III | 109 | 91 |
| Otis Mobility S.A., Spain | III | 8 | 35 |
| Otis Global Services Centre Private Limited, India | III | 7 | 7 |
| Nippon Otis Elevator Company, Japan | III | 87 | 6 |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 502 | 391 |
| Total | | 1,490 | 1,162 |
| Recovery of expenses from related parties | | | |
| Otis Elevator Company (M) SDN BHD, Malasiya | III | 198 | 98 |
| Otis Elevator Company, New Jersey, United States | III | 322 | 199 |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 771 | 313 |
| Supriya Elevator Company (India) Limited, India | II | 272 | 247 |
| Otis Electric Elevator Co., Ltd., China | III | 3 | - |
| Nippon Otis Elevator Company, Japan | III | - | 1 |
| P.T.Citas Otis Elevator, Indonesia | III | 124 | 125 |
| OTIS SCS, France | III | - | 2 |
| Otis Elevator (China) Co., China | III | * | - |
| Otis Elevator Manufacturing Co Ltd, China | III | 1 | - |
| Otis Elevator Traction Machine (China) Co. Ltd., China | III | 2 | - |
| Otis Global Services Centre Private Limited, India | III | * | - |
| Otis Science and Technology Development Shanghai, China | III | * | - |
| Total | | 1,694 | 985 |
| Recovery of rent from related parties (netted off from rent expense) | | | |
| Supriya Elevator Company (India) Limited, India | II | 21 | 29 |
| Total | | 21 | 29 |
| Inter Corporate Loan Given / (Repaid) (Net) | | | |
| Otis Global Services Centre Private Limited, India | III | (2,200) | (250) |
| Total | | (2,200) | (250) |

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

| Particulars | Category | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|----------|--------------------------------------|--------------------------------------|
| Interest on Inter Corporate Loan Given | | | |
| Otis Global Services Centre Private Limited, India | III | 131 | 169 |
| Supriya Elevator Company (India) Limited, India | II | 9 | 9 |
| Total | | 140 | 178 |
| Dividend paid during the year | | | |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 15,660 | 17,400 |
| Total | | 15,660 | 17,400 |

| Outstanding Balances | | Balance as at March 31, 2024 | Balance as at March 31, 2023 |
|---|-----|---------------------------------|---------------------------------|
| Loans given | | | |
| Otis Global Services Centre Private Limited, India | III | - | 2,200 |
| Supriya Elevator Company (India) Limited, India (Net of provision of Rs. 130 lakhs (March 31, 2021 -Rs. 130 lakhs) | II | - | - |
| Total | | - | 2,200 |
| Advances given | | | |
| Supriya Elevator Company (India) Limited, India | II | - | 22 |
| Total | | - | 22 |
| Trade Payables | | | |
| Otis Elevator Company, New Jersey, United States | III | 2,479 | 4,102 |
| Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey | III | 8 | 179 |
| Otis Elevators International Inc., Hong Kong | III | 73 | 162 |
| Otis Elevator Company (S) Pte. Ltd., Singapore | III | - | 1 |
| OTIS SCS, France | III | 459 | 1,152 |
| Otis Mobility S.A., Spain | III | 1,285 | 2,014 |
| Otis GMBH & Co. OHG, Germany | III | 1,430 | 1,244 |
| Nippon Otis Elevator Company, Japan | III | 49 | 49 |
| Otis Science and Technology Development Shanghai, China | III | 2,476 | 4,414 |
| Otis Elevator (China) Co., China | III | 690 | 509 |
| Otis Elevator Traction Machine (China) Co. Ltd., China | III | 2,452 | 2,878 |
| Otis Electric Elevator Co., Ltd., China | III | 1,188 | 2,095 |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 2,515 | 1,359 |
| Otis Elevator Management (Shanghai) Company Limited, China | III | - | - |
| Aitken Spence Elevators (Pvt) Ltd., Sri Lanka | III | 55 | 25 |
| Express Elevator Co. Ltd., China | III | 524 | 307 |
| Otis Elevator, Korea | III | 4 | - |
| Otis Elevator Manufacturing Co Ltd, China | III | 1,853 | 1,635 |
| Otis Global Services Centre Private Limited, India | III | - | - |
| Otis A.S., Czech Republic | III | 1 | 64 |
| Otis Elevator Company Ltd, Thailand | III | 7 | - |
| Otis Morocco | III | 9 | - |
| Supriya Elevator Company (India) Limited, India | II | - | - |
| Total | | 17,557 | 22,189 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| Outstanding Balances | | Balance as at March 31, 2024 | Balance as at March 31, 2023 |
|---|-----|---------------------------------|---------------------------------|
| Receivables | | | |
| Supriya Elevator Company (India) Limited, India (Net of provision of Rs. 1,349 lakhs (March 31, 2022 -Rs. 1,246 lakhs) | II | - | - |
| Trade Receivables: | | | |
| Aitken Spence Elevators (Pvt) Ltd., Sri Lanka | III | 16 | 395 |
| Seral Otis Industria Metalurgica Ltda, Chile | III | 47 | 39 |
| Nippon Otis Elevator Company, Japan | III | 20 | 6 |
| Otis LLC, U.A.E | III | 643 | 402 |
| Otis Elevator Manufacturing Co Ltd, China | III | 1 | - |
| Otis Elevator Company Ltd, Thailand | III | 464 | 65 |
| Otis Elevator Company Saudi Arabia Ltd, Saudi Arabia | III | 219 | - |
| Otis Elevator Company, South Carolina | III | 124 | 54 |
| U.T. Building & Industrial Systems W.L.L., Qatar | III | 20 | 45 |
| Otis Mobility S.A., Spain | III | 7 | 50 |
| OTIS SCS, France | III | 19 | 132 |
| Elevadores Otis Ltda, Brazil | III | - | 5 |
| Otis Elevator Company (S) Pte. Ltd., Singapore | III | 27 | 37 |
| Otis Elevator Vietnam Company Limited, Vietnam | III | 1 | 14 |
| Zayani Otis Elevator Co W.L.L., Bahrain | III | 30 | 50 |
| Otis Electric Elevator Co., Ltd., China | III | 4 | - |
| Otis Elevator (Cambodia) Company Limited, Cambodia | III | 14 | - |
| OTIS Elevator Overseas Limited, UAE | III | 38 | - |
| Total | | 1,694 | 1,294 |
| Other Receivable - Current Financial Assets: | | | |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 342 | 113 |
| P.T.Citas Otis Elevator, Indonesia | III | 52 | 98 |
| Otis Elevator Company (M) SDN BHD, Malasiya | III | 33 | (16) |
| Otis Elevator Company, New Jersey, United States | III | 105 | 123 |
| Otis Global Services Centre Private Limited, India | III | 1 | 3 |
| Total | | 533 | 321 |

For information on transactions with post employment benefit plans mentions in A (V) above, refer the note 30.

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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

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, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| The principal amount remaining unpaid to any supplier as at the end of each accounting year; | 2,381 | 2,952 |
| The interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | 325 | 270 |
| 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 | 55 | 91 |
| 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 23 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.

46 Contingent Liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
|--|-------------------------|-------------------------|

a) Claims against the Company not acknowledged as debt**(i) Sales Tax and Goods and Service Tax matters****Sales Tax matters**

| | | |
|----------------------|--------|--------|
| - Show Cause Notices | - | 646 |
| - Demand Notices | 27,250 | 28,926 |

Goods and Service Tax matters

| | | |
|----------------------|-------|-----|
| - Show Cause Notices | 156 | 156 |
| - Demand Notices | 3,969 | 295 |

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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

(ii) Excise, Service Tax and Custom matters

Excise matters

| | | |
|----------------------|-----|-----|
| - Show Cause Notices | 225 | 225 |
| - Demand Notices * | 106 | 106 |

Service Tax matters

| | | |
|----------------------|--------|--------|
| - Show Cause Notices | - | 5,930 |
| - Demand Notices | 30,570 | 24,639 |

Custom matters

| | | |
|----------------------|-----|-----|
| - Show Cause Notices | - | 103 |
| - Demand Notices | 455 | - |

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.

(iii) Income/Transfer Pricing Tax matters

Transfer Pricing Matter

| | | |
|----------------|-----|---|
| - Demand order | 168 | - |
|----------------|-----|---|

Company had claimed Management fees Rs. 704 lakhs as expense in FY 2019-20 which has been disallowed by Transfer Pricing on the need benefit ground. The Company has filed Dispute Resolution Panel (DRP) appeal in ITAT against the order issued u/s 143(3) by the Assessing officer under ROCA ground. Based on opinion received from legal consultants, the Management is of the view that the Company has strong grounds of appeal in this regard.

| | | |
|--|-------|-------|
| b) Litigations / claims against the Company by customers / ex-employees / general public. | 2,935 | 2,720 |
|--|-------|-------|

The Company has strong grounds of appeal and does not foresee any outflow in this regard.

c) Commitments

| | | |
|---|--------|--------|
| i) Estimated amount of contracts [net of capital advances of NIL (Previous Year Rs. NIL Lakhs) remaining to be executed on Capital Account not provided for. | 1,372 | 264 |
| 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. | 48,621 | 30,262 |

| | | |
|--|--|--|
| 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

47 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, 2024 and March 31, 2023.

| Particulars | Gross Amounts | Related amounts not offset | |
|--------------------------------------|---------------|-----------------------------------|------------|
| | | Amounts subject to master netting | Net amount |
| As at March 31, 2024 | | | |
| Other financial assets | | | |
| Derivative not designated as hedges | | | |
| - Foreign exchange forward contracts | - | - | - |
| Other financial liabilities | | | |
| Derivative Financial Liabilities | | | |
| Foreign exchange forward contracts | 164 | - | 164 |
| As at March 31, 2023 | | | |
| Other financial assets | | | |
| Derivative not designated as hedges | | | |
| - Foreign exchange forward contracts | 14 | (14) | - |
| Other financial liabilities | | | |
| Derivative Financial Liabilities | | | |
| Foreign exchange forward contracts | 167 | (14) | 153 |

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.

48 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024
(All amounts are in Rupees in Lakhs, unless otherwise stated)

The Company has recognised an employee benefit expense towards share based payment with a corresponding increase in Other Equity as equity contribution from the Ultimate Holding Company as per below table.

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Stock-based compensation expense (Share-based) | 604 | 519 |

Summary of transactions under various plans for the year ended March 31, 2024 and March 31, 2023 follows:

| Particulars | SAR | | | | RSU | | | | PSU | | | |
|--|---------------|-------------------------------|-----------------------|---|---------------|-------------------------------|-----------------------|---|---------------|-------------------------------|-----------------------|---|
| | No of options | Range of exercise price (USD) | Average Price * (USD) | Weighted Avg Remaining Contractual life | No of options | Range of exercise price (USD) | Average Price **(USD) | Weighted Avg Remaining Contractual life | No of options | Range of exercise price (USD) | Average Price **(USD) | Weighted Avg Remaining Contractual life |
| Opening outstanding 31st March, 2023 | 58,227 | 58.66-83.63 | 71.95 | 6.61 | 7,670 | - | 75.71 | 1.42 | 7,282 | - | 79.81 | 1.68 |
| Add: Granted | 4,872 | 63.93-91.94 | 84.12 | 5.45 | 3,782 | - | 84.87 | 1.34 | 5,027 | - | 83.48 | 1.10 |
| Less: Exercised / forfeiture/ Transfer Out | 12,236 | 63.93-91.94 | 80.65 | - | 6,405 | - | 78.31 | - | 7,190 | - | 82.75 | - |
| Less: Cancelled | - | - | - | - | - | - | - | - | - | - | - | - |
| Closing outstanding 31st March, 2024 | 50,863 | 58.66-91.94 | 77.21 | 5.70 | 5,047 | - | 83.11 | 1.42 | 5,119 | - | 82.83 | 1.68 |

| Particulars | SAR | | | | RSU | | | | PSU | | | |
|--|---------------|-------------------------------|-----------------------|---|---------------|-------------------------------|-----------------------|---|---------------|-------------------------------|-----------------------|---|
| | No of options | Range of exercise price (USD) | Average Price * (USD) | Weighted Avg Remaining Contractual life | No of options | Range of exercise price (USD) | Average Price **(USD) | Weighted Avg Remaining Contractual life | No of options | Range of exercise price (USD) | Average Price **(USD) | Weighted Avg Remaining Contractual life |
| Opening outstanding 31st March, 2022 | 61,119 | 58.66-81.85 | 71.36 | 7.34 | 7,960 | - | 73.80 | 1.57 | 4,956 | - | 75.57 | 2.19 |
| Add: Granted | 4,510 | 83.63 | 83.63 | 9.86 | 4,096 | - | 81.01 | 1.62 | 2,326 | - | 89.15 | 2.75 |
| Less: Exercised / forfeiture/ Transfer Out | 7,402 | 63.93-80.97 | 76.83 | - | 4,386 | - | 77.55 | - | - | - | - | - |
| Less: Cancelled | - | - | - | - | - | - | - | - | - | - | - | - |
| Closing outstanding 31st March, 2023 | 58,227 | 58.66-83.63 | 71.95 | 6.61 | 7,670 | - | 75.71 | 1.42 | 7,282 | - | 79.81 | 1.68 |

* Weighted average grant price

** Weighted average grant fair value

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

The following table summarizes information about equity awards outstanding that are vested and expected to vest and equity awards outstanding that are exercisable as of March 31, 2024 and March 31, 2023:

| Particulars | For the Year ended March 31, 2024 | | | | | | |
|-------------------|---|----------------------|---------------------------|---------------------------------|------------------------------------|----------------------|---------------------------|
| | Equity Awards Vested and Expected to Vest | | | | Equity Awards that are exercisable | | |
| | Awards | Average Price *(USD) | Aggregate Intrinsic Value | Aggregate Intrinsic Value (USD) | Awards | Average Price *(USD) | Aggregate Intrinsic Value |
| Stock options/SAR | 50,863 | 77.21 | - | 1,384,305 | 44,867 | 71.95 | 1,310,772 |
| PSU stocks | 5,119 | - | 79.81 | 511,340 | - | - | - |
| Restricted stocks | 5,047 | - | 75.71 | 497,839 | - | - | - |

| Particulars | For the Year ended March 31, 2023 | | | | | | |
|-------------------|---|----------------------|------------------------|---------------------------|------------------------------------|----------------------|---------------------------|
| | Equity Awards Vested and Expected to Vest | | | | Equity Awards that are exercisable | | |
| | Awards | Average Price *(USD) | Average Price ** (USD) | Aggregate Intrinsic Value | Awards | Average Price *(USD) | Aggregate Intrinsic Value |
| Stock options/SAR | 58,227 | 71.95 | - | 725,167 | 47,899 | 71.36 | 663,743 |
| PSU stocks | 7,282 | - | 79.81 | 617,302 | - | - | - |
| Restricted stocks | 7,670 | - | 75.71 | 644,647 | - | - | - |

* Weighted average grant price per share

The weighted average share price during the year ended March 31, 2024 and 2023 was \$84.60 & \$87.49 per share respectively.

The following table indicates the assumptions used in estimating fair value for the year ended March 31, 2024 and March 31, 2023.

Lattice based option models incorporate range of assumptions for inputs; those ranges are as follows:

| Particulars | March 31, 2024 | March 31, 2023 |
|--------------------------|----------------|----------------|
| Expected volatility | 27.8%-28.1% | 26.71% |
| Expected term (in years) | 6.20 | 6.20 |
| Expected dividend yield | 1.50% | 1.20% |
| Risk-free rate | 3.4%-4.7% | 4.04% |

The expected term represents an estimate of the period of time equity awards are expected to remain outstanding.

The risk free rate is based on the term structure of interest rates at the time of equity award grant.

The Ultimate Holding Company uses a Monte Carlo simulation approach based on a three-year measurement period to determine fair value of performance share units. This approach includes the use of assumptions regarding the future performance of the Ultimate Holding Company's stock and those of a peer group. Those assumptions include expected volatility, risk-free interest rates, correlations and dividend yield.

49 Recent accounting pronouncements

Ministry of Company Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such new standards or amendments which would be applicable from April 1, 2024.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

50 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 | Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------|------------------------------|------------------------------|
| Primary geographical markets | | |
| India | 265,675 | 233,671 |
| Sri Lanka | 1,497 | 1,870 |
| Nepal | 1,929 | 1,535 |
| Bangladesh | 3,065 | 1,964 |
| Bhutan | 512 | 347 |
| UAE | 1,658 | 1,482 |
| Qatar | 54 | 316 |
| Thailand | 944 | 519 |
| Chile | 126 | 169 |
| Indonesia | 106 | 104 |
| Others | 451 | 183 |
| | 276,017 | 242,160 |

(b) Contract balances

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Receivables which are included in Trade Receivables | 47,159 | 45,914 |
| Contract assets | | |
| - Amount due from customers on construction contract | 15,706 | 10,924 |
| - Accrued value of work done net off provision | 294,746 | 241,165 |
| Contract liabilities | | |
| - Amount due to customers under construction contract | 42,144 | 42,130 |
| - Advance from customer | 12,937 | 9,146 |

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, 2024 was impacted by an impairment charge of Rs. 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:

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| | Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------|--|-------------------------|-------------------------|
| (A) | Due from contract customers: | | |
| | At the beginning of the reporting period [Para 116 (a)] | 10,924 | 5,911 |
| | Add: Increase / (decrease) in Progress work (net) | 14,219 | 24,066 |
| | Less: Increase / (decrease) in aggregate amount of progress billings (net) | 9,437 | 19,053 |
| | At the end of the reporting period [Para 116 (a)] | 15,706 | 10,924 |
| (B) | Due to contract customers: | | |
| | At the beginning of the reporting period [Para 116 (a)] | 42,130 | 36,426 |
| | Less: Increase/ (decrease) in aggregated amount of cost incurred and recognised profits (less recognised losses) | 39,362 | 352 |
| | Add: Increase / (decrease) in progress billings made towards contracts-in-progress (net) | 39,376 | 6,056 |
| | At the end of the reporting period [Para 116 (a)] | 42,144 | 42,130 |

(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.

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, 2024:

| Particulars | March 2025 | March 2026 | March 2027 | Total |
|------------------|----------------|----------------|---------------|----------------|
| Contract revenue | 184,708 | 101,478 | 21,086 | 307,272 |
| | 184,708 | 101,478 | 21,086 | 307,272 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at March 31, 2023:

| Particulars | March 2024 | March 2025 | March 2026 | Total |
|------------------|----------------|---------------|---------------|----------------|
| Contract revenue | 145,095 | 70,063 | 10,440 | 225,598 |
| | 145,095 | 70,063 | 10,440 | 225,598 |

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 2023:

| Particulars | For the Year Ended March 31, 2024 | For the Year Ended March 31, 2023 |
|--|--------------------------------------|--------------------------------------|
| Contract price of the revenue recognised | 276,017 | 242,160 |
| | 276,017 | 242,160 |

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

51 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

Disclosure related to relationship of the Company with a company which is Struck off under Section 248 of the Companies Act, 2013 or Section 530 of Companies Act, 1956:

| Name | Nature of Transactions | Transaction during the year ended | | Balance outstanding as at | |
|---|------------------------|-----------------------------------|----------------|---------------------------|----------------|
| | | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Ace Infracon Private Limited | Receivable | (1) | - | - | 1 |
| Alipore Raghu Estates Maintenance Private Limited | Receivable | - | * | - | - |
| Anupam Griha Nirman Pvt. Ltd. | Receivable | * | * | * | * |
| Basudhara Bhoomi-O-Nirman Pvt Ltd | Receivable | - | * | - | - |
| Foresight Engineering Private Limited | Receivable | - | 12 | 12 | - |
| Galaxy Homes Private Limited | Receivable | 2 | (5) | * | 2 |
| Ganga Fortunes & Foundation Pvt Ltd | Receivable | - | (1) | - | - |
| Infosense Technologies Pvt Ltd | Receivable | (1) | * | (1) | * |
| Ishwar Tower Private Limited | Receivable | - | * | - | - |
| Jalalpur City Homes Private Limited | Receivable | (2) | 2 | - | 2 |
| Kare Partners Group India Pvt. Ltd. | Receivable | * | - | * | * |
| Lal Kunal Developers Private Limited | Receivable | 1 | * | * | * |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

| | | | | | |
|---|------------|----------|----------|-----------|------------|
| M/S. Shipra Builders Private Limited | Receivable | - | - | - | - |
| Mekhal Hospitality Services Private Limited | Receivable | * | * | - | * |
| Nine Builders Private Limited | Receivable | - | - | - | - |
| Paramount Apartments Private Limited | Receivable | * | * | * | * |
| Phoenix Tower Private Limited | Receivable | * | - | - | * |
| Rajdeep Real Estate Private Limited | Receivable | - | * | - | - |
| Rajmahal Motels Private Limited | Receivable | - | 2 | - | - |
| Sudha Associates (P) Limited | Receivable | 8 | (8) | - | (8) |
| Tirupati Homes Private Limited | Receivable | - | - | - | - |
| TSG Fashions Limited | Receivable | - | * | - | - |
| Vivek Estates Pvt Ltd | Receivable | - | * | - | - |
| Total | | 7 | 2 | 11 | (3) |

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

Amounts in brackets are advance from customers balances

(iv) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024

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

(vi) Financial Ratios:

| Ratio | Numerator | Denominator | 31-Mar-24 | 31-Mar-23 | % change | Reason for variance |
|--|--|---|-----------|-----------|----------|--|
| Current ratio (in times) | Current assets | Current liabilities | 1.07 | 1.05 | 2.11 | - |
| Debt-Equity ratio (in times) | Debt consist of Lease liabilities | Total Equity | 0.12 | 0.14 | -18.56 | Increase in total equity during the year. |
| Debt Service coverage ratio (in times) | Earning for Debt service = Net Profit after tax + non-cash operating expenses + Other Non-cash adjustments | Debt service = Interest and lease payments | 14.25 | 10.45 | 36.38 | Increase in profit after tax for the year |
| Return on Equity ratio (in %) | Net Profits after taxes | Average Shareholder's Equity | 17.76 | 13.20 | 34.50 | Increase in profit after tax for the year |
| Inventory Turnover ratio | Cost of goods sold | Average Inventory | 5.92 | 5.09 | 16.32 | Increase in Cost of goods sold for the current year |
| Trade receivable turnover ratio | Net credit sales = Gross credit sales - sales return | Average Trade Receivable | 5.94 | 5.53 | 7.32 | - |
| Trade payable turnover ratio | Net credit purchases = Gross credit purchases - purchase return | Average Trade Payables | 2.68 | 2.60 | 3.16 | - |
| Net capital turnover ratio | Net sales = Total sales - sales return | Working capital = Current assets – Current liabilities | 25.85 | 35.32 | -26.81 | Due to increase in turnover and increase in net working capital due to profits for the year. |
| Net Profit ratio | Net profit | Net sales = Total sales - sales return | 0.10 | 0.09 | 17.43 | Increase in profit after tax for the year |
| Return on capital employed | Earnings before interest and taxes | Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability | 107.25% | 100.56% | 6.66 | - |
| Return on investment | Interest (Finance Income) | Investment | 5.37% | 5.04% | 6.62 | - |

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2024
(All amounts are in Rupees in Lakhs, unless otherwise stated)

(ix) Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment .

(x) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

- 52** The Financial Statements for the year ended March 31, 2024 comprises the Balance Sheet, Statement of profit and loss, Statement of Cashflows and Statement of Changes in Equity of the Company, which is incorporated in India, under Companies Act, 2013. The Company has maintained the books of accounts and other books and papers in the electronic mode, daily backup of which have been maintained on servers physically located outside India.

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No. 042070

For and on behalf of the Board of Directors of

Otis Elevator Company (India) Limited

CIN: U29150MH1953PLC009158

Sebi Joseph

Managing Director

DIN 05221403

Bharat Nayak

Chief Financial Officer and Director

DIN 01919252

Rutika Pawar

Company Secretary

Membership No. A17248

Place: Mumbai

Date: August 23, 2024

Place: Mumbai

Date: August 23, 2024

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Report on the Audit of the 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 2024, 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 material accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the branch auditor of the Holding Company's branch at Dhaka, Bangladesh (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 2024, of its consolidated profit and other comprehensive loss, 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 we have obtained 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 auditor's report(s) 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 the 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 Board of 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 are 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.

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

INDEPENDENT AUDITOR'S REPORT

- 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 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 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 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 statements 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 the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the branch included in the consolidated financial statements, which has been audited by branch auditor, such branch auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matter" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entity 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.

Other Matter

- a. We did not audit the financial statements of one branch, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 1,282 Lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 550 Lakhs and net cash flows (before consolidation adjustments) amounting to Rs. 122 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The financial statements of this branch has been audited by branch auditor whose report has been furnished to us by the Management, and our opinion on the consolidated financial statements in so far as it relates to the amounts and disclosures included in respect of this branch, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid branch, is based solely on the report of the branch auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the report of the branch auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India 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, based on our audit and on the consideration of report of the branch auditor on the financial statements of such branch as was audited by branch auditor, as noted in the "Other Matters" paragraph, 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 and the report of the branch auditor and proper return adequate for the purposes of our audit have been received from the branch not visited by us, except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 and that the back-up of the Holding Company's books of account and

INDEPENDENT AUDITOR'S REPORT

- other relevant books and papers in electronic mode has not been kept on servers physically located in India, whereas for subsidiary company the back-up of the books of account and other relevant books and papers in electronic mode has not been kept on servers physically located in India on a daily basis during 01 April 2023 till 07 August 2023.
- c. The report on the accounts of the branch office of the Holding Company audited under Section 143(8) of the Act by branch auditor has been sent to us and has been properly dealt with by us in preparing this report.
 - d. 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 and with the returns received from the branch not visited by us.
 - e. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - f. On the basis of the written representations received from the directors of the Holding Company as on 01 April 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - g. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - h. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India 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 Auditor's 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:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer Note 24 and 46 to the consolidated financial statements.
 - b. 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 27 and 29 to the consolidated financial statements in respect of such items as it relates to the Group.
 - c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024.
 - d (i) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of their knowledge and belief, as disclosed in the Note 54 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or such subsidiary company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or such subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (ii) The management of the Holding Company and its subsidiary company incorporated in India whose financial statements have been audited under the Act has represented to us that, to the best of their knowledge and belief, as disclosed in the Note 54 to the consolidated financial statements, no funds have been received by the Holding Company or such subsidiary company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or such subsidiary company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
 - e. The interim dividend declared and paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

INDEPENDENT AUDITOR'S REPORT

- f. Based on our examination which included test checks, the Holding Company and its subsidiary company have used accounting softwares for maintaining its books of account.
- i) In case of the Holding Company, in respect of accounting softwares used for maintaining general ledger (a) the feature of recording audit trail (edit log) facility was not enabled at database level to log any direct data changes and (b) in absence of sufficient and appropriate evidence, we are unable to comment whether audit trail feature was enabled at the application level and operated throughout the year for all relevant transactions recorded in the respective softwares or whether there were any instances of the audit trail feature being tampered with.

Further, based on our examination, for an accounting software used for maintaining the books of accounts relating to payroll, which is operated by a third-party software service provider, in the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of service organization, we are unable to comment whether the audit trail feature of the said accounting software was enabled and operated throughout the year for all the relevant transactions recorded in the software or whether there were any instances of the audit trail feature being tampered with.

- ii) In case of the subsidiary company, the Company has used an accounting software for maintaining its books of account (operated from 1 April 2023 to 8 October 2023) which does not have the feature of recording audit trail (edit log) facility. Further, based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account (operated from 9

October 2023 to 31 March 2024) which has a feature of recording audit trail (edit log) facility. However, due to limitations in system configuration, we are unable to comment whether the audit trail of the said software was enabled and operated throughout the year for all relevant transactions recorded in the software and whether there were any instance of the audit trail feature being tampered with.

- C. With respect to matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. In our opinion and according to the information and explanation given to us, the Subsidiary Company has not paid any remuneration to its directors during the current year and hence, the provisions of Section 197 of the Act is not applicable to the Subsidiary Company. 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.:101248W/W-100022

Bhavesh Dhupelia

Partner

Place: Mumbai
Date: 23 August 2024

Membership No.: 042070
ICAI UDIN:24042070BKCQYO8310

INDEPENDENT AUDITOR'S REPORT

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Otis Elevator Company (India) Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, has unfavourable remarks, qualification or adverse remarks given by its auditor in his report under the Companies (Auditor's Report) Order, 2020 (CARO):

| Sr. No. | Name of the entities | CIN | Holding Company/ Subsidiary | Clause number of the CARO report which is unfavourable or qualified or adverse |
|---------|--|-----------------------|-----------------------------|--|
| 1 | Supriya Elevator Company (India) Limited | U29150TN2008PLC068160 | Subsidiary | Clause (xvii) and Clause (xix)* |

*Clause (xvii) pertains to cash losses of Rs. 50.37 lakhs and Clause (xix) pertains to Subsidiary Company's ability to continue as a going concern.

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

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:24042070BKCQYO8310

Place: Mumbai
Date: 23 August 2024

INDEPENDENT AUDITOR'S REPORT

Annexure B to the Independent Auditor's Report on the consolidated financial statements of OTIS Elevator Company (India) Limited for the year ended 31 March 2024

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 Act

(Referred to in paragraph 2(A)(h) 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 Otis Elevator Company (India) Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company in which are included internal financial controls with reference to financial statements of one branch and such company incorporated in India under the Act 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, 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 2024, based on the internal financial controls with reference to 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 and Board of Directors' Responsibilities for Internal Financial Controls

The respective 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 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the branch auditors of the Holding Company's branch at Dhaka, Bangladesh in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the 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 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 financial statements, including the possibility of collusion or improper management override of controls,

INDEPENDENT AUDITOR'S REPORT

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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one branch, is based on the corresponding report of

the auditor of such branch incorporated outside India.

Our opinion is not modified in respect of this matter.

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

Bhavesh Dhupelia
Partner
Membership No.: 042070
ICAI UDIN:24042070BKCQYO8310

Place: Mumbai
Date: 23 August 2024

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Balance sheet as at March 31, 2024

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

| | Note no. | As at March 31, 2024 | As at March 31, 2023 |
|--|----------|-------------------------|-------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 6,928 | 5,011 |
| Right of use assets | 7 | 2,961 | 3,075 |
| Capital work-in-progress | 4 | 458 | 660 |
| Intangible assets | 5 | 537 | 684 |
| Intangible assets under development | 5 | 506 | - |
| Financial assets | | | |
| (i) Trade receivables | 15(a) | 1,441 | 477 |
| (ii) Loans | 8(a) | 48 | 2,239 |
| (iii) Other financial assets | 9 | 818 | 716 |
| Deferred tax assets | 10 | 7,022 | 6,631 |
| Income tax assets (net) | 11 | 13 | 13 |
| Other non-current assets | 13 | 6,284 | 6,457 |
| Total non-current assets | | 27,017 | 25,963 |
| Current assets | | | |
| Inventories | 14 | 22,765 | 26,485 |
| Financial assets | | | |
| (i) Trade receivables | 15(b) | 45,833 | 45,544 |
| (ii) Cash and cash equivalents | 16 | 65,371 | 53,947 |
| (iii) Bank balances other than (ii) above | 17 | 608 | 1,066 |
| (iv) Loans | 8(b) | 61 | 57 |
| (v) Other financial assets | 18 | 3,288 | 2,680 |
| Income Tax assets (net) | 12 | 2,766 | 4,837 |
| Other current assets | 19 | 22,101 | 15,060 |
| Assets held for sale | 6 | 10 | - |
| Total current assets | | 162,803 | 149,676 |
| TOTAL ASSETS | | 189,820 | 175,639 |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity share capital | 20 | 1,181 | 1,181 |
| Other equity | 21 | 25,748 | 20,719 |
| Total equity | | 26,929 | 21,900 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial Liabilities | | | |
| Lease Liabilities | 22 | 1,961 | 655 |
| Other non-current liabilities | 23 | 2,719 | 3,026 |
| Provisions | 24 | 5,961 | 7,090 |
| Total non-current liabilities | | 10,641 | 10,771 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Lease liabilities | 25 | 1,398 | 2,703 |
| (ii) Trade payables | 26 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises; and | | 2,806 | 3,307 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 50,486 | 49,291 |
| (iii) Other financial liabilities | 27 | 4,039 | 3,830 |
| Other current liabilities | 28 | 81,446 | 75,040 |
| Provisions | 29 | 12,075 | 8,797 |
| Total current liabilities | | 152,250 | 142,968 |
| Total liabilities | | 162,891 | 153,739 |
| TOTAL EQUITY AND LIABILITIES | | 189,820 | 175,639 |
| Material accounting policies | 1-3 | | |

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No. 042070

For and on behalf of the Board of Directors of

Otis Elevator Company (India) Limited

CIN: U29150MH1953PLC009158

Sebi Joseph

Managing Director

DIN 05221403

Rutika Pawar

Company Secretary

Membership No. A17248

Bharat Nayak

Chief Financial Officer and Director

DIN 01919252

Place: Mumbai

Date: August 23 2024

Place: Mumbai

Date: August 23 2024

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

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

| | Note no. | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|----------|------------------------------|------------------------------|
| Income | | | |
| Revenue from operations | 30 | 277,069 | 243,500 |
| Other income | 31 | 6,277 | 4,633 |
| Total income | | 283,346 | 248,133 |
| Expenses | | | |
| Cost of materials consumed | 32 | 145,477 | 130,230 |
| Employee benefit expenses | 33 | 49,086 | 44,544 |
| Finance costs | 34 | 514 | 658 |
| Depreciation and amortisation expense | 35 | 2,666 | 2,765 |
| Other expenses | 36 | 57,033 | 48,660 |
| Total expenses | | 254,776 | 226,857 |
| Profit before tax | | 28,570 | 21,276 |
| Tax expense | | | |
| 1. Current tax | 43 | 7,650 | 4,900 |
| 2. Deferred tax charge | 43 | (194) | 798 |
| 3. Current tax relating to earlier years | | 155 | 107 |
| | | 7,611 | 5,805 |
| Profit for the year | | 20,959 | 15,471 |
| Other comprehensive income | | | |
| Items that will not be reclassified subsequently to Profit or Loss: | | | |
| Actuarial (losses) arising from remeasurements of post-employment benefit obligations | | (781) | (240) |
| Income tax relating to items that will not be reclassified to Profit or Loss | | 196 | 60 |
| Items that will be reclassified subsequently to Profit or Loss: | | | |
| Exchange differences on translating financial statements of foreign operations | | (11) | 43 |
| Income tax relating to items that will be subsequently reclassified to Profit or Loss | | 3 | (11) |
| Other comprehensive loss for the year, net of tax | | (593) | (148) |
| Total comprehensive income for the year | | 20,366 | 15,323 |
| Earnings per Share - (Basic and Diluted) | 37 | 177.50 | 131.02 |
| [Nominal value of share Rs. 10 each] (Previous Year - Rs. 10 each) | | | |

The accompanying notes are an integral part of these consolidated financial statements.

Material accounting policies

In terms of our report of even date attached.

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

Bhavesh Dhupelia
Partner
Membership No. 042070

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

Sebi Joseph
Managing Director
DIN 05221403

Rutika Pawar
Company Secretary
Membership No. A17248

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252

Place: Mumbai
Date: August 23 2024

Place: Mumbai
Date: August 23 2024

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2024

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

| Particulars | Year ended March 31,2024 | Year ended March 31,2023 |
|---|-----------------------------|-----------------------------|
| Cash flows from operating activities: | | |
| Profit before tax | 28,570 | 21,276 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 2,666 | 2,765 |
| Provision for other financial assets | 574 | 12 |
| Provision for other current assets | 131 | 79 |
| Unrealised (Gain)/loss on fluctuation in foreign exchange (net) | (313) | 43 |
| Interest on lease liability | 427 | 409 |
| Interest income on : | | |
| - Deposits with Bank | (2,831) | (1,903) |
| -Income tax refund | (183) | (79) |
| - Loans to related parties | (131) | (169) |
| - Others | (4) | (1) |
| Net investment in lease at amortised cost | - | - |
| Gain from Subletting | - | - |
| Loss on sale / disposal of Property, Plant and Equipment (net) | 10 | 17 |
| Provision for contingency / write back of provision for contingency (net) | (1,082) | (478) |
| Liabilities no longer required written back | (20) | (48) |
| Bad debts provision utilised | (1,038) | (651) |
| Interest due on Micro and Small Enterprises | 73 | 107 |
| Unwinding of Interest on deposits/ retention money/ employee loans | (59) | (144) |
| Share based payments to Employees | 604 | 519 |
| Mark to market on foreign exchange forward contracts | 164 | 153 |
| Cash generated from operations before working capital changes | 27,558 | 21,907 |
| Working capital changes | | |
| Decrease/(Increase) in trade receivables - current | 108 | (3,565) |
| (Increase) in trade receivables - non-current | (852) | (148) |
| Decrease/(Increase) in inventories | 3,719 | (1,711) |
| Increase in trade Payables | 942 | 3,466 |
| (Increase) in other current financial assets | (555) | (1,012) |
| (Increase) in current loans | (4) | (2) |
| (Increase)/Decrease in other non-current assets | (134) | 1,035 |
| (Increase) in other current assets | (7,150) | (1,464) |
| (Decrease) in provisions - non-current | (45) | (470) |
| Increase/(Decrease) in provisions - current | 2,497 | (2,045) |
| Increase in other current financial liabilities | 155 | 26 |
| (Decrease)/Increase in other non-current liabilities | (307) | 816 |
| (Increase)/Decrease in other financial assets - non-current | (168) | 98 |
| (Increase)/Decrease in loans - non-current | (9) | 13 |
| Increase in other current liabilities | 6,384 | 9,238 |
| Operating profit after working capital changes | 32,139 | 26,182 |
| Taxes paid (net of refund) | (5,733) | (5,973) |
| Net cash flows generated from operating activities (A) | 26,406 | 20,209 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2024

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

| Particulars | Year ended March 31,2024 | Year ended March 31,2023 |
|--|-----------------------------|-----------------------------|
| Cash flows from investing activities | | |
| Purchase of Property, Plant and Equipment (including Capital Work-in-Progress and Intangible assets under development) | (3,032) | (2,221) |
| Rental Income | 1 | - |
| Loans repaid by related parties | 2,200 | 250 |
| Interest received | 3,002 | 2,042 |
| Decrease/(Increase) in other bank balances | 471 | (292) |
| Net Cash Generated from Investing Activities (B) | 2,642 | (221) |
| Cash flows from financing activities | | |
| Dividend paid | (15,890) | (17,727) |
| Repayment of principal lease liabilities | (1,307) | (1,443) |
| Increase in lease liabilities | (427) | (409) |
| Net cash flows (utilised) for Financing Activities (C) | (17,624) | (19,579) |
| Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C) | 11,424 | 409 |
| Cash and Cash Equivalents at the Beginning of the Year | 53,947 | 53,538 |
| Cash and Cash Equivalents at the End of the Year | 65,371 | 53,947 |
| Cash and Cash Equivalents comprise : | | |
| Cheques on hand | 222 | 251 |
| Bank Balances: | | |
| - In Current accounts | 5,484 | 8,032 |
| -Deposits with original maturity of less than three months | 59,665 | 45,664 |
| | 65,371 | 53,947 |

Notes:

- The above Consolidated Cash Flow Statement has been prepared under "Indirect Method" set out in Indian 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.
- Details regarding corporate social responsibility payments have been disclosed in note 36(ii).
- The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report of even date attached.

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

Bhavesh Dhupelia
Partner
Membership No. 042070

Place: Mumbai
Date: August 23 2024

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

Sebi Joseph
Managing Director
DIN 05221403

Rutika Pawar
Company Secretary
Membership No. A17248

Place: Mumbai
Date: August 23 2024

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of changes in equity for the year ended March 31, 2024

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

A. Equity Share Capital (Refer Note 20)

| Particulars | Amount |
|---|--------|
| Balance as at April 1, 2022 | 1,181 |
| Changes in equity share capital due to prior period error | - |
| Changes in equity share capital during the year | - |
| Balance as at March 31, 2023 | 1,181 |
| Changes in equity share capital due to prior period error | - |
| Changes in equity share capital during the year | - |
| Balance as at March 31, 2024 | 1,181 |

B. Other equity (Refer Note 21)

| Particulars | Reserves and Surplus | | | Other Equity (Refer Note 52) | Items of Other Comprehensive Income | Total |
|--|----------------------------------|--------------------|----------------------|---|--|---------------|
| | Capital redemption reserve | General reserve | Retained earnings | Employees Share Option Plan (ESOP) reserve | Exchange differences on translating of foreign operations (net of tax) | |
| Balance as at April 1, 2022 | 73 | 1,759 | 18,063 | 2,694 | 3 | 22,592 |
| Profit for the year | - | - | 15,471 | - | - | 15,471 |
| Other comprehensive income | - | - | (180) | - | 29 | (151) |
| Total comprehensive income for the year | - | - | 15,291 | - | 29 | 15,320 |
| Dividends paid to shareholders (Refer note 47) | - | - | 17,712 | - | - | 17,712 |
| Addition towards share based payments | - | - | - | 519 | - | 519 |
| Balance as at March 31, 2023 | 73 | 1,759 | 15,641 | 3,213 | 32 | 20,719 |

| Particulars | Reserves and Surplus | | | Other Equity (Refer Note 52) | Items of Other Comprehensive Income | Total |
|--|----------------------------------|--------------------|----------------------|---|--|---------------|
| | Capital redemption reserve | General reserve | Retained earnings | Employees Share Option Plan (ESOP) reserve | Exchange differences on translating of foreign operations (net of tax) | |
| Balance as at April 1, 2023 | 73 | 1,759 | 15,641 | 3,213 | 32 | 20,718 |
| Profit for the year | - | - | 20,959 | - | - | 20,959 |
| Other comprehensive income for the year | - | - | (585) | - | (8) | (593) |
| Total comprehensive income for the year | - | - | 20,374 | - | (8) | 20,366 |
| Dividends paid to shareholders (Refer note 47) | - | - | 15,941 | - | - | 15,941 |
| Addition towards share based payments | - | - | - | 605 | - | 605 |
| Balance as at March 31, 2024 | 73 | 1,759 | 20,074 | 3,818 | 24 | 25,748 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED**Consolidated Statement of Changes in Equity (SOCIE) for the year ended March 31, 2024**

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

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 less dividend paid to shareholders .

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 holding company. Refer note 52 for details.

The accompanying notes are an integral part of these consolidated financial statements.

In terms of our report of even date attached.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No. 101248W/W-100022

Bhavesh Dhupelia

Partner

Membership No. 042070

For and on behalf of the Board of Directors of**Otis Elevator Company (India) Limited**

CIN: U29150MH1953PLC009158

Sebi Joseph

Managing Director

DIN 05221403

Rutika Pawar

Company Secretary

Membership No. A17248

Bharat Nayak

Chief Financial Officer and Director

DIN 01919252

Place: Mumbai

Date: August 23 2024

Place: Mumbai

Date: August 23 2024

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

1 Background of the Group

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 consolidated financial statements include the financial statements of Otis Elevator Company (India) Limited (hereinafter referred to as the 'Holding Company') and its subsidiary i.e. Supriya Elevator Group (India) Limited (Holding Company and its subsidiary) together referred to as "the Group". The Group is engaged inter-alia in the business of manufacture, erection, installation and maintenance of elevators, escalators and travolators.

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 23, 2024.

(b) Basis of measurement

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 and
- (iii) The consolidated financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the period presented in these consolidated financial statements.

(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.

(i) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amount recognised in the financial statements is included in the following notes:

- Reverse factoring: presentation of amounts related to Supply chain financing arrangements in the balance sheet and in the statement of cash flows (Refer Note 26)
- Lease term: the Company is reasonably certain to exercise extension options (Refer note 7)

(ii) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included in the following notes:

- Estimation of total contract cost for revenue recognition (Refer Note 53)
- Estimation of defined benefit obligations, key actuarial assumptions (Refer Note 24, 29 and 33)
- Expected credit loss of trade receivables and other receivables (Refer Notes 9, 13, 15(a), 15(b), 18 and 19)

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

- Recognition and measurement of provisions and contingencies (Refer Notes 24 and 29)
- Useful life of Property plant and equipment and intangible assets (Refer Notes 4 and 5)
- Estimation of excess and obsolete and spare/ending inventory provision (Refer Note 14)

(d) Current vs non-current classification

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Group's normal operating cycle is twelve months.

(B) Principles of Consolidation:

(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. InterGroup 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.

(b) 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

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 Material 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) Functional and presentation currency**

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 financial statements are presented in Indian rupee (Rs.), which is Group's functional and presentation currency.

(ii) Transactions and balances

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 at the reporting 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 recognised in consolidated statement of profit or loss.

(iii) Foreign operations

The results and financial position of foreign operations related to branch (which does not have the currency of a hyper inflationary economy) that has a functional currency different from the presentation currency is translated into the presentation currency as follows:

- Assets and liabilities are translated into Indian rupee, the functional currency of the Group, at the exchange rates at the reporting date.
- The income and expenses of foreign operations are translated into Indian rupee at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction, and
- All resulting exchange differences are recognised in foreign currency translation reserve (FCTR) through the other comprehensive income.

(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 favourable 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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

asset not at fair value through profit and loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price. Transaction costs of financial assets carried at fair value through profit and loss are expensed to consolidated statement of profit or 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 other 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 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 unfavourable 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.

Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

(iii) Equity instruments

An equity instrument is any contract that evidences residual interests in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group 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. Loss allowances for financial assets measured at amortised cost, are deducted from the gross carrying amount of the assets. 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. The gross carrying amount of a financial asset is written off when the Group has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof.

(vi) Derivatives

The Group enters into derivative contracts, viz. forward exchange contracts to manage its risks towards foreign exchange. The Group does not hold derivative financial instrument for speculative purposes. 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 or net realisable value. Cost of components for service and repair inventories are computed on weighted average cost basis. Cost for components of 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. The comparison of cost and net realisable value is made on item basis.

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(d) Revenue recognition

Revenue towards satisfaction of performance obligation is measured at the amount of the transaction price (net of variable consideration) allocated to that performance obligation. 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 applied the following accounting policy for revenue recognition:

Revenue from sale of contracts for supply and installation of elevators, escalators and travelators.

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 Group 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. 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. The invoices are payable as per the due date mentioned in the invoice.

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 using the input method. However, provisions are made for the entire loss on a contract irrespective of the amount of work done.

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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.

(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. 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 or loss as incurred.

The cost of property, plant and equipment at 1st April 2016, the company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on diminishing balance 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 | Estimated Useful lives |
|--------------------------|------------------------|
| Buildings | 30 years |
| Plant and equipments | 15 years |
| Furniture and fittings | 10 years |
| Electrical installations | 10 years |
| Computers | 3 years |
| Vehicles | 8 - 10 years |
| Office equipments | 5 years |

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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.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred. 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 primary lease period on Straight line basis.

Asset held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all the following criteria are met:

- (i) decision has been made to sell,
- (ii) the assets are available for immediate sale in its present condition,
- (iii) the assets are being actively marketed and
- (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

(g) Intangible assets

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

Softwares purchased are amortised over a period of 3 to 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 consolidated statement of profit and loss.

(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

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) or leases of low value assets equal to or below Rs. 150,000. The Group recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

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 measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance lease payment.

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When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments (principal + interest) have been classified as financing cash flows.

The Group as a lessor, at the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

(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 obligationsCompensated 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.

Superannuation Fund

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.

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 in the consolidated Statement of Profit and Loss.

b) Defined benefit plansGratuity

The Group provides 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

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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 Group'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 or 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 Holding Company, Otis Worldwide Corporation, United States.

The fair value of options granted is recognised as an employee benefit expenses with a corresponding increase in equity as contribution from the Ultimate Holding Company, Otis Worldwide Corporation, United States. 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 or loss, with a corresponding adjustment to equity.

(k) Provisions (Other than employee benefits)

Onerous Contracts : A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (Refer note 29).

(l) Income tax

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

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

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.

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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 operates and generates 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.

(m) Provisions, contingent liabilities and contingent assets

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 within 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.

Contingent assets are not recognised in the consolidated financial statements.

(n) 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.

(o) 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

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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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.

(p) 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.

(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 consolidated 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) Material accounting policy information

The Group adopted Disclosure of Accounting Policies (Amendments to Ind AS 1) from 1 April 2023. Although the amendments did not result in any changes in the accounting policies themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

(t) Rounding off 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, 2024

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

4 Property, plant and equipment

| Description | Gross Block | | | | Accumulated Depreciation | | | | Net Block |
|---------------------------------|---------------------|--------------|------------------------|----------------------|--------------------------|--------------|------------------------|----------------------|----------------------|
| | As at April 1, 2023 | Additions | Deductions/ Adjustment | As at March 31, 2024 | As at April 1, 2023 | For the year | Deductions/ Adjustment | As at March 31, 2024 | As at March 31, 2024 |
| Freehold land | 250 | - | - | 250 | - | - | - | - | 250 |
| Buildings | 5,312 | 64 | 21 | 5,355 | 2,723 | 253 | 11 | 2,965 | 2,390 |
| Leasehold improvements | 593 | 35 | - | 628 | 508 | 34 | - | 542 | 86 |
| Plant and equipments | 5,230 | 2,690 | 39 | 7,881 | 3,392 | 604 | 31 | 3,965 | 3,916 |
| Furniture and fixtures | 205 | 4 | 15 | 194 | 157 | 10 | 13 | 154 | 40 |
| Electrical installations | 293 | - | 4 | 289 | 261 | 5 | 4 | 262 | 27 |
| Computers | 946 | - | - | 946 | 826 | 64 | - | 890 | 56 |
| Vehicles | - | - | - | - | - | - | - | - | - |
| Office equipments | 366 | 164 | - | 530 | 318 | 49 | - | 367 | 163 |
| Total | 13,195 | 2,957 | 79 | 16,073 | 8,185 | 1,019 | 59 | 9,145 | 6,928 |
| Capital Work-in-progress | 660 | 2,755 | 2,957 | 458 | - | - | - | - | 458 |

| Description | Gross Block | | | | Accumulated Depreciation | | | | Net Block |
|---------------------------------|---------------------|--------------|------------------------|----------------------|--------------------------|--------------|------------------------|----------------------|----------------------|
| | As at April 1, 2022 | Additions | Deductions/ Adjustment | As at March 31, 2023 | As at April 1, 2022 | For the year | Deductions/ Adjustment | As at March 31, 2023 | As at March 31, 2023 |
| Freehold land | 250 | - | - | 250 | - | - | - | - | 250 |
| Buildings | 5,137 | 206 | 31 | 5,312 | 2,460 | 280 | 17 | 2,723 | 2,589 |
| Leasehold improvements | 591 | 4 | 2 | 593 | 453 | 57 | 2 | 508 | 85 |
| Plant and equipments | 4,783 | 450 | 3 | 5,230 | 3,046 | 346 | - | 3,392 | 1,838 |
| Furniture and fixtures | 202 | 3 | - | 205 | 145 | 12 | - | 157 | 48 |
| Electrical installations | 293 | - | - | 293 | 252 | 9 | - | 261 | 32 |
| Computers | 911 | 35 | - | 946 | 629 | 197 | - | 826 | 120 |
| Vehicles | 5 | - | 5 | - | 4 | - | 5 | (1) | 1 |
| Office equipments | 341 | 25 | - | 366 | 301 | 17 | - | 318 | 48 |
| Total | 12,513 | 723 | 41 | 13,195 | 7,290 | 918 | 24 | 8,184 | 5,011 |
| Capital Work-in-progress | 260 | 1,123 | 723 | 660 | - | - | - | - | 660 |

Ageing of Capital work-in-progress as on March 31, 2024

| Particulars | Amounts in Capital work-in-progress for a period of | | | | |
|-------------------------------------|---|-----------|-----------|-------------------|------------|
| | Less than one year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 445 | 13 | - | - | 458 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 445 | 13 | - | - | 458 |

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

Ageing of Capital work-in-progress as on March 31, 2023

| Particulars | Amounts in Capital work-in-progress for a period of | | | | |
|-------------------------------------|---|-----------|-----------|-------------------|------------|
| | Less than one year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 660 | - | - | - | 660 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 660 | - | - | - | 660 |

5 Intangible assets

| Description | Gross Block | | | | Accumulated Amortisation | | | | Net Block |
|--|---------------------|------------|------------|----------------------|--------------------------|--------------|------------|----------------------|----------------------|
| | As at April 1, 2023 | Additions | Deductions | As at March 31, 2024 | As at April 1, 2023 | For the year | Deductions | As at March 31, 2024 | As at March 31, 2024 |
| Software | 2,235 | 76 | - | 2,311 | 1,551 | 222 | - | 1,773 | 537 |
| Total | 2,235 | 76 | - | 2,311 | 1,551 | 222 | - | 1,773 | 537 |
| Intangible assets under development | - | 582 | 76 | 506 | - | - | - | - | 506 |

| Description | Gross Block | | | | Accumulated Amortisation | | | | Net Block |
|--|---------------------|------------|------------|----------------------|--------------------------|--------------|------------|----------------------|----------------------|
| | As at April 1, 2022 | Additions | Deductions | As at March 31, 2023 | As at April 1, 2022 | For the year | Deductions | As at March 31, 2023 | As at March 31, 2023 |
| Software | 1,629 | 606 | - | 2,235 | 1,183 | 368 | - | 1,551 | 684 |
| Total | 1,629 | 606 | - | 2,235 | 1,183 | 368 | - | 1,551 | 684 |
| Intangible assets under development | 87 | 519 | 606 | - | - | - | - | - | - |

Ageing of Intangible assets under development as on March 31, 2024

| Particulars | Amounts in intangible assets under development for a period of | | | | |
|-------------------------------------|--|-----------|-----------|-------------------|------------|
| | Less than one year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | 506 | - | - | - | 506 |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | 506 | - | - | - | 506 |

Ageing of Intangible assets under development as on March 31, 2023

| Particulars | Amounts in intangible assets under development for a period of | | | | |
|-------------------------------------|--|-----------|-----------|-------------------|----------|
| | Less than one year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Projects in progress | - | - | - | - | - |
| (ii) Projects temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

There are no projects under Capital Work-in-progress and Intangible assets under development whose completion is overdue or have exceeded its budgeted costs.

6 Assets held for sale

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|----------------------|----------------------|----------------------|
| Building (Net block) | 10 | - |
| | 10 | - |

In July 2024, the Company has sold the Godown No. 12 & 13 and garage no. 1 located at Seeta Mahal Co-op Housing Society Limited, Mumbai 400 026 and office premises located at Sarvodaya Industrial Premises Co-operative Society Limited, Andheri (East), Mumbai 400 093. Accordingly, the net book value of building apportionment thereto has been classified as assets held for sale.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

7 Right of use assets**Movements during the year**

| Description | Gross Block | | | | Accumulated Depreciation | | | | Net block as at March 31, 2024 |
|-----------------------------|-----------------------------|--------------|-------------|------------------------------|-----------------------------|--------------|-------------|------------------------------|--------------------------------|
| | Balance as at April 1, 2023 | Additions | Deductions* | Balance as at March 31, 2024 | Balance as at April 1, 2023 | For the Year | Deductions* | Balance as at March 31, 2024 | |
| Leasehold buildings | 7,462 | 1,284 | - | 8,746 | 4,786 | 1,257 | - | 6,042 | 2,704 |
| Leasehold Vehicles | 963 | - | 38 | 925 | 614 | 133 | 13 | 733 | 192 |
| Leasehold Office equipments | 177 | 51 | - | 228 | 127 | 36 | - | 163 | 65 |
| Total | 8,602 | 1,336 | 38 | 9,900 | 5,527 | 1,425 | 13 | 6,938 | 2,961 |

Movements during the year

| Description | Gross Block | | | | Accumulated Depreciation | | | | Net block as at March 31, 2023 |
|-----------------------------|-----------------------------|--------------|-------------|------------------------------|-----------------------------|--------------|-------------|------------------------------|--------------------------------|
| | Balance as at April 1, 2022 | Additions | Deductions* | Balance as at March 31, 2023 | Balance as at April 1, 2022 | For the Year | Deductions* | Balance as at March 31, 2023 | |
| Leasehold buildings | 5,262 | 2,200 | - | 7,462 | 3,512 | 1,274 | - | 4,786 | 2,676 |
| Leasehold Vehicles | 798 | 172 | 7 | 963 | 446 | 172 | 4 | 614 | 349 |
| Leasehold Office equipments | 180 | 3 | 6 | 177 | 96 | 33 | 2 | 127 | 50 |
| Total | 6,240 | 2,375 | 13 | 8,602 | 4,054 | 1,479 | 6 | 5,527 | 3,075 |

Notes:

- (i) The Group incurred Rs. 175 lakhs (Previous year Rs. 102 lakhs) towards expenses relating to short-term leases and leases of low-value assets. Interest on lease liabilities is Rs. 427 lakhs (previous year 409 lakhs) for the year.
- (ii) The title deeds of all the immovable properties (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in notes to the financial statements, are held in the name of the Group.
- (iii) Valuation of Property, plant and equipment, intangible asset and right-of-use assets:
The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

* Derecognition of the right-to-use assets is as a result of entering into foreclosure of the lease arrangement.

8(a) Loans - Non-current**Unsecured, considered good:**

Loans to employees

Loans to related parties

Otis Global Services Centre Private Limited (refer note 44)

| | As at March 31, 2024 | As at March 31, 2023 |
|--------------------------|-------------------------|-------------------------|
| Loans to employees | 48 | 39 |
| Loans to related parties | - | 2,200 |
| | 48 | 2,239 |

Details of Loans to Related Parties and disclosure pursuant to Section 186 of the Companies Act, 2013 (refer note below) :

| Particulars | As at March 31, 2024 | Purpose | Rate of interest % | Repayable on or before |
|--|-------------------------|---------|-----------------------|---------------------------|
| Otis Global Services Centre Private Limited (Maximum amount of loan outstanding during the year INR 2,200 Lakhs) | - | - | 7.25 | - |
| | - | | | |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| Particulars | As at March 31, 2023 | Purpose | Rate of interest % | Repayable on or before |
|--|-------------------------|---|-----------------------|---------------------------|
| Otis Global Services Centre Private Limited (Maximum amount of loan outstanding during the year INR 2,450 Lakhs) | 2,200 | Project financing and working capital | 7.25 | 31-Dec-26 |
| | 2,200 | | | |

The Group has given unsecured loans to other group entity of Otis Worldwide Corporation. During the current year, Rs. 2200 lakhs (previous year Rs. 250 lakhs) have been paid out of the loans outstanding as at March 31, 2023. No additional loans were given to related parties during the year (previous year nil).

8(b) Loans - Current

| | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Unsecured, considered good: | 61 | 57 |
| Loans to employees | | |
| | 61 | 57 |

In line with the Circular no.04/2015, issued by MCA dated March 10, 2015, loans given to employees are not considered for the purpose of disclosure under Section 186(4) of the Companies Act, 2013.

9 Other financial assets (non current)

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Security deposits | 803 | 704 |
| Long-term Deposits with bank with remaining maturity period more than 12 months | 15 | 11 |
| Interest accrued on deposits, Loans and advances | - | 1 |
| Unsecured, considered doubtful | | |
| Security deposits | 70 | 70 |
| Less: Provision for expected credit loss | (70) | (70) |
| | - | - |
| | 818 | 716 |

10 Deferred tax assets (Net)

[Refer note 43D]

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Deferred tax assets | | |
| Provision for expected credit loss | 1,851 | 1,955 |
| Provision for compensated absences and gratuity | 1,697 | 1,323 |
| Voluntary separation plan | 244 | 214 |
| Disallowances under Section 40(a) of the Income tax Act, 1961 | 98 | 98 |
| Depreciation and amortisation | 176 | 286 |
| Provision for contingency | 1,481 | 1,767 |
| Provision for foreseeable losses on contracts | 1,334 | 883 |
| Mark to market adjustment on derivative contracts | 42 | 39 |
| Lease Liabilities | 812 | 811 |
| | 7,735 | 7,376 |
| Deferred Tax Liabilities | | |
| Right of Use Assets | 713 | 745 |
| Deferred tax assets | 7,022 | 6,631 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

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

| 11 Income tax assets - non-current (net) | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Advance income tax | 16 | 13 |
| Provision for tax | (3) | - |
| | <u>13</u> | <u>13</u> |
| 12 Income tax assets (net) [Refer Note 3 (I)] | As at March 31, 2024 | As at March 31, 2023 |
| Advance income tax | 44,912 | 48,224 |
| Provision for tax | (42,146) | (43,387) |
| | <u>2,766</u> | <u>4,837</u> |
| 13 Other non-current assets | As at March 31, 2024 | As at March 31, 2023 |
| Unsecured, considered good | | |
| Capital advances | 269 | 576 |
| Prepaid expenses | 88 | 82 |
| Balances with government authorities | 5,927 | 5,799 |
| Unsecured, considered doubtful | | |
| Balances with Government Authorities | 950 | 950 |
| Less: Impairment loss allowance | (950) | (950) |
| | <u>-</u> | <u>-</u> |
| | <u>6,284</u> | <u>6,457</u> |
| 14 Inventories (at lower of cost or net realisable value) | As at March 31, 2024 | As at March 31, 2023 |
| Raw materials: | | |
| Components and spares [including Components In-transit Rs. 7873 lakhs (Previous year Rs. 7,899 lakhs)] | 22,765 | 26,485 |
| | <u>22,765</u> | <u>26,485</u> |
| <p>During the year, the Group has written down inventories by Rs. 172 lakhs (Previous Year Rs. 128 lakhs) in respect of provision for slow moving and obsolete items. These are recognised as an expense during the year.</p> | | |
| <p>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, 2024 and March 31, 2023.</p> | | |
| 15(a) Trade receivables - non current | As at March 31, 2024 | As at March 31, 2023 |
| Considered good - Unsecured | 1,441 | 477 |
| | <u>1,441</u> | <u>477</u> |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024
(All amounts are in Rupees in Lakhs, unless otherwise stated)

15(b) Trade receivables - current

| | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| Considered good - Unsecured * | 45,833 | 45,544 |
| Trade Receivables - credit impaired | 5,733 | 6,151 |
| | <u>51,566</u> | <u>51,695</u> |
| Less: Allowance for credit impaired | (5,733) | (6,151) |
| | <u>45,833</u> | <u>45,544</u> |

* This includes amount receivable from related parties Rs. 1,694 lakhs (Previous year Rs. 1,294 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.

Ageing of trade receivables: As at March 31, 2024

| Particulars | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|------------|--------------|--|-------------------|--------------|------------|-------------------|---------------|
| | | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 779 | 3,398 | 36,996 | 3,833 | 2,147 | 121 | - | 47,274 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Undisputed Trade receivable – credit impaired | - | 71 | 774 | 472 | 889 | 750 | 2,367 | 5,323 |
| Disputed Trade receivables - considered good | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | 9 | - | 55 | 51 | 295 | 410 |
| Total | 779 | 3,469 | 37,779 | 4,305 | 3,091 | 922 | 2,662 | 53,007 |

Ageing of trade receivables: As at March 31, 2023

| Particulars | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|---|--------------|--------------|--|-------------------|--------------|--------------|-------------------|---------------|
| | | | Less than 6 Months | 6 months – 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables – considered good | 1,649 | 2,112 | 36,067 | 3,867 | 2,045 | 268 | - | 46,008 |
| Undisputed Trade Receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Undisputed Trade receivable – credit impaired | - | 115 | 802 | 490 | 803 | 779 | 3,030 | 6,019 |
| Disputed Trade receivables - considered good | - | - | - | 4 | 9 | - | - | 13 |
| Disputed Trade receivables – which have significant increase in credit risk | - | - | - | - | - | - | - | - |
| Disputed Trade receivables – credit impaired | - | - | 4 | 1 | 3 | 12 | 112 | 132 |
| Total | 1,649 | 2,227 | 36,873 | 4,362 | 2,860 | 1,059 | 3,142 | 52,172 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| 16 Cash and cash equivalents | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Balances with banks | | |
| - In Current accounts | 5,484 | 8,032 |
| - Deposits with original maturity of less than three months | 59,665 | 45,664 |
| Cheques on hand | 222 | 251 |
| | <u>65,371</u> | <u>53,947</u> |
| 17 Bank balances other than above | As at March 31, 2024 | As at March 31, 2023 |
| Earmarked balances: | | |
| Unpaid dividend accounts * | 452 | 401 |
| Deposits with original maturity more than three months and less than twelve months | 38 | 300 |
| Deposit with banks [towards security deposit against sales tax and other matters]# | 118 | 365 |
| | <u>608</u> | <u>1,066</u> |
| * The Holding Company can utilise this balance only towards settlement of unclaimed dividend. | | |
| # Included held as lien by bank against bank guarantees for Rs. 13 lakhs (Previous year Rs. 2 lakhs). | | |
| 18 Other financial assets - current | As at March 31, 2024 | As at March 31, 2023 |
| Other receivables - Unsecured considered good | | |
| Other receivables * | 2,593 | 1,600 |
| Deposits | 524 | 652 |
| Interest accrued on fixed deposits | - | 238 |
| Advance to Employees | 171 | 176 |
| Derivative not designated as hedges- Foreign exchange forward contracts | - | 14 |
| Unsecured, considered doubtful | | |
| Security deposits | 484 | 550 |
| Less: Impairment loss allowance | (484) | (550) |
| | <u>3,288</u> | <u>2,680</u> |
| * This includes amount receivable from related parties Rs. 533 lakhs (Previous Year Rs. 321 lakhs). (Refer note 44). | | |
| 19 Other current assets | As at March 31, 2024 | As at March 31, 2023 |
| Prepaid expenses | 631 | 585 |
| Advance to employees | 1 | 2 |
| Advance to suppliers | 2,743 | 588 |
| Balances with Government Authorities | 2,425 | 2,370 |
| Less: Impairment loss allowance | (4) | (5) |
| | <u>2,421</u> | <u>2,365</u> |
| Contract Work-In-Progress (Refer Note 53) | 80,273 | 66,007 |
| Less: Aggregate amount of progress billings | (63,968) | (54,487) |
| | <u>16,305</u> | <u>11,520</u> |
| | <u>22,101</u> | <u>15,060</u> |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| 20 Equity share capital | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| 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

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|--|----------------------|--------------|----------------------|--------------|
| | 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) Rights, preferences and restrictions attached to shares

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 Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Shares held by the holding company

| | Relationship | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------------|-------------------------|-------------------------|
| 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 |

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

| Name of the Shareholder | As at March 31, 2024 | | As at March 31, 2023 | |
|---|----------------------|-----------|----------------------|-----------|
| | Number of shares | % holding | Number of shares | % holding |
| Otis International Asia Pacific Pte. Ltd. | 11,599,819 | 98.24% | 11,599,819 | 98.24% |

(e) List of shares held by promoters as at the Balance Sheet date:

| Name of the Shareholder | As at March 31, 2024 | | |
|---|----------------------|-------------------|--------------------------|
| | Number of shares | % of total shares | % change during the year |
| Otis International Asia Pacific Pte. Ltd. | 11,599,819 | 98.24% | - |

| Name of the Shareholder | As at March 31, 2023 | | |
|---|----------------------|-------------------|--------------------------|
| | Number of shares | % of total shares | % change during the year |
| Otis International Asia Pacific Pte. Ltd. | 11,599,819 | 98.24% | - |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

21 Other Equity

| | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Capital redemption reserve | 73 | 73 |
| General reserve | 1,759 | 1,759 |
| Retained earnings | 20,099 | 15,674 |
| ESOP reserve | 3,817 | 3,213 |
| | 25,748 | 20,719 |
| 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 | 15,674 | 18,063 |
| Add/(less): Profit for the year | 20,959 | 15,471 |
| Items of other comprehensive income recognised directly in retained earnings | | |
| - Re-measurements of post employment benefit obligation (net of tax) | (585) | (180) |
| - Exchange differences of foreign operations (net of tax) | (8) | 32 |
| - Dividend on equity shares during the year (Refer note 47) | (15,941) | (17,712) |
| Balance as at the end of the year | 20,099 | 15,674 |
| d. Employees Share Option Plan (ESOP) reserve | | |
| Balance as at the beginning of the year | 3,213 | 2,694 |
| Add: Additions during the year (Refer Note 52) | 604 | 519 |
| Balance as at the end of the year | 3,817 | 3,213 |
| | 25,748 | 20,719 |

Note:

The Board of Directors of the Group at its meeting held on July 23, 2024 has approved the proposal for the reduction of the issued, subscribed and paid up equity capital of the Company by paying off, cancelling and extinguishing 2,08,403 equity shares having a face value of Rs 10 being 1.76 % of the total issued, subscribed and paid-up equity share capital of the Group held by the equity shareholders of the Group at a fair value determined by the independent registered valuers, as on the Record Date (determined by the Board) other than the shares held by Otis International Asia Pacific Pte Ltd.

22 Lease liabilities - Non-current

| | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------------|-------------------------|-------------------------|
| Lease Liabilities (Refer note 38) | 1,961 | 655 |
| | 1,961 | 655 |

23 Other non-current liabilities

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Advance service and maintenance billing | 2,068 | 2,486 |
| Deferred Revenue for Elevator Contracts towards Service and Maintenance | 651 | 540 |
| | 2,719 | 3,026 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| 24 Provisions - Non-Current | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------------|-------------------------|-------------------------|
| Employee benefits (Refer note 33) | | |
| Provision for gratuity | 79 | 70 |
| Provision for Compensated Absences | - | - |
| Other provisions | | |
| Provision for contingency | 5,882 | 7,020 |
| | <u>5,961</u> | <u>7,090</u> |

Provision for contingency (Refer note 46):

Provisions for contingencies represents estimates made for probable liabilities arising from pending matters pending with various tax authorities. These are reviewed on an yearly basis including obtaining legal opinions where necessary. Outflow with regards to the said matters depends on exhaustion of remedies available to the Group under the law, and hence the Company is not able to reasonably assess the timing of the outflow.

In the previous year, Maharashtra Government has announced a "Amensty Scheme, 2022" in order to complete the pre-GST legacy matters, the Company had utilized provision of Rs. 400 lakhs in principal liability and Rs 81 lakhs in interest as part of provision for contingency, against various disputed liabilities since the Group had settled these liabilities.

Provision for foreseeable losses on contracts (Refer note 29):

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, 2024 | | Year ended March 31, 2023 | |
|--|---------------------------|---|---------------------------|---|
| | Provision for contingency | Provision for foreseeable losses on contracts | Provision for contingency | Provision for foreseeable losses on contracts |
| Opening Balance | 7,020 | 3,508 | 7,979 | 5,245 |
| Provision recognised during the year | 371 | 6,845 | 547 | 1,657 |
| Provision utilised during the year | (54) | - | (481) | - |
| Unwinding of discount | | | | |
| Provision reversals/written back during the year | (1,455) | (5,055) | (1,025) | (3,394) |
| Closing Balance | 5,882 | 5,298 | 7,020 | 3,508 |

| 25 Lease Liabilities- Current | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Lease Liabilities (Refer note 38) | 1,398 | 2,703 |
| | <u>1,398</u> | <u>2,703</u> |
| 26 Trade payables | As at March 31, 2024 | As at March 31, 2023 |
| Trade payables to related parties (Refer note 44) | 17,557 | 21,391 |
| Trade payables - others | | |
| - Total outstanding dues of micro enterprises and small enterprises (Refer Note 45) | 2,806 | 3,307 |
| - Total outstanding dues of other than micro enterprises and small enterprises | 32,929 | 27,900 |
| | <u>53,292</u> | <u>52,598</u> |

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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

The Group started participating in a supply chain financing arrangement (SCF) from December 2023 which is disclosed under the trade payables under which its suppliers may elect to receive early payment of their invoice from a bank by factoring their receivable from the company. Under the arrangement, a bank agrees to pay amounts to a participating supplier in respect of invoices owed by the company and receives settlement from the company at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and enable the willing suppliers to sell their receivables due from the company to a bank before their due date.

The Group has not derecognized the original liabilities to which the arrangement applies because neither a legal release was obtained, nor the original liability was substantially modified on entering into the arrangement. From the company's perspective, the arrangement does not extend payment terms beyond the normal terms agreed with other suppliers that are not participating. The company does not incur any additional interest towards the bank on the amounts due to the suppliers. The company therefore discloses the amount factored by suppliers within Trade Payables because the nature and function of the financial liability remain the same as those of other Trade Payables.

All payables under the SCF aggregating to Rs. 7,650 lakhs as at 31st March 24 and Rs. Nil lakhs as a 31st March 23 are classified as current.

The payments to the banks are included within operating cash flows because they continue to be part of the normal operating cycle of the company and their principal nature remains operating - i.e. payments for the purchase of goods and services. The payments to a supplier by the bank are considered non-cash transactions and amount to Rs. 9,528 lakhs (Previous Year Rs. NIL lakhs).

Ageing of trade payables: As at March 31, 2024

| Particulars | Unbilled | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|--|---------------|---------------|--|--------------|--------------|-------------------|---------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Total outstanding dues of micro enterprises and small enterprises | 99 | 3,046 | - | - | - | - | 3,145 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 10,197 | 16,974 | 18,936 | 1,180 | 1,444 | 1,416 | 50,147 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| | 10,296 | 20,020 | 18,936 | 1,180 | 1,444 | 1,416 | 53,292 |

Ageing of trade payables: As at March 31, 2023

| Particulars | Unbilled | Not Due | Outstanding for following periods from due date of payment | | | | Total |
|--|---------------|---------------|--|--------------|------------|-------------------|---------------|
| | | | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Total outstanding dues of micro enterprises and small enterprises | 351 | 2,231 | 725 | - | - | - | 3,307 |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 12,568 | 8,529 | 23,609 | 3,105 | 995 | 485 | 49,291 |
| Disputed dues of micro enterprises and small enterprises | - | - | - | - | - | - | - |
| Disputed dues of creditors other than micro enterprises and small enterprises | - | - | - | - | - | - | - |
| | 12,919 | 10,760 | 24,334 | 3,105 | 995 | 485 | 52,598 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| 27 Other financial liabilities | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Capital creditors | 150 | 150 |
| Unpaid dividends* | 452 | 401 |
| Book overdraft | 18 | 2 |
| Salaries, wages and bonus payable | 3,077 | 3,110 |
| Derivative not designated as hedges - foreign exchange forward contracts | 164 | 167 |
| Others | 178 | - |
| | 4,039 | 3,830 |

* There are no amounts which are required to be transferred to Investor Education Protection Fund (IEPF)

| 28 Other current liabilities | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Advances from customers | 12,984 | 9,196 |
| Advance service and maintenance billing | 11,507 | 9,314 |
| Statutory liabilities * | 2,485 | 2,571 |
| Employee benefits payable | 33 | 47 |
| Invoices raised in respect of incomplete contracts | 266,479 | 227,080 |
| Less: Adjusted against aggregated amount of cost incurred and recognised profits (less recognised losses) | 214,646 | 175,256 |
| | 51,833 | 51,824 |
| Deferred Revenue for elevator contracts for service and maintenance | 2,604 | 2,088 |
| | 81,446 | 75,040 |
| * Statutory liabilities includes below break up: | | |
| Goods and Services Tax, Sales Tax and Service Tax | 52 | 476 |
| Tax deducted and tax collected at source | 1977 | 1,679 |
| Provident fund and family pension scheme | 418 | 393 |
| Employees state insurance | 5 | 4 |
| Others (Labour welfare fund and Profession tax) | 33 | 19 |
| | 2,485 | 2,571 |

| 29 Provisions - Current | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for foreseeable losses on contracts [Refer Note 24] | 5,298 | 3,508 |
| Employee benefits (Refer note 33): | | |
| Provision for gratuity | 847 | 363 |
| Provision for compensated absences | 5,317 | 4,896 |
| Provision for provident fund | 613 | 30 |
| | 12,075 | 8,797 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| 30 Revenue from operations | | |
| Contract revenue (Refer note 53) : | | |
| Contracts for supply and installation of elevators, escalators and travolators | 178,723 | 152,614 |
| Income from modernization and repairs | 24,919 | 21,944 |
| Income from maintenance services | 73,248 | 68,369 |
| Other operating revenues : | | |
| Sale of raw materials and components | 43 | 39 |
| Sale of scrap | 136 | 534 |
| | 277,069 | 243,500 |
| 31 Other income | | |
| Interest income: | | |
| - Deposits with banks | 2,831 | 1,903 |
| - Income tax refund | 183 | 79 |
| - Loans to related parties (Refer note 44) | 131 | 169 |
| - Others | 4 | 1 |
| Provision for Contingency no longer required written back (net) (Refer note 24) | 1,084 | 478 |
| Provisions written back | 196 | 218 |
| Liabilities no longer required written back | - | 48 |
| Service income from related parties (Refer note 44) | 1,490 | 1,162 |
| Unwinding of interest on deposits / retention money / employee loans | 60 | 144 |
| Others | 298 | 431 |
| | 6,277 | 4,633 |
| 32 Cost of materials consumed | | |
| Raw material: Components and spares | | |
| Opening stock | 26,485 | 24,774 |
| Add : Purchases during the year | 141,757 | 131,941 |
| Less: Closing stock | 22,765 | 26,485 |
| | 145,477 | 130,230 |
| 33 Employee benefit expenses | | |
| Salaries, wages, allowances, bonus and benefits* | 43,365 | 39,833 |
| Contribution to Provident and other funds | 2,652 | 1,887 |
| Contribution to Superannuation Scheme | 207 | 200 |
| Contribution to Gratuity Fund (refer note below) | 826 | 809 |
| Contribution to Employees' State Insurance and Employees' Deposit Linked Insurance Scheme | 46 | 27 |
| Share-based payment to employees (Refer Note 52) | 604 | 519 |
| Workmen and staff welfare expenses | 1,386 | 1,269 |
| | 49,086 | 44,544 |

* Includes voluntary separation plan cost for Rs. 415 lakhs (Previous year Rs. 1,065 lakhs) (Refer note 2(j)(iv))

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

I) Defined Contribution Plans

i) Superannuation Fund

Amount recognised in the Consolidated Statement of Profit and Loss
Employers' Contribution to Superannuation

| | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| | 207 | 200 |
| | <u>207</u> | <u>200</u> |

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 following assumptions there is below shortfall as at March 31, 2024.

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

| Particulars | Funded Plan | |
|---|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Plan assets at period end, at fair value | 51,270 | 46,543 |
| Present value of benefit obligation at year end | (51,883) | (46,573) |
| Asset recognized in balance sheet | (613) | (30) |

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 | Funded Plan | |
|--|-------------------------|-------------------------|
| | As at March 31, 2024 | As at March 31, 2023 |
| Government of India (GOI) bond yield | 7.19% | 7.47% |
| Remaining term to maturity of portfolio | 7 years | 7 years |
| Expected guaranteed interest rate - Current year : | 8.25% | 8.15% |
| - Thereafter : | 8.00% | 8.10% |

The Group contributed Rs. 2,652 lakhs and Rs. 1,887 lakhs to the provident fund during the years ended March 31, 2024 and March 31, 2023, respectively and the same has been recognised in the Consolidated Statement of Profit and Loss under the head Employees Benefit Expenses.

II Defined Benefit Plans

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 | 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, 2023 | 12,712 | 12,357 | 355 | 78 |
| Interest cost | 945 | 918 | 27 | 5 |
| Current service cost | 787 | - | 787 | 7 |
| Total amount recognised in profit or loss | 1,732 | 918 | 814 | 12 |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions | (37) | - | (37) | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | (172) | - | (172) | 2 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| Particulars | Funded Plan | | | Unfunded Plan |
|--|-----------------------------|---------------------------|---------------------------------------|-----------------------------|
| | Present Value of Obligation | Fair Value of Plan Assets | Net defined benefit (asset) liability | Present Value of Obligation |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | 647 | - | 647 | - |
| Actuarial Gain / (Loss) on plan assets | - | (341) | 341 | - |
| Total amount recognised in other comprehensive income | 438 | (341) | 779 | 2 |
| Contributions by employer | (1,109) | - | (1,109) | - |
| Benefit Paid | - | - | - | (5) |
| Balance as on March 31, 2024 | 13,773 | 12,934 | 839 | 87 |

| 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, 2022 | 12,410 | 11,735 | 675 | 65 |
| Interest cost | 866 | 819 | 47 | 5 |
| Current service cost | 750 | - | 750 | 7 |
| Total amount recognised in profit or loss | 1,616 | 819 | 797 | 12 |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | - | - | - | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | - | - | - | 2 |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | 85 | - | 85 | - |
| Actuarial Gain / (Loss) on plan assets | - | (153) | 153 | - |
| Total amount recognised in other comprehensive income | 85 | (153) | 238 | 2 |
| Contributions by employer | (770) | 585 | (1,355) | - |
| Benefit Paid | (629) | (629) | - | (1) |
| Balance as on March 31, 2023 | 12,712 | 12,357 | 355 | 78 |

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

| Particulars | Funded Plan | | Unfunded Plan | |
|---|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Present Value of funded obligation as at the year end | (13,773) | (12,712) | (87) | (78) |
| Fair Value of Plan Assets as at the year end | 12,934 | 12,357 | - | - |
| Funded Status | (839) | (355) | (87) | (78) |
| Present Value of unfunded Obligation as at the year end | - | - | - | - |
| Net Liability recognised in Balance Sheet | (839) | (355) | (87) | (78) |

C) Amount recognised in the Balance Sheet

| Particulars | Funded Plan | | Unfunded Plan | |
|--|----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Present Value of Obligation at the end of the year | (13,773) | (12,712) | (87) | (78) |
| Fair value of plan assets at the end of the year | 12,934 | 12,357 | - | - |
| Net (Liability) recognised in the Balance Sheet | (839) | (355) | (87) | (78) |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

(All amounts are in Rupees in Lakhs, unless otherwise 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:

| | Funded Plan | | Unfunded Plan | |
|-------------------------------------|--|--|--|---|
| | As at March 31, 2024 | As at March 31, 2023 | As at March 31, 2024 | As at March 31, 2023 |
| Discount rate (per annum) | 7.19% | 7.47% | 6.97% | 7.18% |
| Rate of increase in Salary | 9.00% | 9.50% | 8.00% | 8.00% |
| Rate of Return on Plan Assets | 7.19% | 7.47% | Nil | - |
| Rate of Employee Turnover | 5.80% | 5.50% | 10.00% | 10.00% |
| Expected Future Service (in year's) | 10 | 11 | 9.84 | 9.08 |
| Mortality Rate During Employment | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Ultimate) |

- 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.

| | Funded Plan | | | |
|--------------------------------------|--|------------------|----------------------|------------------|
| | Impact on defined benefit obligation of Gratuity (Amounts) | | | |
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Increase in rate | Decrease in rate | Increase in rate | Decrease in rate |
| Discount Rate (0.5 % movement) | (390) | 417 | (372) | 399 |
| Compensation levels (0.5 % movement) | 408 | (386) | 389 | (367) |
| Employee turnover (0.5 % movement) | (52) | 55 | (55) | 58 |

| | Unfunded Plan | | | |
|-----------------------------------|--|------------------|----------------------|------------------|
| | Impact on defined benefit obligation of Gratuity (Amounts) | | | |
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Increase in rate | Decrease in rate | Increase in rate | Decrease in rate |
| Discount rate (1% movement) | (82) | 93 | (73) | 82 |
| Compensation levels (1% movement) | (82) | 93 | (73) | 82 |
| Employee turnover (-/+50%) | (86) | 90 | (76) | 80 |

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 analyses 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 consolidated balance sheet

The methods and types of assumptions used in preparing the sensitivity analysis did not change as compared to the previous year.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024
(All amounts are in Rupees in Lakhs, unless otherwise stated)

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

| Particulars | Funded Plan | | | |
|--------------------------|----------------------|---------------|----------------------|---------------|
| | As at March 31, 2024 | | As at March 31, 2023 | |
| | Amount | % | Amount | % |
| Investment Funds: | | | | |
| Insurance managed funds | 12,930 | 99.97 | 12,351 | 99.95 |
| Others | 4 | 0.03 | 6 | 0.05 |
| Total | 12,934 | 100.00 | 12,357 | 100.00 |

| G) Recognised under: | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Provisions - Non-Current [Refer Note 24] | 79 | 70 |
| Provisions - Current [Refer Note 29] | 847 | 363 |

| H) Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Expected gratuity contribution for the next year | 1,442 | 1,142 |

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

The weighted average duration of the defined benefit obligation is 7 years (previous year 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, 2024 | | | | |
| Defined benefit obligation (gratuity) | 2,102 | 6,453 | 15,695 | 24,250 |
| March 31, 2023 | | | | |
| Defined benefit obligation (gratuity) | 2,283 | 5,242 | 16,054 | 23,579 |

| Particulars | Unfunded Plan | | | |
|---------------------------------------|---------------------|------------------------|-----------------|-------|
| | Less than a year | Between 2 - 5 years | Over 5 years | Total |
| March 31, 2024 | | | | |
| Defined benefit obligation (gratuity) | 9 | 44 | 36 | 89 |
| March 31, 2023 | | | | |
| Defined benefit obligation (gratuity) | 8 | 40 | 32 | 80 |

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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

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.

III) The liability for compensated absences as at year end is Rs. 5317 lakhs (previous year Rs. 4,896 lakhs). (Refer note 29).

| 34 Finance costs | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Interest on Micro and Small Enterprises (Refer note 45) | 73 | 107 |
| Interest on Lease Liability | 427 | 409 |
| Unwinding of interest on deposits / retention money / employee loans | 11 | 142 |
| Others | 3 | - |
| | 514 | 658 |
| 35 Depreciation and amortisation expense | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Depreciation of Property, Plant and Equipment | 1,019 | 918 |
| Depreciation of Right of use assets | 1,425 | 1,479 |
| Amortisation of Intangible assets | 222 | 368 |
| | 2,666 | 2,765 |
| 36 Operating and other expenses | Year ended March 31, 2024 | Year ended March 31, 2023 |
| Consumption of stores and consumables | 2,419 | 1,885 |
| Packing and forwarding charges | 9,108 | 7,842 |
| Repairs and maintenance: | | |
| - Buildings | 486 | 385 |
| - Plant and machinery | 309 | 189 |
| - Vehicles | 23 | 20 |
| - Others | 1,047 | 1,101 |
| Rent | 175 | 102 |
| Rates and taxes | 294 | 226 |
| Insurance | 1,335 | 1,174 |
| Power and fuel | 471 | 470 |
| Expenses on contracts for installation/ service | 11,613 | 9,186 |
| Advertising, publicity and sales promotion | 500 | 393 |
| Commission | 2,202 | 1,535 |
| Commission to Non-Executive Directors | 25 | 20 |
| Royalties (Refer note 44) | 9,476 | 8,697 |
| Communication costs | 1,016 | 1,191 |
| Travelling and conveyance | 2,296 | 2,062 |
| Security Charges | - | - |
| Printing and stationery | 206 | 195 |
| Legal and professional charges [Refer note (i) below] | 3,474 | 2,901 |
| Housekeeping expenses | 2 | 4 |
| Provision for Loss on contracts | - | - |
| System and software maintenance expenses# | 3,310 | 2,916 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| | | |
|---|---------------|---------------|
| Management fees (Refer note 44) | 4,014 | 3,604 |
| Bad trade receivables and other financial assets written off | 1,409 | 1,010 |
| Less: Withdrawn from provision for expected credit loss | (1,038) | (651) |
| | 371 | 359 |
| Bad non-financial assets written off | 93 | 834 |
| Less: Withdrawn from provision for expected credit loss | - | (644) |
| | 93 | 190 |
| Provision for expected credit loss and other financial assets | 754 | 230 |
| Provision for other current assets | 131 | 79 |
| Directors' fees | 10 | 10 |
| Expenditure towards Corporate Social Responsibility activities [Refer Note (ii) below] | 374 | 421 |
| Loss on sale / disposal of property, plant and equipment (net) | 10 | 17 |
| Loss on fluctuation in foreign exchange (net) | 1,002 | 1,008 |
| Donation | 5 | - |
| Miscellaneous expenses | 482 | 248 |
| | 57,033 | 48,660 |

This includes amount from related parties Rs. 2,199 lakhs (Previous Year Rs. 2,040 lakhs). (Refer note 44).

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

| | | |
|---------------------------|-----------|-----------|
| For statutory audit | 65 | 57 |
| For tax audit | 6 | 7 |
| For other services | 1 | 2 |
| Reimbursement of expenses | 5 | 5 |
| | 77 | 71 |

(ii) Corporate Social Responsibility Expenses :

(a) Amount required to be spent by the Company during the year was Rs. 374 lakhs (Previous Year Rs. 421 lakhs)

(b) Amount approved by the Board to be spent by the Company during the year was Rs. 374 lakhs (Previous Year Rs. 421 lakhs)

(c) 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. 196 lakhs (Previous Year Rs. 207 lakhs) | Rs. 178 lakhs (Previous Year Rs. 214 lakhs) | Rs. 374 lakhs (Previous Year Rs. 421 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.

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| (i) The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year; | 178 lakhs | 214 lakhs |
| (ii) The total of previous years' shortfall amounts; | NIL | NIL |

(iii) Unspent amount pertaining to ongoing projects have been transferred to separate CSR Unspent Bank A/c on April 29, 2024 (Previous year on April 15, 2023).

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

37 Earnings per share

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Profit attributable to the owners of the Company | 20,959 | 15,471 |
| 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) | 177.50 | 131.02 |
| 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.

38 Leases:-

i) Movement in lease liabilities

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Opening lease liabilities | 3,358 | 2,433 |
| Addition during the year | 1,270 | 2,243 |
| Interest accrued during the year | 427 | 409 |
| Payment for lease liabilities including interest | 1,695 | 1,728 |
| Closing lease liabilities | 3,360 | 3,358 |
| - Non current | 1,962 | 655 |
| - Current | 1,398 | 2,703 |

ii) Maturity Profile

| Particulars | Less than 1 year | Between 1 and 5 years | Over 5 years |
|-------------------------------------|------------------|-----------------------|--------------|
| March 31, 2024 | | | |
| Repayment of lease liabilities | 1,398 | 1,961 | - |
| Interest on lease liabilities | 305 | 319 | - |
| Total cash outflow on leases | 1,703 | 2,280 | - |

| Particulars | Less than 1 year | Between 1 and 5 years | Over 5 years |
|-------------------------------------|------------------|-----------------------|--------------|
| March 31, 2023 | | | |
| Repayment of lease liabilities | 2,703 | 566 | 19 |
| Interest on lease liabilities | 257 | 277 | 2 |
| Total cash outflow on leases | 2,960 | 843 | 21 |

Weighted Average effective interest rate is 8% to 10.4% p.a.

39 Segment Information

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's 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 travolators 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:

- the nature of products and services
- the differing risks and returns
- the internal organisation and management structure, and
- the internal financial reporting systems.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Group.

| Particulars | 2023-24 | | | 2022-23 | | |
|--|----------------------------|---------------|----------------|----------------------------|---------------|----------------|
| | New Equipment Installation | Service | Total | New Equipment Installation | Service | Total |
| Revenue | | | | | | |
| Segment revenue | 178,668 | 98,401 | 277,069 | 152,537 | 90,963 | 243,500 |
| Inter-segment revenue | - | - | - | - | - | - |
| External revenue | 178,668 | 98,401 | 277,069 | 152,537 | 90,963 | 243,500 |
| Other income | 200 | 188 | 387 | 348 | 205 | 553 |
| Expenses | | | | | | |
| Identifiable operating expenses | 121,081 | 24,397 | 145,478 | 109,292 | 20,938 | 1,30,230 |
| Allocated expenses | 59,654 | 49,011 | 108,665 | 51,135 | 44,192 | 95,327 |
| Segment result | (1,867) | 25,180 | 23,313 | (7,542) | 26,038 | 18,496 |
| Unallocable Income /(Expenses) | | | | | | |
| Other income | - | - | 5,890 | - | - | 4,080 |
| Other expenses | - | - | (633) | - | - | (1,300) |
| Profit before taxation | | | 28,570 | | | 21,276 |
| Depreciation | | | | | | |
| Segment depreciation | 2,000 | 665 | 2,665 | 1,944 | 821 | 2,765 |
| Total Depreciation | | | 2,665 | | | 2,765 |
| Non Cash Expenses /(income) other than Depreciation | | | | | | |
| Segment Non Cash Expenditure | 338 | 598 | 936 | (163) | 378 | 215 |
| Unallocable Non Cash Expenditure | - | - | 50 | - | - | 420 |
| Total Non Cash Expenditure other than Depreciation | | | 986 | | | 635 |

Information about major customers

During the year ended March 31, 2024 and March 31, 2023 respectively, revenues from transactions with any single external customer did not amount to 10% or more of the Group's revenues from external customers.

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) as at 31 March 2024 are situated entirely in India amounting to Rs. 17,688 lakhs (previous year Rs. 15,900 lakhs).

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. 2,984 lakhs (Previous Year Rs. 2,687 lakhs) in respect of the research activities undertaken during the year.

41 Events occurring after the balance sheet date

The Board of Directors of the Company at its meeting held on July 23, 2024 has approved the proposal for the reduction of the issued, subscribed and paid up equity capital of the Company by paying off, cancelling and extinguishing 2,08,403 equity shares having a face value of Rs 10 being 1.76 % of the total issued, subscribed and paid-up equity share capital of the Company held by the equity shareholders of the Company at a fair value determined by the independent registered valuers, as on the Record Date (determined by the Board) other than the shares held by Otis International Asia Pacific Pte Ltd.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

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, 2024 | Carrying amount / Fair value | | | | |
|---|------------------------------|------------|--------|----------------|----------------|
| | Note No. | FVTPL | FVTOCI | Amortised Cost | Total |
| Financial assets | | | | | |
| (i) Trade receivables | 15(a) & 15(b) | - | - | 47,274 | 47,274 |
| (ii) Cash and cash equivalents | 16 | - | - | 65,371 | 65,371 |
| (iii) Bank balances other than (ii) above | 17 | - | - | 608 | 608 |
| (iv) Loans | 8(a) & 8(b) | - | - | 109 | 109 |
| (v) Other financial assets | 9 & 18 | - | - | 4,106 | 4,106 |
| (vi) Derivatives not designated as hedges- Foreign exchange forward contracts | 18 | - | - | - | - |
| | | - | - | 117,468 | 117,468 |
| Financial liabilities | | | | | |
| (i) Lease liabilities | 22 & 25 | - | - | 3,359 | 3,359 |
| (ii) Trade payables | 26 | - | - | 53,292 | 53,292 |
| (iii) Other financial liabilities | 27 | - | - | 3,875 | 3,875 |
| (iv) Derivatives not designated as hedges - foreign exchange forward contracts | 27 | 164 | - | - | 164 |
| | | 164 | - | 60,526 | 60,690 |

| March 31, 2023 | Carrying amount / Fair value | | | | |
|---|------------------------------|------------|--------|----------------|----------------|
| | Note No. | FVTPL | FVTOCI | Amortised Cost | Total |
| Financial assets | | | | | |
| (i) Trade receivables | 15(a) & 15(b) | - | - | 46,021 | 46,021 |
| (ii) Cash and cash equivalents | 16 | - | - | 53,947 | 53,947 |
| (iii) Bank balances other than (ii) above | 17 | - | - | 1,066 | 1,066 |
| (iv) Loans | 8(a) & 8(b) | - | - | 2,296 | 2,296 |
| (v) Other financial assets | 9 & 18 | - | - | 3,382 | 3,382 |
| (vi) Derivatives not designated as hedges- Foreign exchange forward contracts | 18 | 14 | - | - | 14 |
| | | 14 | - | 106,712 | 106,726 |
| Financial liabilities | | | | | |
| (i) Lease liabilities | 22 & 25 | - | - | 3,358 | 3,358 |
| (ii) Trade payables | 26 | - | - | 52,598 | 52,598 |
| (iii) Other financial liabilities | 27 | - | - | 3,663 | 3,663 |
| (iv) Derivatives not designated as hedges - foreign exchange forward contracts | 27 | 167 | - | - | 167 |
| | | 167 | - | 59,619 | 59,786 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

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.

Key Input for Level to Fair Valuation Technique

Derivative liabilities (Level 2)

- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rate of respective currencies.

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 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.

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

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

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Loss allowance at the beginning of the year | 6,151 | 6,919 |
| Changes in allowance written back during the year | (418) | (768) |
| Loss allowance as at the end of the year | 5,733 | 6,151 |

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix.

| Ageing | As at March 31, 2024 | |
|---------------------|----------------------|-----------|
| | Expected credit loss | Average % |
| Not due | 70 | 2.02% |
| 0-180 days | 783 | 2.07% |
| 180-360 days | 472 | 10.96% |
| 360-540 days | 476 | 26.45% |
| 540-720 days | 468 | 45.65% |
| 720-900 days | 462 | 69.12% |
| 900-1080 days | 340 | 100.00% |
| More than 1080 days | 2,662 | 100.00% |
| Total | 5,733 | |

| Ageing | As at March 31, 2023 | |
|---------------------|----------------------|-----------|
| | Expected credit loss | Average % |
| Not due | 115.00 | 5.16% |
| 0-180 days | 806 | 2.19% |
| 180-360 days | 491 | 11.26% |
| 360-540 days | 522 | 26.45% |
| 540-720 days | 284 | 45.65% |
| 720-900 days | 492 | 69.12% |
| 900-1080 days | 299 | 100.00% |
| More than 1080 days | 3,142 | 100.00% |
| Total | 6,151 | |

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 enters into master netting agreements with contractual provisions that allow for netting of counterparty positions in case of default.

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

Other financial assets:

The Group periodically monitors the recoverability and credit risks of its other financial 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, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Loss allowance at the beginning of the year | 620 | 638 |
| Changes in allowance during the year (Refer Notes - 9 and 18) | (66) | (18) |
| Loss allowance as at the end of the year | 554 | 620 |

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.

| Particulars | Carrying amount | Contractual undiscounted cash flows | | | |
|---|-----------------|-------------------------------------|------------------|------------|-------------------|
| | | Total | Less than 1 year | 1- 5 years | More than 5 years |
| As at March 31, 2024 | | | | | |
| Non-derivative financial liabilities | | | | | |
| Lease liabilities (Non-current and current) | 3,359 | 3,983 | 1,703 | 2,280 | - |
| Trade payables | 52,598 | 52,598 | 52,598 | - | - |
| Other financial liabilities | 3,666 | 3,666 | 3,666 | - | - |
| Derivative Financial Liabilities | | | | | |
| Foreign exchange forward contracts | 164 | 164 | 164 | - | - |
| As at March 31, 2023 | | | | | |
| Non-derivative financial liabilities | | | | | |
| Lease liabilities (Non-current and current) | 3,358 | 3,823 | 2,960 | 843 | 21 |
| Trade payables | 52,598 | 52,598 | 52,598 | - | - |
| Other financial liabilities | 3,663 | 3,663 | 3,663 | - | - |
| Derivative Financial Liabilities | | | | | |
| Foreign exchange forward contracts | 167 | 167 | 167 | - | - |

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:

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

| Particulars | March 31, 2024 | | March 31, 2023 | |
|-------------------------|------------------|--------------|------------------|---------------|
| | Foreign currency | Amount | Foreign currency | Amount |
| Import contracts | | | | |
| EURO | 13 | 1,224 | 44 | 3,928 |
| JPY | 68 | 40 | 83 | 54 |
| USD | 3 | 237 | 5 | 452 |
| CHF | 1 | 86 | 1 | 50 |
| CNH | 482 | 5,767 | 637 | 7,895 |
| SGD | - | - | 1 | 1 |
| | | 7,354 | | 12,380 |
| Export contracts | | | | |
| USD | 3 | 255 | 6 | 529 |
| | | 255 | | 529 |

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

| Particulars | March 31, 2024 | | March 31, 2023 | |
|--------------------|------------------|--------|------------------|--------|
| | Foreign currency | Amount | Foreign currency | Amount |
| Receivables | | | | |
| USD | 38 | 3,208 | 27 | 2,241 |
| EUR | - | - | 5 | 462 |
| BDT | 415 | 312 | 244 | 186 |
| Payables | | | | |
| USD | 38 | 3,134 | 54 | 4,461 |
| EURO | 20 | 1,806 | 4 | 301 |
| HKD | 7 | 73 | 14 | 162 |
| JPY | 43 | 22 | - | - |
| CNH | 463 | 5,149 | 410 | 4,636 |

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.

| Currencies | Profit or loss | |
|------------|----------------|----------------|
| | March 31, 2024 | March 31, 2023 |
| USD | 7 | (222) |
| EURO | (181) | 16 |
| HKD | (7) | (16) |
| JPY | (2) | - |
| CNH | (515) | (464) |
| BDT | 31 | 19 |
| | (666) | (667) |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

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E. Unused tax losses for which no deferred tax asset has been recognised.

| Financial Year | As at March 31, 2024 | | | As at March 31, 2023 | | |
|----------------|----------------------|-----------------------|----------------|----------------------|-----------------------|----------------|
| | Unused tax Losses | Potential tax benefit | Year of Expiry | Unused tax Losses | Potential tax benefit | Year of Expiry |
| 2014-15 | - | - | - | 14 | 4 | 2023 |
| 2015-16 | 59 | 16 | 2024 | 59 | 16 | 2024 |
| 2016-17 | 185 | 48 | 2025 | 185 | 52 | 2025 |
| 2017-18 | 38 | 10 | 2026 | 38 | 10 | 2026 |
| 2018-19 | 146 | 38 | 2027 | 146 | 41 | 2027 |
| 2019-20 | 113 | 30 | 2028 | 113 | 31 | 2028 |
| 2020-21 | 122 | 32 | 2029 | 122 | 34 | 2029 |
| 2021-22 | 165 | 43 | 2030 | 165 | 46 | 2030 |
| 2022-23 | 159 | 41 | 2031 | 157 | 43 | 2031 |
| 2023-24 | 72 | 19 | 2032 | - | - | - |

F. Unrecognised deferred tax asset of Subsidiary

| | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Deferred tax assets | | |
| Depreciation/ amortisation (Including Ind AS 116) | 22 | 29 |
| Provision for compensated absences | 7 | 7 |
| Provision for gratuity | 24 | 21 |
| Provision for doubtful debts | 3 | 8 |
| Provision for doubtful advances | 2 | 2 |
| Carried Forward Losses | 275 | 277 |
| Deferred Tax Assets (Net) | 333 | 344 |

44 Related Party Disclosures**A Relationships:****(I) Where Control Exists on the Company**

Otis Worldwide Corporation, U.S.A.

Ultimate Holding Company

Otis International Asia Pacific Pte. Ltd., Singapore

Parent Company

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

Aitken Spence Elevators (Pvt) Ltd., Sri Lanka

Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey

Elevadores Otis Ltda, Brazil

Express Elevator Co. Ltd., China

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

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

Otis Elevator Company Colombia S.A..S, Colombia
 Otis Elevator Company Ltd, Thailand
 Otis Elevator Company Saudi Arabia Ltd, Saudi Arabia
 Otis Elevator Company, New Jersey, United States
 Otis Elevator Company, South Carolina
 Otis Elevator Manufacturing Co Ltd, China
 Otis Elevator Traction Machine (China) Co. Ltd., China
 Otis Elevator Vietnam Company Limited, Vietnam
 Otis Elevator, Korea
 Otis Elevators International Inc., Hong Kong
 Otis Global Services Centre Private Limited, India
 Otis GMBH & Co. OHG, Germany
 Otis LLC, U.A.E
 Otis Mobility S.A., Spain (Previously Known as Zardoya Otis S.A., Spain)
 Otis Science and Technology Development Shanghai, China
 OTIS SCS, France
 P.T.Citas Otis Elevator, Indonesia
 Seral Otis Industria Metalurgica Ltda, Chile
 U.T. Building & Industrial Systems W.L.L., Qatar
 Zayani Otis Elevator Co W.L.L., Bahrain
 Otis Far East Holdings Limited, Hong Kong
 Otis Morocco

(III) Key Managerial Personnel

| | |
|---|------------------------|
| Sebi Joseph | Managing Director |
| Puthan Naduvakkat Suma | Director |
| Bharat Nayak | Director |
| Manish Asopa (w.e.f. November 23, 2022) | Non-executive Director |
| Priya Shankar Dasgupta (until March 31, 2024) | Independent Director |
| Anil Vaish | Independent Director |
| Jyotin Mehta (w.e.f. April 1, 2024) | Independent Director |

(IV) Transaction with Post Employment benefit entities

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

B Transactions:

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

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Short term employee benefits: | | |
| - Salaries and other employee benefits | 1,314 | 1,164 |
| Post employment benefits - gratuity | 87 | 44 |
| Current employee benefits- Compensated absences | 55 | 35 |
| Employee share-based payment # | 669 | 180 |
| Commission and sitting fee to independent directors | 35 | 30 |
| Total | 2,160 | 1,453 |

In addition to the above, 8,660 units stock options (Previous Year 2,631 Units stock options) of Otis Worldwide Corporation, the Ultimate Holding Company, were exercised during the year.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

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

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

| Particulars | Category | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|----------|--------------------------------------|--------------------------------------|
| Purchase of Goods and Materials | | | |
| Otis Elevator (China) Co., China | III | 606 | 857 |
| Express Elevator Co. Ltd., China | III | 1,108 | 1,483 |
| Otis Electric Elevator Co., Ltd., China | III | 1,415 | 1,595 |
| Otis Mobility S.A., Spain | III | 4,040 | 3,221 |
| Otis GMBH & Co. OHG, Germany | III | 2,891 | 3,681 |
| Otis Elevator Company, New Jersey, United States | III | 1,225 | 1,743 |
| Otis Elevator Traction Machine (China) Co. Ltd., China | III | 5,113 | 6,097 |
| Nippon Otis Elevator Company, Japan | III | 142 | 206 |
| OTIS SCS, France | III | 2,855 | 2,094 |
| Otis Science and Technology Development Shanghai, China | III | 4,122 | 8,097 |
| Otis A.S., Czech Republic | III | 2 | 64 |
| Otis Elevator Company (S) Pte. Ltd., Singapore | III | - | 1 |
| Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey | III | 11 | 184 |
| Otis Elevator Company Colombia S.A..S, Colombia | III | - | 7 |
| Otis Elevator, Korea | III | 11 | 21 |
| Otis Elevator Manufacturing Co Ltd, China | III | 4,154 | 2,167 |
| Otis International Asia Pacific Pte. Ltd, Singapore | III | 7,490 | 6,342 |
| Jsc Mos Otis ,Russia | III | - | 2 |
| Otis Elevator Company Ltd, Thailand | III | 7 | - |
| Total | | 35,192 | 37,862 |
| Purchase of property, plant and equipment | | | |
| Otis Mobility S.A., Spain | III | 19 | 3 |
| Total | | 19 | 3 |
| Purchase of Intangible assets | | | |
| Otis Elevator Company, New Jersey, United States | II | 506 | 231 |
| Total | | 506 | 231 |
| System and software maintenance expenses | | | |
| Otis Elevator Company, New Jersey, United States | II | 1,918 | 1,455 |
| Otis Elevators International Inc., Hong Kong | II | 97 | 185 |
| Otis International Asia Pacific Pte. Ltd, Singapore | II | 184 | 400 |
| Total | | 2,199 | 2,040 |
| Royalties expenses | | | |
| Otis Elevator Company, New Jersey, United States | II | 9,476 | 8,697 |
| Total | | 9,476 | 8,697 |
| Management fee | | | |
| Otis Elevator Company, New Jersey, United States | II | 2,770 | 2,417 |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 1,244 | 1,187 |
| Total | | 4,014 | 3,604 |
| Support & Service Expenses | | | |
| Otis Elevator Company, New Jersey, United States | II | 777 | 460 |
| Total | | 777 | 460 |

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| Particulars | Category | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|----------|--------------------------------------|--------------------------------------|
| Repairs and maintenance charges of elevators | | | |
| Aitken Spence Elevators (Pvt) Ltd., Sri Lanka | II | 132 | 132 |
| Total | | 132 | 132 |
| Reimbursement of expenses to related parties | | | |
| Otis Elevator Company, New Jersey, United States | II | 5 | - |
| Nippon Otis Elevator Company, Japan | I | - | 42 |
| Otis A.S., Czech Republic | II | 7 | - |
| Otis Elevator Manufacturing Co Ltd, China | II | 3 | - |
| Otis, Morocco | II | 9 | - |
| Otis Global Services Centre Private Limited, India | I | - | 319 |
| Total | | 24 | 361 |

| Particulars | Category | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|----------|--------------------------------------|--------------------------------------|
| Revenue from Sale of Goods/Services | | | |
| Otis Elevator Company (S) Pte. Ltd., Singapore | II | 45 | 13 |
| Seral Otis Industria Metalurgica Ltda, Chile | II | 160 | 155 |
| P.T.Citas Otis Elevator, Indonesia | II | 84 | 120 |
| Aitken Spence Elevators (Pvt) Ltd., Sri Lanka | II | 1,026 | 1,240 |
| Otis Elevator Co Pty Ltd, Australia | II | - | (2) |
| Otis Elevator Vietnam Company Limited, Vietnam | II | - | 40 |
| Zayani Otis Elevator Co W.L.L., Bahrain | II | 196 | 81 |
| Otis LLC, U.A.E | III | 1,655 | 1,473 |
| U.T. Building & Industrial Systems W.L.L., Qatar | II | 40 | 186 |
| Otis GMBH & Co. OHG, Germany | I | - | 88 |
| Elevadores Otis Ltda, Brazil | II | 8 | 8 |
| Otis Elevator Company Ltd, Thailand | II | 1,204 | 435 |
| Otis Elevator Company Saudi Arabia Ltd, Saudi Arabia | II | 235 | - |
| OTIS SCS, France | II | 2 | 1 |
| Otis Elevators International Inc., Hong Kong | II | 10 | - |
| Otis Far East Holdings Limited, Hong Kong | III | * | - |
| Otis Elevator (Cambodia) Company Limited, Cambodia | II | 13 | - |
| Otis Elevator Company, South Carolina | III | * | - |
| OTIS Elevator Overseas Limited, UAE | II | 50 | - |
| Otis Elevator, Korea | II | 3 | - |
| Total | | 4,731 | 3,838 |
| Service income from related parties | | | |
| Otis Elevator Company, New Jersey, United States | II | 653 | 520 |
| Otis Elevator Company, South Carolina | III | 124 | 112 |
| OTIS SCS, France | II | 109 | 91 |
| Otis Mobility S.A., Spain | II | 8 | 35 |
| Otis Global Services Centre Private Limited, India | II | 7 | 7 |
| Nippon Otis Elevator Company, Japan | II | 87 | 6 |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 502 | 391 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| Particulars | Category | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
|--|----------|--------------------------------------|--------------------------------------|
| Total | | 1,490 | 1,162 |
| Recovery of expenses from related parties | | | |
| Otis Elevator Company (M) SDN BHD, Malasiya | II | 198 | 98 |
| Otis Elevator Company, New Jersey, United States | II | 322 | 199 |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 771 | 313 |
| Otis Electric Elevator Co., Ltd., China | II | 3 | - |
| Nippon Otis Elevator Company, Japan | II | - | 1 |
| P.T.Citas Otis Elevator, Indonesia | II | 124 | 125 |
| OTIS SCS, France | II | - | 2 |
| Otis Elevator Manufacturing Co Ltd, China | II | 1 | - |
| Otis Elevator Traction Machine (China) Co. Ltd., China | II | 2 | - |
| Total | | 1,421 | 738 |
| Inter Corporate Loan Given / (Repaid) (Net) | | | |
| Otis Global Services Centre Private Limited, India | II | (2,200) | (250) |
| Total | | (2,200) | (250) |
| Interest on Inter Corporate Loan Given | | | |
| Otis Global Services Centre Private Limited, India | II | 131 | 169 |
| Total | | 131 | 169 |
| Dividend paid during the year | | | |
| Otis International Asia Pacific Pte. Ltd., Singapore | I | 15,660 | 17,400 |
| Total | | 15,660 | 17,400 |

| Outstanding Balances | | Balance as at March 31, 2024 | Balance as at March 31, 2023 |
|---|----|---------------------------------|---------------------------------|
| Loan given | | | |
| Otis Global Services Centre Private Limited, India | II | - | 2,200 |
| Total | | - | 2,200 |
| Trade Payables | | | |
| Otis Elevator Company, New Jersey, United States | II | 2,479 | 3,304 |
| Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey | II | 8 | 179 |
| Otis Elevators International Inc., Hong Kong | II | 73 | 162 |
| Otis Elevator Company (S) Pte. Ltd., Singapore | II | - | 1 |
| OTIS SCS, France | II | 459 | 1,152 |
| Otis Mobility S.A., Spain | II | 1,285 | 2,014 |
| Otis GMBH & Co. OHG, Germany | II | 1,430 | 1,244 |
| Nippon Otis Elevator Company, Japan | II | 49 | 49 |
| Otis Science and Technology Development Shanghai, China | II | 2,405 | 4,414 |
| Otis Elevator (China) Co., China | II | 761 | 509 |
| Otis Elevator Traction Machine (China) Co. Ltd., China | II | 2,452 | 2,878 |
| Otis Electric Elevator Co., Ltd., China | II | 1,188 | 2,095 |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 2,515 | 1,359 |
| Aitken Spence Elevators (Pvt) Ltd., Sri Lanka | II | 55 | 25 |
| Express Elevator Co. Ltd., China | II | 524 | 307 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| Outstanding Balances | | Balance as at March 31, 2024 | Balance as at March 31, 2023 |
|--|-----|---------------------------------|---------------------------------|
| Otis Elevator, Korea | II | 4 | - |
| Otis Elevator Manufacturing Co Ltd, China | II | 1,853 | 1,635 |
| Otis A.S., Czech Republic | II | 1 | 64 |
| Otis Elevator Company Ltd, Thailand | II | 7 | |
| Otis Morocco | II | 9 | |
| Total | | 17,557 | 21,391 |
| Receivables | | | |
| Receivables | | | |
| Trade Receivables: | | | |
| Aitken Spence Elevators (Pvt) Ltd., Sri Lanka | III | 16 | 395 |
| Seral Otis Industria Metalurgica Ltda, Chile | III | 47 | 39 |
| Nippon Otis Elevator Company, Japan | III | 20 | 6 |
| Otis LLC, U.A.E | III | 644 | 402 |
| Otis Elevator Manufacturing Co Ltd, China | III | 1 | - |
| Otis Elevator Company Ltd, Thailand | III | 464 | 65 |
| Otis Elevator Company Saudi Arabia Ltd, Saudi Arabia | III | 219 | - |
| Otis Elevator Company, South Carolina | III | 124 | 54 |
| U.T. Building & Industrial Systems W.L.L., Qatar | III | 20 | 45 |
| Otis Mobility S.A., Spain | III | 7 | 50 |
| OTIS SCS, France | III | 19 | 132 |
| Elevadores Otis Ltda, Brazil | III | - | 5 |
| Otis Elevator Company (S) Pte. Ltd., Singapore | III | 27 | 37 |
| Otis Elevator Vietnam Company Limited, Vietnam | III | - | 14 |
| Zayani Otis Elevator Co W.L.L., Bahrain | III | 30 | 50 |
| Otis Electric Elevator Co., Ltd., China | III | 4 | - |
| Otis Elevator (Cambodia) Company Limited, Cambodia | III | 14 | - |
| OTIS Elevator Overseas Limited, UAE | III | 38 | - |
| Total | | 1,694 | 1,294 |
| Other Receivable - Current Financial Assets: | | | |
| Otis International Asia Pacific Pte. Ltd, Singapore | I | 342 | 113 |
| P.T.Citas Otis Elevator, Indonesia | III | 52 | 98 |
| Otis Elevator Company (M) SDN BHD, Malasiya | III | 33 | (16) |
| Otis Elevator Company, New Jersey, United States | III | 105 | 123 |
| Otis Global Services Centre Private Limited, India | III | 1 | 3 |
| Total | | 533 | 321 |

Note:

For information on transactions with post employment benefit plans mentioned in A (iv) above, refer the note 33.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

(All amounts are in Rupees in Lakhs, unless otherwise 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, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| The principal amount remaining unpaid to any supplier as at the end of each accounting year; | 2,381 | 2,956 |
| The interest due thereon remaining unpaid to any supplier as at the end of each accounting year; | 425 | 352 |
| 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 | 73 | 107 |
| 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 26 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**a) Claims against the Group not acknowledged as debt****(i) Sales Tax matters and Goods and Service Tax matters****Sales Tax matters**

- Show Cause Notices
- Demand Notices

| | As at March 31, 2024 | As at March 31, 2023 |
|----------------------|-------------------------|-------------------------|
| - Show Cause Notices | - | 646 |
| - Demand Notices | 27,250 | 28,998 |

Goods and Service Tax matters

- Show Cause Notices
- Demand Notices

| | | |
|----------------------|-------|-----|
| - Show Cause Notices | 156 | 156 |
| - Demand Notices | 3,997 | 295 |

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.

(ii) Excise, Service Tax and Custom matters**Excise matters**

- Show Cause Notices
- Demand Notices *

| | | |
|----------------------|-----|-----|
| - Show Cause Notices | 225 | 225 |
| - Demand Notices * | 106 | 106 |

Service Tax matters

- Show Cause Notices
- Demand Notices

| | | |
|----------------------|--------|--------|
| - Show Cause Notices | - | 6,108 |
| - Demand Notices | 24,817 | 24,639 |

Custom matters

- Show Cause Notices
- Demand Notices

| | | |
|----------------------|-----|-----|
| - Show Cause Notices | - | 103 |
| - Demand Notices | 455 | - |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

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 Board is pleased to inform that Holding Company has got a favourable order from Supreme Court on the excise valuation case relating to valuation of parts and components removed from Bangalore factory. The total demand was INR 50371 lacs pertaining to period 2014 to 2017. The matter was heard by Supreme Court in November 22 and decided in our favour. Referring to the favourable order from the Supreme Court, we pursued with the tax authorities and were successful in dropping all proceedings which resulted in a significant reduction in our contingent liability.

(iii) Income/Transfer Pricing Tax matters

Transfer Pricing Matter

| | | |
|----------------|-----|---|
| - Demand order | 168 | - |
|----------------|-----|---|

The Holding Company had claimed Management fees Rs. 704 lakhs as expense in FY 2019-20 which has been disallowed by Transfer Pricing on the need benefit ground. The Company has filed Dispute Resolution Panel (DRP) appeal in ITAT against the order issued u/s 143(3) by the Assessing officer under ROCA ground. Based on opinion received from legal consultants, the Management is of the view that the Company has strong grounds of appeal in this regard.

| | | |
|---|-------|-------|
| b) Litigations / claims against the Group by customers / ex-employees / general public. | 2,938 | 2,720 |
|---|-------|-------|

The Group has strong grounds of appeal and does not foresee any outflow in this regard.

c) Commitments

| | | |
|--|-------|-----|
| i) Estimated amount of contracts [net of capital advances of Rs. NIL (Previous Year Rs. NIL) remaining to be executed on Capital Account not provided for. | 1,372 | 264 |
|--|-------|-----|

| | | |
|--|--------|--------|
| 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. | 48,631 | 30,262 |
|--|--------|--------|

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 consolidated 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

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 | For the year ended |
|--|--------------------|--------------------|
| | March 31, 2024 | March 31, 2023 |
| Equity shares | | |
| Interim dividend Rs. 135 per share fully paid (Previous year - Rs.150 per share) | 15,941 | 17,712 |

48 Recent Accounting Pronouncements

Ministry of Company Affairs ("MCA") notifies new standards or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. There is no such new standards or amendments which would be applicable from April 1, 2024.

49 Interests in other entities**Subsidiary**

The Company's subsidiary as at March 31, 2024 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, 2024 | March 31, 2023 | |
| 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 compre- hensive income | Amount | As % of consolidated other compre- hensive income | Amount |
| Parent (Indian) | | | | | | | | |
| Otis Elevator Company (India) Limited | | | | | | | | |
| March 31, 2024 | 103% | 27,610 | 100% | 20,970 | 100% | (591) | 100% | 20,379 |
| March 31, 2023 | 103% | 22,567 | 101% | 15,590 | 99% | (146) | 101% | 15,444 |
| Subsidiaries (Indian) | | | | | | | | |
| Supriya Elevator Company (India) Limited | | | | | | | | |
| March 31, 2024 | -6% | (1,730) | 0% | (95) | 0% | (2) | 0% | (97) |
| March 31, 2023 | -7% | (1,633) | -1% | (196) | 1% | (2) | -1% | (198) |
| Inter-company eliminations and consolidation adjustments | | | | | | | | |
| March 31, 2024 | 4% | 1,049 | 0% | 83 | 0% | - | 0% | 83 |
| March 31, 2023 | 4% | 966 | 0% | 77 | 0% | - | 1% | 77 |
| Total | | | | | | | | |
| March 31, 2024 | 100% | 26,929 | 100% | 20,958 | 100% | (593) | 100% | 20,365 |
| March 31, 2023 | 100% | 21,900 | 100% | 15,471 | 100% | (148) | 100% | 15,323 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

(All amounts are in Rupees in Lakhs, unless otherwise 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, 2024 and March 31, 2023

| Particulars | Related amounts not offset | | |
|--|----------------------------|--|------------|
| | Gross Amounts | Amounts subject to master netting arrangements | Net amount |
| As at March 31, 2024 | | | |
| Other financial assets | | | |
| Derivative not designated as hedges | | | |
| - Foreign exchange forward contracts | - | - | - |
| Other financial liabilities | | | |
| Derivative Financial Liabilities | | | |
| Foreign exchange forward contracts | 164 | - | 164 |
| As at March 31, 2023 | | | |
| Other financial assets | | | |
| Derivative not designated as hedges | | | |
| - Foreign exchange forward contracts | 14 | (14) | - |
| Other financial liabilities | | | |
| Derivative Financial Liabilities | | | |
| Foreign exchange forward contracts | 167 | (14) | 153 |

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 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 Group is not material.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

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

The Holding Company has recognised an employee benefit expense towards share based payment with a corresponding increase in Other Equity as equity contribution from the Ultimate Holding Company as per below table.

| Particulars | Year ended March 31, 2024 | Year ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Stock-based compensation expense (Share-based) | 604 | 519 |

Summary of transactions under various plans for the year ended March 31, 2024 and March 31, 2023 follows:

| Particulars | SAR | | | | RSU | | | | PSU | | | |
|--------------------------------------|---------------|-------------------------------|-----------------------|---|---------------|-------------------------------|------------------------|---|---------------|-------------------------------|------------------------|---|
| | No of options | Range of exercise price (USD) | Average Price * (USD) | Weighted Avg Remaining Contractual life | No of options | Range of exercise price (USD) | Average Price ** (USD) | Weighted Avg Remaining Contractual life | No of options | Range of exercise price (USD) | Average Price ** (USD) | Weighted Avg Remaining Contractual life |
| Opening outstanding 31st March, 2023 | 58,227 | 58.66-83.63 | 71.95 | 6.61 | 7,670 | - | 75.71 | 1.42 | 7,282 | - | 79.81 | 1.68 |
| Add: Granted | 4,872 | 63.93-91.94 | 84.12 | 5.45 | 3,782 | - | 84.87 | 1.34 | 5,027 | - | 83.48 | 1.10 |
| Less: Exercised / forfeiture | 12,236 | 63.93-91.94 | 80.65 | - | 6,405 | - | 78.31 | - | 7,190 | - | 82.75 | - |
| Less: Cancelled | - | - | - | - | - | - | - | - | - | - | - | - |
| Closing outstanding 31st March, 2024 | 50,863 | 58.66-91.94 | 77.21 | 5.70 | 5,047 | - | 83.11 | 1.42 | 5,119 | - | 82.83 | 1.68 |

| Particulars | SAR | | | | RSU | | | | PSU | | | |
|--------------------------------------|---------------|-------------------------------|-----------------------|---|---------------|-------------------------------|------------------------|---|---------------|-------------------------------|------------------------|---|
| | No of options | Range of exercise price (USD) | Average Price * (USD) | Weighted Avg Remaining Contractual life | No of options | Range of exercise price (USD) | Average Price ** (USD) | Weighted Avg Remaining Contractual life | No of options | Range of exercise price (USD) | Average Price ** (USD) | Weighted Avg Remaining Contractual life |
| Opening outstanding 31st March, 2022 | 61,119 | 58.66-81.85 | 71.36 | 7.34 | 7,960 | - | \$73.80 | 1.57 | 4,956 | - | 75.57377766 | 2.19 |
| Add: Granted | 4,510 | 83.63 | 83.63 | 9.86 | 4,096 | - | \$81.01 | 1.62 | 2,326 | - | 89.14958 | 2.75 |
| Less: Exercised / forfeiture | 7,402 | 63.93-80.97 | 76.83 | - | 4,386 | - | 77.55 | - | - | - | - | - |
| Less: Cancelled | - | - | - | - | - | - | - | - | - | - | - | - |
| Closing outstanding 31st March, 2023 | 58,227 | 58.66-81.85 | 71.95 | 6.61 | 7,670 | - | 75.71 | 1.42 | 7,282 | - | 79.81 | 1.68 |

The following table summarizes information about equity awards outstanding that are vested and expected to vest and equity awards outstanding that are exercisable as of March 31, 2023 and March 31, 2022:

| Particulars | For the Year ended March 31, 2024 | | | | | | |
|-------------------|---|----------------------|---------------------------|---------------------------------|------------------------------------|----------------------|---------------------------|
| | Equity Awards Vested and Expected to Vest | | | | Equity Awards that are exercisable | | |
| | Awards | Average Price *(USD) | Aggregate Intrinsic Value | Aggregate Intrinsic Value (USD) | Awards | Average Price *(USD) | Aggregate Intrinsic Value |
| Stock options/SAR | 50,863 | 72.05 | - | 1,384,305 | 44,867 | 71.95 | 1,310,772 |
| PSU stocks | 5,119 | - | 79.81 | 511,340 | - | - | - |
| Restricted stocks | 5,047 | - | 75.71 | 497,839 | - | - | - |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

| Particulars | For the Year ended March 31, 2023 | | | | | | |
|-------------------|---|-----------------------|---------------------------|---------------------------------|------------------------------------|----------------------|---------------------------|
| | Equity Awards Vested and Expected to Vest | | | | Equity Awards that are exercisable | | |
| | Awards | Average Price * (USD) | Aggregate Intrinsic Value | Aggregate Intrinsic Value (USD) | Awards | Average Price *(USD) | Aggregate Intrinsic Value |
| Stock options/SAR | 58,227 | 71.95 | - | 725,167 | 47,899 | \$71.36 | 663,743 |
| PSU stocks | 7,282 | - | 79.81 | 617,302 | - | - | - |
| Restricted stocks | 7,670 | - | 75.71 | 644,647 | - | - | - |

* Weighted average grant price

The weighted average share price during the years ended March 31, 2024 and 2023 was \$84.60 & \$87.49 per share respectively.

The following table indicates the assumptions used in estimating fair value for the years ended March 31, 2024 and March 31, 2023.

Lattice based option models incorporate range of assumptions for inputs; those ranges are as follows:

| Particulars | March 31, 2024 | March 31, 2023 |
|--------------------------|----------------|----------------|
| Expected volatility | 27.8%-28.1% | 26.71% |
| Expected term (in years) | 6.20 | 6.20 |
| Expected dividend yield | 1.50% | 1.20% |
| Risk-free rate | 3.4%-4.7% | 4.04% |

The expected term represents an estimate of the period of time equity awards are expected to remain outstanding.

The risk free rate is based on the term structure of interest rates at the time of equity award grant.

The Ultimate Holding Company uses a Monte Carlo simulation approach based on a three-year measurement period to determine fair value of performance share units. This approach includes the use of assumptions regarding the future performance of the Ultimate Holding Company's stock and those of a peer group. Those assumptions include expected volatility, risk-free interest rates, correlations and dividend yield.

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 | Year ended March 31, 2024 | Year ended March 31, 2023 |
|------------------------------|---------------------------|---------------------------|
| Primary geographical markets | | |
| India | 266,548 | 234,437 |
| Sri Lanka | 1,497 | 1,870 |
| Nepal | 1,929 | 1,535 |
| Bangladesh | 3,065 | 1,964 |
| Bhutan | 512 | 347 |
| UAE | 1,658 | 1,482 |
| Qatar | 54 | 316 |
| Thailand | 944 | 519 |
| Chile | 126 | 169 |
| Indonesia | 106 | 104 |
| Others | 451 | 183 |
| | 276,890 | 242,926 |

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

(All amounts are in Rupees in Lakhs, unless otherwise 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, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Receivables which are included in Trade Receivables | 47,274 | 46,021 |
| Contract assets | | |
| - Amount due from customers on construction contract | 16,305 | 11,520 |
| - Accrued value of work done net off provision | 294,919 | 241,263 |
| Contract liabilities | | |
| - Amount due to customers under construction contract | 51,833 | 51,824 |
| - Advance from customer | 12,984 | 9,196 |

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 March 31, 2024 was impacted by an impairment charge of Rs. 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 Company'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, 2024 | Year ended March 31, 2023 |
|------------|---|------------------------------|------------------------------|
| (A) | Due from contract customers: | | |
| | At the beginning of the reporting period (Para 116 (a)) | 11,520 | 10,926 |
| | Add: Increase / (decrease) in progress work (net) | 14,266 | (41,009) |
| | Less: Increase / (decrease) in aggregate amount of progress billing (net) | 9,481 | (41,603) |
| | At the end of the reporting period (Para 116 (a)) | 16,305 | 11,520 |
| (B) | Due to contract customers: | | |
| | At the beginning of the reporting period (Para 116 (a)) | 51,824 | 42,147 |
| | Less: Increase / (decrease) in aggregated amount of cost incurred and recognised profits (less recognised losses) (net) | 39,390 | 59,612 |
| | Add: Increase / (decrease) in Progress billings made towards contracts-in-progress (net) | 39,399 | 69,289 |
| | At the end of the reporting period (Para 116 (a)) | 51,833 | 51,824 |

(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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

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 2024:

| Particulars | March 2025 | March 2026 | March 2027 | Total |
|------------------|----------------|----------------|---------------|----------------|
| Contract revenue | 184,763 | 101,479 | 21,086 | 307,328 |
| | 184,763 | 101,479 | 21,086 | 307,328 |

The following table includes revenue to be recognised in future related to performance obligations that are unsatisfied (or partially satisfied) as at 31 March 2023

| Particulars | March 2024 | March 2025 | March 2026 | Total |
|------------------|----------------|---------------|---------------|----------------|
| Contract revenue | 145,293 | 70,065 | 10,441 | 225,799 |
| | 145,293 | 70,065 | 10,441 | 225,799 |

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 2022

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Contract price of the revenue recognised | 276,890 | 242,927 |
| Revenue recognised in the Statement of Profit and Loss | 276,890 | 242,927 |

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

54 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

(iii) Relationship with struck off companies

Disclosure related to relationship of the Group with a company which is Struck off under Section 248 of the Companies Act, 2013 or Section 530 of Companies Act, 1956:

| Name | Nature of Transactions | Transaction during the year ended | | Balance outstanding as at | |
|---|------------------------|-----------------------------------|----------------|---------------------------|----------------|
| | | March 31, 2024 | March 31, 2023 | March 31, 2024 | March 31, 2023 |
| Ace Infracon Private Limited | Receivable | (1) | - | - | 1 |
| Alipore Raghu Estates Maintenance Private Limited | Receivable | - | * | - | - |
| Anupam Griha Nirman Pvt. Ltd. | Receivable | * | * | * | * |
| Basudhara Bhoomi-O-Nirman Pvt Ltd | Receivable | - | * | - | - |
| Foresight Engineering Private Limited | Receivable | - | 12 | 12 | - |
| Galaxy Homes Private Limited | Receivable | 2 | (5) | * | 2 |
| Ganga Fortunes & Foundation Pvt Ltd | Receivable | - | (1) | - | - |
| Infosense Technologies Pvt Ltd | Receivable | (1) | * | (1) | * |
| Ishwar Tower Private Limited | Receivable | - | * | - | - |
| Jalalpur City Homes Private Limited | Receivable | (2) | 2 | - | 2 |
| Kare Partners Group India Pvt. Ltd. | Receivable | * | - | * | * |
| Lal Kunal Developers Private Limited | Receivable | 1 | * | * | * |
| Madras Stock Exchange Ltd | Receivable | - | - | - | - |
| M/S. Shipra Builders Private Limited | Receivable | - | - | - | - |
| Mekhal Hospitality Services Private Limited | Receivable | * | * | - | * |
| Nine Builders Private Limited | Receivable | - | - | - | - |
| Paramount Apartments Private Limited | Receivable | * | * | * | * |
| Phoenix Tower Private Limited | Receivable | * | - | - | * |
| Rajdeep Real Estate Private Limited | Receivable | - | * | - | - |
| Rajmahal Motels Private Limited | Receivable | - | 2 | - | - |
| Sudha Associates (P) Limited | Receivable | 8 | (8) | - | (8) |
| Tirupati Homes Private Limited | Receivable | - | - | - | - |
| TSG Fashions Limited | Receivable | - | * | - | - |
| Vivek Estates Pvt Ltd | Receivable | - | * | - | - |
| West Coast Builders Private Limited | Receivable | * | * | * | * |
| Total | | 7 | 2 | 11 | (3) |

*(iv) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2024

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

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Loans or advances to specified persons

No loans or advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person that are repayable on demand or without specifying any terms or period of repayment .

(ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

- 55 The Financial Statements for the year ended March 31, 2024 comprises the Balance Sheet, Statement of profit and loss, Statement of Cashflows and Statement of Changes in Equity of the Holding and Subsidiary Company, which are incorporated in India, under Companies Act, 2013. The Holding Company has maintained the books of accounts and other books and papers in electronic mode, daily backup of which has been maintained on servers physically located outside India.

In terms of our report of even date attached.

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

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

Bhavesh Dhupelia
Partner
Membership No. 042070

Sebi Joseph
Managing Director
DIN 05221403

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252

Rutika Pawar
Company Secretary
Membership No. A17248

Place: Mumbai
Date: August 23, 2024

Place: Mumbai
Date: August 23, 2024

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 | (1,999) |
| 6 | Total assets | 502 |
| 7 | Total Liabilities | 2,232 |
| 8 | Investments | - |
| 9 | Turnover | 955 |
| 10 | (Loss) / Profit before taxation | (95) |
| 11 | Provision for taxation | - |
| 12 | (Loss) / Profit after taxation | (95) |
| 13 | Proposed Dividend | - |
| 14 | % of shareholding | 100 |

Notes:

- Names of subsidiaries which are yet to commence operations : None
- 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

Bharat Nayak
Chief Financial Officer and Director
DIN 01919252
Place: Mumbai

Rutika Pawar
Company Secretary
Membership No. A17248
Place: Mumbai
Date: August 17, 2024