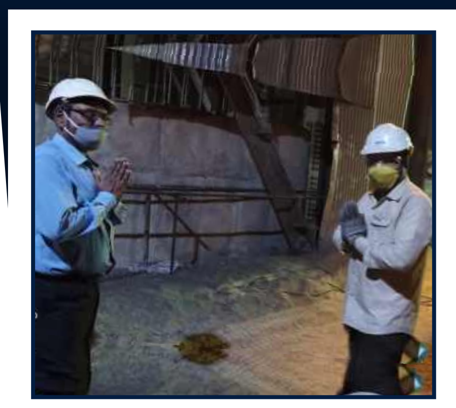
OTIS

ANNUAL REPORT

2019-20

Kudos to Otis India field heroes for the outstanding work amidst pandemic

Tough times don't last, but tough people do! We are celebrating our field heroes who went above & beyond during the COVID-19 outbreak to help the customers in need. Their heroic acts will always be saluted!






CORPORATE INFORMATION

Registered Office & Head Office

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

www.otis.com

Manufacturing Facility

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

National Service Centre

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

Regional Offices

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

Otis Elevator Company (India) Limited
Victoria Park, Level 2,
Block: GN, Plot no. 37/2,
Sector V, Salt Lake,
Kolkata - 700 091

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

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

Bankers

Citibank N. A.

Standard Chartered Bank

Deutsche Bank

HDFC Bank Limited

Canara Bank

Bank of America

State Bank of India

Auditors

M/s. BSR & Co. LLP
Chartered Accountants

Cost Auditors

M/s. Kishore Bhatia & Associates
Cost Accountants

Secretarial Auditors

M/s. JSP Associates
Company Secretary

Registrar & Share Transfer Agents

Link Intime India Pvt Ltd.
C 101, 247 Park, L.B.S Marg,
Vikhroli (West),
Mumbai – 400 083, Maharashtra

Tel.: 91-22-49186270
Fax: 91-22-49186060

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

BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Bharatkumar Nayak

COMPANY SECRETARY

Harish Iyer

AUDIT COMMITTEE

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

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

NOMINATION AND REMUNERATION COMMITTEE

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

STAKEHOLDERS RELATIONSHIP COMMITTEE

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

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **SIXTY SIXTH ANNUAL GENERAL MEETING** of the shareholders of **OTIS ELEVATOR COMPANY (INDIA) LIMITED** will be held on **Wednesday, October 14, 2020, at 11:00 am** through video conferencing/audio visual means at 9th Floor, Magnus Towers, Mindspace, Malad Link Road, Malad (W), Mumbai 400 064, Maharashtra (deemed place of meeting) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:

   a. The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the reports of the Board of Directors and Auditors thereon; and

   b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2020 together with the report of the Auditors thereon.

2. To appoint a Director in place of Mr. Sebi Joseph (DIN: 05221403) Managing Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.

   SPECIAL BUSINESS

3. To reappoint Mr. Sebi Joseph (DIN: 05221403) as a Managing Director, and if thought fit, pass the resolution as Ordinary Resolution.

   "**RESOLVED THAT** pursuant to the provisions of Section 196, 197, 198 & 203 of the Companies Act 2013 ("Act") read with Schedule V and Rules framed thereunder and any other applicable provisions, if any, of the said Act (including any amendment, modification, variation or re-enactment thereof), and Articles of Association of the Company and necessary approvals, if any, as may be required, the approval of the members be and is hereby accorded for the re-appointment of Mr. Sebi Joseph (DIN:05221403) as the Managing Director of the Company for a further period of 3 (three) years with effect from March 16, 2021 to March 15, 2024 upon payment of remuneration per annum, not exceeding 5% (five percent) of the net profits of the Company computed under Section 198 of the Act and as may be permitted under other related provisions, if any, of the Act read with the Rules framed thereunder, from time to time, within the above stated limit, during the aforesaid period on the terms and conditions of his appointment, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their meeting held on September 09, 2020 and in this regard authorize the Board of Directors including the Nomination and Remuneration Committee of the Board to alter and vary the remuneration as it may deem fit and to fix the quantum, composition and periodicity of the remuneration payable to the said Managing Director subject however that the annual remuneration does not exceed the limit approved hereinbefore;

   RESOLVED FURTHER THAT the Company in accordance with its policy will meet all the approved expenses in connection with the duties exercised by Mr. Sebi Joseph (DIN:05221403) in the capacity of a Managing Director and he shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof;

   RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, in the event of loss or inadequacy of profits, the Company will pay remuneration within the limits specified in the Schedule V and any other applicable provisions, if any, of the Act read with the Rules framed thereunder (including any amendment, modification, variation or re-enactment thereof);

   RESOLVED FURTHER THAT the remuneration payable to the Managing Director shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or any such other limits as may be prescribed from time to time;

   RESOLVED FURTHER THAT all other terms and conditions of his employment, including incentive payment, will be governed by his appointment letter already issued to him and the relevant Company policies;

   RESOLVED FURTHER THAT any one Director, Chief Financial Officer and Company Secretary of the Company, be and are hereby severally authorised to take such steps and do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution."

4. To consider and recommend for appointment of Mr.Bharatkumar Sanjiva Nayak (DIN: 01919252) as Whole time Director.

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 & 203 and other applicable provisions of the Companies Act, 2013 ("Act") read with Schedule V and the Rules made thereunder (including any statutory modification or re-enactment thereof) and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the appointment of Mr.Bharatkumar Sanjiva Nayak (DIN: 01919252), as Whole-time Director of the Company for a term of three years with effect from October 14, 2020 to October 14, 2023 and liable to retire by rotation, upon payment of remuneration per annum, not exceeding 5% (five percent) of the net profits of the Company computed under Section 198 of the Act and as may be permitted under other related provisions, if any, of the Act read with the Rules framed thereunder, from time to time, within the above stated limit, during the aforesaid period on the terms and conditions of his appointment, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their meeting held on September 09, 2020 and in this regard authorize the Board of Directors including the Nomination and Remuneration Committee of the Board to alter and vary the remuneration as it may deem fit and to fix the quantum, composition and periodicity of the remuneration payable to Mr.Bharatkumar Sanjiva Nayak (DIN: 01919252) subject however that the annual remuneration does not exceed the limit approved hereinbefore;

NOTICE OF ANNUAL GENERAL MEETING

RESOLVED FURTHER THAT the Company in accordance with its policy will meet all the approved expenses in connection with the duties exercised by Mr.Bharatkumar Sanjiva Nayak (DIN: 01919252), in the capacity of a Whole-time Director and he shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof;

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of his tenure, in the event of loss or inadequacy of profits, the Company will pay remuneration within the limits specified in the Schedule V and any other applicable provisions, if any, of the Act read with the Rules framed thereunder (including any amendment, modification, variation or re-enactment thereof);

RESOLVED FURTHER THAT the remuneration payable to Mr.Bharatkumar Sanjiva Nayak (DIN: 01919252), shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Act or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT Mr. Sebi Joseph, Managing Director (DIN: 05221403) and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution."

5. To re-appoint Ms. Suma P N (DIN: 05350680) as Whole-time Director and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 & 203 and other applicable provisions of the Companies Act, 2013 ("Act") read with Schedule V and the Rules made thereunder (including any statutory modification or re-enactment thereof) and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Ms. Suma Puthan Naduvakkat (DIN: 05350680), as Whole-time Director of the Company for a term of (three) years **with effect from August 16, 2020 to August 15, 2023** and liable to retire by rotation, upon payment of remuneration per annum, not exceeding 5% (five percent) of the net profits of the Company computed under Section 198 of the Act and as may be permitted under other related provisions, if any, of the Act read with the Rules framed thereunder, from time to time, within the above stated limit, during the aforesaid period on the terms and conditions of her appointment, as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their meeting held on September 09, 2020 and in this regard authorize the Board of Directors including the Nomination and Remuneration Committee of the Board to alter and vary the remuneration as it may deem fit and to fix the quantum, composition and periodicity of the remuneration payable to Ms. Suma Puthan Naduvakkat (DIN: 05350680) subject however that the annual remuneration does not exceed the limit approved hereinbefore;

RESOLVED FURTHER THAT the Company in accordance with its policy will meet all the approved expenses in connection with the duties exercised by Ms. Suma Puthan Naduvakkat (DIN: 05350680), in the capacity of a Whole-time Director and she shall not be paid any sitting fees for attending meetings of the Board of Directors or Committees thereof;

RESOLVED FURTHER THAT notwithstanding anything to the contrary herein contained, where in any financial year during the currency of her tenure, in the event of loss or inadequacy of profits, the Company will pay remuneration within the limits specified in the Schedule V and any other applicable provisions, if any, of the Act read with the Rules framed thereunder (including any amendment, modification, variation or re-enactment thereof);

RESOLVED FURTHER THAT the remuneration payable to Ms. Suma Puthan Naduvakkat (DIN: 05350680), shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Act or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT Mr. Sebi Joseph, Managing Director (DIN: 05221403), the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.

6. To modify the terms and conditions of the loan granted to Otis Global Services Centre Private Ltd.

RESOLVED THAT the shareholders of the Company, in the 65th Annual General Meeting of the Company held on 27th September, 2019 had approved a loan pursuant to the provisions of the Section 185 of Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and pursuant to the Memorandum and Articles of Association of the Company to Otis Global Services Center Pvt. Ltd. of aggregate outstanding amount not exceeding INR. 500,000,000/- (Indian Rupees Fifty crores only).

RESOLVED FURTHER THAT the consent of the members be and is hereby accorded to authorize the Board of Directors of the Company to negotiate, amend and modify the terms and conditions of the aforesaid loan granted to Otis Global Services Center Pvt. Ltd.

RESOLVED THAT any one of the Directors of the company authorized to negotiate, amend, modify the terms and conditions of the loan agreement (including terms of repayment of loan and interest) entered into between the Company and OGSC.

RESOLVED FURTHER THAT the Company Secretary or any Director of the Company be and are hereby authorized to take all the necessary steps relating and to make, sign and execute, on and on behalf of the company, such deeds, documents, agreements, undertakings and all such acts, deeds and things as may be necessary to give effect to the aforesaid resolution.

NOTICE OF ANNUAL GENERAL MEETING

7. To ratify remuneration payable to the Cost Auditors for the financial year 2020-21 and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed thereunder as amended from time to time, the remuneration payable to M/s. Kishore Bhatia and Associates (FRN: 00294), Cost Accountants, Mumbai, re-appointed by the Board of Directors of the Company, on the recommendation of the Audit Committee, as Cost auditors to conduct the audit of the cost records of the Company for the financial year 2020-21 of an amount not exceeding INR 3,35,000 (Rupees Three Lakh Thirty Five Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses at actuals, be and is hereby ratified and approved.

   RESOLVED FURTHER THAT Mr. Sebi Joseph, Managing Director (DIN: 05221403), the Chief Financial Officer and the Company Secretary be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.

By Order of the Board of Directors

Harish Iyer
Company Secretary

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

www.otis.com

Place: Mumbai
Date: September 09, 2020

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. **In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as"MCA Circulars") permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC/OAVM.**

2. An explanatory statement pursuant to Section 102 of the Act, relating to special business to be transacted at the AGM, is annexed hereto.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars on AGM through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. The Register of Members and the Share Transfer Books of the Company will remain closed from **Wednesday, October 07, 2020 to Wednesday, October 14, 2020** (both days inclusive).

5. 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 04th October, 2020 through email to harish.iyer@otis.com/rajalakshmi.thevar@otis.com. The same will be replied by the Company suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirement.

6. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to jatin@jsp-associates.com with a copy marked to helpdesk.evoting@cdslindia.com.

7. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA. Members may note that the notice and Annual Report will also be available on the Company's website.

8. 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 49186270 Fax: +91 22 49186060 Email Id: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in.

   Further Members are requested to:

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

   ii. Members holding shares in physical form are requested to intimate the following directly to the Company's RTA:
      a. Changes, if any, in their address with pin code numbers.
      b. Quote their ledger folio no. in all their correspondence.
      c. Request for nomination forms for making nominations.

9. The amount outstanding in unpaid dividend account in respect of financial year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018, March 31, 2019 will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government after the end of seven years from the respective date of transfer of the same to the Company's unpaid dividend account. The shareholders are advised to send all the un-encashed demand drafts/dividend warrants pertaining to the above years to our RTA for revalidation or issuance of fresh demand drafts/dividend warrants.

10. In terms of Section 152 of the Act, Mr. Sebi Joseph (DIN: 05221403), retires by rotation at this Meeting and being eligible, offers himself for re-appointment. The Board of Directors of the Company recommends his re-appointment.

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

12. Since the AGM will be held through VC/OAVM, the route map to the venue is not annexed to this Notice.

13. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services Limited.

14. **Voting Options**

    REMOTE E-VOTING THROUGH ELECTRONIC MEANS

    1) The instructions for shareholders for remote e-voting are as under

    (I) The remote e-voting period begins on 11th October, 2020 at 09.00 a.m and ends on 13th October, 2020 at 05.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the "cut-off date" i.e. 07th October, 2020 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.

NOTICE OF ANNUAL GENERAL MEETING

(ii) Shareholders who have already voted prior to the Meeting would not be entitled to vote at the Meeting.

(iii) Shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on "Shareholders" module.

(v) Enter their User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Shareholders holding shares in physical form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(vi) Next enter the Image Verification as displayed and click on "Login".

(vii) Shareholders holding shares in dematerialised form and having used www.evotingindia.com earlier and having voted on an earlier e-voting of any company, may use their existing password.

(viii) If you are a first time user follow the steps given below:

(ix) After entering these details appropriately, click on "SUBMIT" tab.

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • 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. • 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 as mentioned in instruction (v).

(x) 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 shareholders 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.

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

(xii) Click on the EVSN for Otis Elevator Company (I) Ltd.

(xiii) On the voting page, shareholders will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Shareholders can select the option YES or NO as desired. The option YES implies that they assent to a Resolution and option NO implies that they dissent from a Resolution.

(xiv) Shareholders should click on the "RESOLUTIONS FILE LINK" if they wish to view the entire Resolution details.

(xv) After selecting the Resolution they have decided to vote on, they should click on "SUBMIT". A confirmation box will be displayed. If they wish to confirm their vote, click on "OK", else to change their Vote, click on "CANCEL" and they can accordingly modify their vote.

(xvi) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.

(xvii) They can also print details of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account shareholder has forgotten the login password then enter the User ID and the image verification code and click on "Forgot Password" and enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from the internet. Please follow the instructions as prompted by the mobile app while remote e-voting from your mobile.

2) Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for remote e-voting for the resolutions proposed in this Notice

(I) For shareholders holding shares in physical form - 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's email ID at harish.iyer@otis.com/rajalakshmi.thevar@otis.com or rnt.helpdesk@linkintime.co.in respectively.

NOTICE OF ANNUAL GENERAL MEETING

(ii) For shareholders holding shares in dematerialised form - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name of shareholder, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA's email ID at harish.iyer@otis.com/rajalakshmi.thevar@otis.com or rnt.helpdesk@linkintime.co.in respectively.

iii) The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the aforesaid shareholders.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM

1. Facility of joining the AGM through VC/OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.

2. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-Voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

3. Shareholders are encouraged to join the Meeting through Laptops/iPads for better experience.

4. Further shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the Meeting.

5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to minimise/mitigate any kind of aforesaid glitches.

6. 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 between **September 24, 2020 to October 04, 2020** mentioning their name, demat account number/folio number, email ID, mobile number at harish.iyer@otis.com/rajalakshmi.thevar@otis.com

7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.

8. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

9. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, 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 on 022-23058542/43.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE MEETING

1. Procedure for e-Voting on the day of the AGM is same as the Remote e-Voting as mentioned above.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are not otherwise barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any votes are cast by 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 shall be considered invalid as the facility of e-Voting during the Meeting is available only to the shareholders attending the Meeting.

4. Shareholders who have voted through Remote e-Voting facility will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

INSTRUCTIONS FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

I. 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.

II. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

III. 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.

IV. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

V. 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.

NOTICE OF ANNUAL GENERAL MEETING

VI. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc., to the Scrutinizer and to the Company at the email address viz harish.iyer@otis.com/rajalakshmi.thevar@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.

15. OTHER INSTRUCTIONS

I. Shareholders can update their mobile numbers and e-mail IDs which may be used for sending future communication(s) by writing to rnt.helpdesk@linkintime.co.in.

II. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. October 07th, 2020 may obtain the login ID and password by sending an email to harish.iyer@otis.com/rajalakshmi.thevar@otis.com or rnt.helpdesk@linkintime.co.in or helpdesk.evoting@cdslindia.com by mentioning their Folio No./DP ID and Client ID No.

III. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date only shall be entitled to avail the facility of remote e-Voting or voting at the Meeting.

IV. The Company has appointed Mr. Jatin Popat, proprietor of M/s. JSP Associates, Practicing Company Secretary, Mumbai as Scrutinizers for conducting the remote e-Voting and physical voting at the AGM in a fair and transparent manner.

V. 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 Scrutinizer's report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

VI. The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's report shall be placed on the Company's website www.otis.com and on the web site of CDSL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company.

Annexure to the Notice

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

Item No. 3

Mr. Sebi Joseph (DIN: 05221403) leads the core team that drives the growth and performance at Otis India and has contributed significantly to the transformation of the Company in the past 5 years.

Mr. Joseph joined the Board of the Company as Additional and Whole-time Director with effect from March 07, 2012. He was appointed as Managing Director with effect from March 16, 2012 for a tenure of three years till March 15, 2015 and was further re-appointed as Managing Director from March 16, 2015 till March 15, 2018 and was further re-appointed as Managing Director from March 16, 2018 till March 15, 2021 vide 63rd AGM dated 22nd September, 2017.

As part of the initiative to create enduring guidance for the Company the Board of Directors of the Company has approved re-appointment of Mr. Joseph for a further period of three years with effect from March 16, 2021 till March 15, 2024 in its meeting held on September 09, 2020, on the recommendation of the Nomination & Remuneration Committee.

Mr. Joseph holds a Bachelor's Degree in Mechanical Engineering and Master's Degree in Business Administration. He is the Chairman of IEEMA (Indian Electrical & Electronics Manufacturers' Association)- Elevator & Escalator Division and has overall 30 years of valuable experience. He is also director on the Boards of: Supriya Elevator Company (India) Limited (Wholly Owned Subsidiary of the Company) and Elevators (Private) Limited (Sri Lanka).

He has attended five Meetings of the Board held during the financial year 2019-20. He holds the membership of the following Committees of the Board:

Sr. No.	Name of the Company	Name of the Committee
1.	Otis Elevator Co. (India) Ltd.	Corporate Social Responsibility Committee Audit Committee Stakeholders Relationship Committee Nomination and Remuneration Committee-Member

Mr. Sebi Joseph does not hold any shares in the Company and is not related with any other Director or Key Managerial Personnel of the Company. Remuneration last drawn by him for the financial year 2019-20 was INR 75,007,727. The re-appointment will be on the existing terms and conditions of his employment with the Company and remuneration shall be as set out in the resolution.

The Board considered the various aspects relating thereto including experience, future business prospectus, effect of

NOTICE OF ANNUAL GENERAL MEETING

reappointment in the effective management of the affairs of the Company etc. and such re-appointment is in accordance with the provisions of the Companies Act, 2013 read with Schedule V and the Rules framed thereunder as amended 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 re-appointment and remuneration of Mr. Sebi Joseph (DIN 05221403) as the Managing Director of the Company

Accordingly, consent of the members is sought for passing a Special Resolution set out at item no. 3 of the Notice.

Interest of Directors:

Except Mr. Sebi Joseph, none of the Promoter, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

Item No. 4

Mr. Bharatkumar Sanjiva Nayak - Chief Financial Officer (DIN: 01919252) of the Company, had been appointed as an additional director by the Board in its meeting held on October 22nd, 2019. Now, it is proposed to appoint Mr. Bharatkumar Sanjiva Nayak as a whole-time director for a term of three (3) years, subject to the approval of the members of the Company and in accordance with the provisions of the Companies Act 2013 read with the Rules framed there under as amended.

The Nomination & Remuneration Committee to consider and recommend to the Board, the appointment of Mr. Bharatkumar Sanjiva Nayak (DIN: 01919252) as the Whole-time Director of the Company, for a period of three (3) years effective from October 14, 2020 to October 14, 2023, subject to the approval of the members of the Company.

Accordingly, consent of the members is sought for passing a Special Resolution set out at item no. 4 of the Notice.

Interest of Directors:

Except Mr. BharatKumar Sanjiva Nayak, none of the Promoter, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

Item No.5

Ms. Suma Puthan Naduvakkat (DIN: 05350680), (aged 48 years) was appointed as an Whole time Director by the Board of Directors in its meeting held on August 16, 2017 and appointed as Director in the 63rd Annual General Meeting held on September 22, 2017.

The Board of Director has approved her appointment as Wholetime Director in its meeting held on September 09, 2020 for a period of three years with effect from September 09, 2020 to September 09, 2023 on the recommendation of the Nomination & Remuneration Committee (“NRC”).

Ms. Suma holds a Post Graduate Diploma in Personnel Management from St. Josephs College and she is an MBA from Indira Gandhi National Open University. She also completed a two year Management Program (MTP). Ms. Suma brings in over 28 years of valuable experience.

She is not holding any Directorships, Memberships / Chairmanship of Committees of any other Company. She has attended all the five (5) Meetings of the Board held during the financial year 2019-20 and holds the membership of the following Committees of the Board :

Sr. No.	Name of the Company	Name of the Committee
1.	Otis Elevator Co. (India) Ltd.	Corporate Social Responsibility Committee
2.	Otis Elevator Co. (India) Ltd.	Stakeholders Relationship Committee

Ms. Suma P N does not hold any shares in the Company and is not related to any other Director or Key Managerial Personnel of the Company. Remuneration drawn by her for the financial year 2019-20 was INR 17,527,294. The appointment including the remuneration is on the existing terms and conditions of her employment with the Company. The NRC while recommending her appointment as Whole-time Director, considered the various aspects relating thereto including experience, future business prospectus etc. She has also given her consent to act as Whole-time Director of the Company. Her appointment as the whole-time director is in accordance with the provisions of the Companies Act, 2013 read with Schedule V and the Rules framed thereunder as amended 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 Ms. Suma Puthan Naduvakkat (DIN: 05350680), as the whole-time Director of the Company.The Board recommends the Ordinary Resolution as set out at item no. 5 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.

Except Ms.Suma Puthan, none of the Promoter, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

Item No. 6

The members of the Company approved financial assistance by way of loan to other group entities (i.e. Otis Global Services Center Private Limited) upto an aggregate sum of INR. 500,000,000/- (Indian Rupees Fifty crores only) in the Annual General Meeting held on 27th September, 2019 as per the agreed terms and conditions between the Company and OGSC.

The Company is desirous to modify the terms and conditions of the loan agreement entered into between the Company and OGSC.

The below mentioned are the key terms and conditions of the amount of the Loan and the purpose:

NOTICE OF ANNUAL GENERAL MEETING

S. No.	Full Particulars of the Loan Given	Purpose for which the Loan is proposed to be utilized by the borrowing company.
1	INR 500MN @11.25% Interest at arms' length basis	General Business purposes and working capital.
2	Terms of repayment of Principal Amount	As per mutual agreement between both parties
3	Terms of repayment of Interest Amount	Within 30 days from the end of each financial year

Your Directors recommend the resolution set out at Item no. 6 to be passed as a special resolution by the members.

Interest of Directors:

Except Mr. Sebi Joseph (being a Director in Otis Global Services Center Pvt. Ltd.), none of the Promoter, Directors, Key Managerial Personnel of the Company and their relatives are deemed to be concerned or interested financially or otherwise in the said resolution.

Item No. 7

The Board of Directors, on the recommendation of the Audit Committee, has approved the re-appointment of M/s. Kishore Bhatia & Associates as the Cost Auditors to conduct the audit of the cost records of the Company, if applicable, for the financial year ending March 31, 2021 at a remuneration not exceeding INR 3,35,000 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 Auditors 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. 7 of the Notice.

Interest of Directors:

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

By Order of the Board of Directors

Harish Iyer
Company Secretary

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

www.otis.com

Place: Mumbai
Date: September 09, 2020

DIRECTORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Your Directors have pleasure in presenting the Sixty Sixth Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the Financial Year ended March 31, 2020.

FINANCIAL HIGHLIGHTS:

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

(Rs. in millions)

	Standalone		Consolidated	
	2019-20	2018-19	2019-20	2018-19
Revenue from operation	17,609	16,978	17,673	17,068
Other Income	543	869	542	848
Total Income	**18,152**	**17,847**	**18,215**	**17,916**
Profit before tax	2,831	2,594	2,866	2,592
Provision for Tax	1,023	861	1,042	869
Net Profit after tax	**1,808**	**1,733**	**1,824**	**1,723**
Surplus brought forward	1,861	5,826	1,796	5,772
Profit after tax available for appropriation	**3,669**	**7,559**	**3,620**	**7,495**
Items of Other Comprehensive Income	(18)	(8)	(17)	(7)
Ind AS 115 impact (net of tax)	-	3	-	3
Appropriation:				
Interim & Proposed Dividend	1,240	4,723	1,240	4,723
Dividend Distribution tax	255	971	255	971
Transaction with Non-controlling Interest	-	-		
Surplus carried forward	**2,156**	**1,861**	**2,108**	**1,796**

DIVIDEND

Your Company paid interim dividend of 1050%, being INR 105 per equity share of INR 10 each fully paid up in October 2019 for the financial year 2019-20. 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 Wednesday, October 07, 2020 to Wednesday, October 14, 2020 (both days inclusive) for the purpose of Annual General Meeting.

TRANSFER TO RESERVE

During the year under review, an amount of Rs. 2,156 million is proposed to be carried forward to the Profit & Loss Account and no amount was transferred to General Reserve.

REVIEW OF OPERATIONS

FINANCIALS

On Standalone basis, Sales from operations for FY 2019-20 at Rs. 17,609 million, was higher by 631 million over last year (Rs. 16,978 million in FY 2018-19) reflecting increase of 3.72%. Service business has shown good revenue growth. Profit after tax ("PAT") for the year was Rs. 1,808 million registering an increase of 4.32 % over the PAT of Rs.1,733 million in FY 2018-19, driven by reduction in cost of material consumed.

On Consolidated basis, Sales from operations for FY 2019-20 at Rs. 17,673 million was higher by 3.54% over last year (Rs. 17,068 million in FY 2018-19). Profit after tax ("PAT") for the year was Rs. 1,824 million recording an increase of 5.86% over the PAT of Rs. 1,723 million of FY 2018-19.

BUSINESS

For the fiscal 2019-20, GDP growth registered will contract by 5. India continues to remain one of the fastest growing economy in the world.

While the real estate industry was showing signs of stability since the implementation of the RERA and GST, the current crisis of covid-19 has made significant impact for the industry.

We are proud to share that since the commencement of lockdown, Otis Field Experts are part of the frontline workers in this war on COVID 19 across India. Otis Customer Care helplines are open 24*7 and our field experts are attending emergency breakdowns across India in hospitals, isolation wards and residences every day and are involved in the noble act of keeping the essential services in working condition and in maintaining the social wellbeing of our customers.

To facilitate our customer's fight against COVID – 19, Otis India has launched e-Call system (elevator call system through mobile App), Air purification fan in the elevator car, Escalator handrail sanitizers etc.

Otis has also taken adequate steps toward digitalization for business continuity during this crisis.

As you are aware, your Company's revenue accrues from three major business segments-New Equipment sales, Service and Modernisation:

NEW EQUIPMENT SALES

Your company has been improving share in the segment and will continue the journey to grow our share further. The product portfolio and the sales footprint has been enhanced. Your Company intends to continue to invest further expand the product portfolio and the foot-print to enhance turnkey execution and service capabilities. The Gen2 range has been consistent in performance and has captured significant share in its segment. This has helped in the overall share growth. In continuation, your company is further strengthening the Gen2 family. Otis India has launched a new products Gen2 Stream recently. We are also working for more products releases in months to come. Your company will continue to leverage its access to world class technologies and processes.

SERVICE

Your Company continues to be the largest Company in terms of service portfolio and revenue, in India. Today, we have a network of 97 service centres spread across India, serving more than 300 cities and towns. 24/7 call centre and extensive service network ensures speedy and efficient response to customers. Your Company has registered healthy growth in Service revenue in the year under review. To stay ahead of competition and retain our leadership position, Your Company is investing heavily in digitalization, technology, manpower and skill development.

DIRECTORS' REPORT

MODERNISATION (MOD)

With new MOD products and increase in the sales coverage your Company has registered growth in modernisation revenues in the year under review. To accelerate the growth further, we are working to launch new up-grade packages for enriching out Service portfolio. Your company is also expanding the foot-print to make best use of our increasing product offerings.

CURRENT OUTLOOK:

Otis India has been progressing well in their effort to localize their global products at their state of art manufacturing facility in Bengaluru. There are a number of products that are being planned to be launched both in the short term and long term. Our launches during the last 5 years for products in Gen2 family will continue to bear traction in years to come. We had a recent launch of Gen2 Stream for the commercial segment. The new product has seen good customer acceptance with some significant early wins.

On the Modernization front, the new products of Manual to Auto and Gen2 Mod will facilitate the growth in the modernization business.

Our new aesthetics packages have seen good acceptance by customers and facilitating growth.

India remains to be the second largest elevator-escalator market in the world after China, expected to grow at a healthy rate 5-6% for the next 5 years. The Company management is closely monitoring and reviewing these changes to suitably modify its business strategy in accordance with the changing market environment. The Company continues to promote green products which will have a positive environmental impact. Your Company is confident of forging ahead without compromising on its core values, while sustaining its brand-value with its customers.

SAFETY

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

CERTIFICATION

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

CONSOLIDATED FINANCIAL STATEMENTS

The Annual Consolidated Financial Statements together with the Report of the Auditors' thereon forms part of this Annual Report.

REVIEW OF SUBSIDIARIES

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

A Statement containing salient features of the Financial Statements of the Subsidiaries Companies 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 FDI conditionality's under Foreign Exchange Management Act, 1999 for downstream investment by the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

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

I. In the preparation of the annual accounts for the year ended March 31, 2020, 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, 2020 and of the profit and loss of the Company for the year ended March 31, 2020;
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 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 U/S 186

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

FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 as amended from time to time and as such, no amount on account of principal 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 developed a Risk Management Policy. Risks are classified in different categories such as Business and Compliance related

DIRECTORS' REPORT

risks. These risks are reviewed on a periodic basis and controls are put in place and mitigation planned with identified process owners and defined timelines.

DIRECTORS

Mr.Sebi Joseph retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

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

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

REMUNERATION POLICY

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

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act and rules framed thereunder as amended, has been disclosed on the Company's website at http://www.otis.com/site/in/pages/Investor_Relations.aspx?menuID=6

NUMBER OF MEETINGS OF THE BOARD

The Board met five times during the Financial Year 2019-20 on July 22, 2019, August 21, 2019, October 22, 2019, February 19, 2020 and March 19, 2020. The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceeded 120 days.

Details of attendance of directors at the Board Meetings and Annual General Meeting (AGM) during the financial year 2019-20 are provided below:

Name	Designation	Number of Board Meetings attended	Whether attended last AGM held on September 27, 2019
Mr. Sebi Joseph	Managing Director	5	Yes
^Mr. P S Dasgupta	Non-Executive Independent Director	2	Yes
Ms. Suma P N	Director	5	No
*Mr. Nirmal Kumar Mohanty	Director	3	Yes
#Mr. Anil Vaish	Non- Executive Independent Director	5	Yes
#Mr. Bharatkumar Sanjiva Nayak	Additional Director	2	No

^Mr. P S Dasgupta did not attend the Board meetings held on August 21, 2019, February 19, 2020 and March 19, 2020.

*Mr. Nirmal Kumar Mohanty resigned from the board in the meeting held on October 22, 2019.

#Mr. Bharatkumar Sanjiva Nayak has been appointed in the meeting held on October 22, 2019 as an additional director.

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. All the recommendations made by the Audit Committee were accepted by the Board.

The members of the Audit Committee are as under:

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

AUDITORS

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

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

The Members of the Company are requested to take note of the aforesaid amendment and its implication

The Auditors' Report for the financial year 2019-20 does not contain any qualifications, reservations or adverse remarks. An amount of Rs. 118,082,220 pertains to final dividend declared during the year 2011-2012 and transferred to separate account on November 18, 2012, as per the section-124(1). The unpaid amount was due to be transferred to Investor Education and Protection Fund on November 18, 2019. Rs. 433,510 has been transferred / deposited to the Investor Education and Protection Fund on August 13, 2020 and Rs. 180 has been paid to the shareholder on August 17, 2020. This has been done considering the general circular no. 12/2020 dated 30.03.2020The Company has filed eForm IEPF-1 for transfer of Unpaid Dividend under General Circular No. 12/2020 dated 30.03.2020 issued by Ministry of Corporate Affairs.

COST AUDITORS

The Board of Directors at its Meeting held on 9th September, 2020, based on the recommendation of the Audit Committee, re-appointed, M/s. Kishore Bhatia & Associates, (FRN: 00294) Cost Accountants, Mumbai as the Cost Auditor of the Company for undertaking cost audit of the Cost Accounting Records to be maintained by the Company for the financial year 2020-21 at a

DIRECTORS' REPORT

remuneration not exceeding INR 3,35,000(Rupees Three Lakh Thirty Five Thousand) plus applicable taxes and out-of pocket expenses at actuals. The said Auditors have given their eligibility certificate for appointment as Cost Auditors. The remuneration payable to the said Cost Auditors needs to be ratified by members at the ensuing 66th Annual General Meeting. The Cost Audit Report for the financial year 2018-19, was filed with the Ministry of Corporate Affairs on September 04, 2020.

SECRETARIAL AUDITOR

Pursuant to the provision of Section 204 of Companies Act, 2013 read with the Rules framed there under, the Board has appointed M/s. JSP Associates, Company Secretaries in Practice (having Firm Registration Number S2004MH073200), to undertake Secretarial Audit of the Company for the Financial Year 2020-21. There are no qualifications in the Secretarial Audit Report. Report of the secretarial auditor is annexed as **Annexure-A** which forms part of this report.

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

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

PARTICULARS OF EMPLOYEES

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

EXTRACT OF ANNUAL RETURN

The Extract of the Annual Return in Form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 and Rules made thereunder as amended is annexed as **Annexure-D** to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has been supporting charitable and social causes in the communities, where it does business. The CSR Committee of the Board of Directors of the Company consists of Mr. Sebi Joseph - Chairman of the CSR Committee, Mr. P S Dasgupta - Independent Director and Ms. Suma P – Director.

The present CSR initiatives focus is on promoting education a 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-E** to this Report.

During the year under review, the Company has spent 2% of the average profits, for the last three financial years as stipulated in the Companies Act, 2013 read with the Rules framed thereunder, as amended.

RELATED PARTY TRANSACTIONS

All the Related Party Transactions that were entered into during the financial year under review were in ordinary course of business and on arm's length basis. The Audit Committee has given its approval for the Related Party Transactions. The material transactions on arm's length basis are furnished in the prescribed Form- AOC 2 is annexed to this Report as **Annexure-F.**

INTERNAL FINANCIAL CONTROLS

The Company has an adequate internal financial control with reference to the Financial Statements operating effectively for ensuring the accuracy and completeness of the accounting records.

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 Policy in line with the 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. The Policy has set guidelines on the redressal and enquiry process that is to be followed by complainants and the ICC, whilst dealing with issues related to sexual harassment at the work place. All employees (permanent, contractual, temporary, trainees), third parties who deal with our Company are covered under this Policy and awareness sessions are being conducted across locations at periodic intervals. The Company had received nil complaints during the year.

ACKNOWLEDGEMENTS:

Your Directors acknowledge the support and wise counsel extended to the Company by analysts, bankers, government agencies, members, investors, suppliers, distributors and others associated with the Company as its business partners for their continued and unstinted support.

For and on behalf of the Board of Directors

Sebi Joseph
Managing Director
DIN 05221403

Bharat Nayak
Chief Financial Officer and
Additional Director
DIN 01919252

Place: Mumbai
Date: September 09, 2020

ANNEXURE A TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members
Otis Elevator Company (India) Limited
9th Floor, Magnus Towers,
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, 2020 (the 'audit period'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed subject to my remarks herein below and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions of:

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

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

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

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

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

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India related to meetings and minutes.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Standards mentioned above with the Registrar of Companies within the stipulated period provided under the Act, except in case of filing of forms related to Investor and Education Protection Fund (IEPF). However, the Company has filled the forms related to IEPF under the Company Fresh Start Scheme 2020 introduced by the Ministry of Corporate Affairs vide Curcular No. 12/2020 dated 30th March, 2020.

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

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

I further report that -

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

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

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

I further report that -

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

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

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

Jatin Popat
Proprietor
FCS 4047/ CP No. 6880

Place: Mumbai
Date: September 07, 2020

ANNEXURE A TO THE DIRECTORS' REPORT

Annexure I to the Secretarial Audit Report for the financial year ended 31st March, 2020

To,
The Members
Otis Elevator Company (India) Limited
9th Floor, Magnus Towers,
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. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.

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

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

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

Jatin Popat
Proprietor
FCS 4047/ CP No. 6880

Place: Mumbai
Date: September 07, 2020

ANNEXURE B TO THE DIRECTORS' 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, 2020.

(A) Conservation of energy -

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

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

a) In the factory shop floor, high wattage MV lamps were replaced with LED light fixtures thus saving more than 50% of energy used for lighting.

b) Shut it off program practiced for office air-conditioning & lighting to optimize energy usage.

c) Energy conservation awareness in factory and offices by constant communication and involvement of employees.

d) Promotion of energy saving components in elevators and while erecting the same.

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

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

(B) Technology absorption -

(I) The efforts made towards technology absorption:

Research & Development (R&D)

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

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

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

a) Improvement of overall performance, reliability, service, maintenance and safety of existing products.

b) Cost reduction primarily by the efficient use of indigenous raw materials, & local eco-system and extensive value analysis/value engineering.

c) Continuous optimization exercises to improve products and reduce costs, thereby maintaining market competitiveness.

d) Finding innovative products and technologies which are energy and environment friendly.

e) Improvement in installation method for elevator and improvement of maintenance practice of elevator.

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

(a) The details of technology imported;

(b) The year of import;

(c) Whether the technology been fully absorbed;

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

(iv) The expenditure incurred on Research and Development: Revenue expenditure of Rs. 16,28,65,485 & Capital expenditure Rs. 18,33,394

(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

Place: Mumbai
Date: September 09, 2020

Sebi Joseph
Managing Director
DIN 05221403

Bharat Nayak
Chief Financial Officer
and Additional Director
DIN 01919252

ANNEXURE C TO THE DIRECTORS' REPORT

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

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

Name	Designation	Remuneration (in INR)	Date of commencement of employment	Age (years)	Qualification	Experience in years	Last Employment	Designation In Last Employment
Dheeraj Vohra	Sr. Director - Operations & FOD	36,102,598	1st April 2012	50	MBA, BE (Production)	28	UTC India Pvt Ltd	Director - Operations
Wilfred Stephen Dsouza	Director - West Region	12,479,872	9th November 1987	54	BBA, Diploma in Electrical Engg	33	-	-
Sebi Joseph	President Otis India	75,007,727	1st March 2012	58	MBA, BE (Mech)	33	Otis SEMA UAE	Area Director - Gulf Region
Suma P N	Director - Human Resources	17,527,294	5th August 2013	51	MBA, PG in personnel Mgmt & IR	31	UTC India Pvt Ltd	Director - HR
Bharatkumar Sanjiva Nayak	Director - Finance	18,469,010	5th October 2017	57	CA	35	Otis Singapore	Director - Finance
Sridhar Rajagopal	Director, Sales, Marketing,Strategy & Business Development, Otis India	27,774,635	16th May 2011	49	PhD (Business Strategy), MSc. (Tech)	22	Armstrong World Industries India Limited	Executive Director and Business Head (Flooring)
Alok Mahajan	Director - North Region	15,797,051	2nd January 2013	50	BE (Electrical)	31	Otis Malaysia	MD - Malaysia

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

Name	Designation	Remuneration (in INR)	Date of commencement of employment with us	Age (years)	Qualification	Experience in years	Name of the Company with which last employed & designation	Designation In Last Employment
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Notes:

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

For and on behalf of the Board of Directors

Sebi Joseph Managing Director DIN 05221403	**Bharat Nayak** Chief Financial Officer and Additional Director DIN 01919252

Place: Mumbai
Date: September 09, 2020

ANNEXURE D TO THE DIRECTORS' REPORT

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2020.

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

I	**REGISTRATION & OTHER DETAILS:**	
i	CIN	U29150MH1953PLC009158
ii	Registration Date	October 30, 1953
iii	Name of the Company	OTIS ELEVATOR COMPANY (INDIA) LIMITED
iv	Category of the Company	PUBLIC COMPANY
v	**Address of the Registered office & contact details**	
	Address:	9th FLOOR, MAGNUS TOWERS, MINDSPACE, LINK ROAD, MALAD WEST
	Town/City:	MUMBAI - 400 064
	State:	MAHARASHTRA
	Country Name:	INDIA
	Telephone (with STD Code):	022-28449700
	Fax Number:	022-28449791
	Email Address:	harish.iyer@otis.com
	Website, if any:	www.otis.com
vi	Whether listed company	NO
vii	**Name and Address of Registrar & Transfer Agents (RTA):-**	
	Name of RTA:	LINK INTIME INDIA PRIVATE LIMITED
	Address:	C - 101, 247 PARK, L.B.S. MARG, VIKHROLI (WEST)
	Town/City:	MUMBAI
	State:	MAHARASHTRA
	Pin Code:	400083
	Telephone:	022-49186270
	Fax Number:	022-49106060
	Email Address:	rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture and Maintenance of Elevator/Lifts	2915*	100

* Source: As per NIC-2004 available on site of Ministry of Corporate Affairs

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

No. of Companies for which information is being filled	2

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN/UEN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Supriya Elevator Company (India) Limited	U29150TN2008PLC068160	Subsidiary	100.00	2(87)
2	Otis International Asia Pacific Pte. Ltd.	201206739G	Holding	98.24	2(46)

ANNEXURE D TO THE DIRECTORS' REPORT

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2020.

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter's	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(1) Indian									
a) Individual / HUF	0	0	0	0%	0	0	0	0%	0%
b) Central Govt	0	0	0	0%	0	0	0	0%	0%
c) State Govt(s)	0	0	0	0%	0	0	0	0%	0%
d) Bodies Corp.	0	0	0	0%	0	0	0	0%	0%
e) Banks / FI	0	0	0	0%	0	0	0	0%	0%
f) Any other	0	0	0	0%	0	0	0	0%	0%
Sub-Total (A) (1)	0	0	0	0%	0	0	0	0%	0%
(2) Foreign									
a) NRI - Individual	0	0	0	0%	0	0	0	0%	0%
b) Other - Individual	0	0	0	0%	0	0	0	0%	0%
c) Bodies Corp.	11599819	0	11599819	98.24%	11599819	0	11599819	98.24%	0%
d) Banks / FI	0	0	0	0%	0	0	0	0%	0%
e) Any Others	0	0	0	0%	0	0	0	0%	0%
Sub-Total (A) (2)	**11599819**	**0**	**11599819**	**98.24%**	**11599819**	**0**	**11599819**	**98.24%**	**0%**
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	11599819	0	11599819	98.24%	11599819	0	11599819	98.24%	0%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	25	0	25	0.00%	25	0	25	0.00%	0%
b) Banks / FI	164	963	1127	0.01%	0	963	963	0.01%	0%
c) Central Govt	0	0	0	0.00%	0	0	0	0.00%	0%
d) State Govt(s)	0	0	0	0.00%	0	0	0	0.00%	0%
e) Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0%
f) Insurance Companies	0	0	0	0.00%	50	0	50	0.00%	0%
g) FIIs	0	0	0	0.00%	0	0	0	0.00%	0%
h) Foreign Venture Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0%
I) Others (Trust Employees)	0	0	0	0.00%	40	0	40	0.00%	0%
Sub-total (B) (1):-	**189**	**963**	**1152**	**0.01%**	**115**	**963**	**1078**	**0.01%**	**0%**
3. Non-Institutions									
a) Bodies Corp.									
i) Indian	5511	0	5511	0.05%	2217	0	2217	0.05%	-0.01%
ii) Overseas	0	0	0	0%	0	0	0	0.00%	0%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	118151	79283	197434	1.67%	101662	72298	173960	1.67%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	0	0	0	0%	0	26977	26977	0.00%	0%
c) Others (specify)									
Non Resident Individuals	3861	445	4306	0.04%	3726	445	4171	0.04%	-0.02%
Non Domestic Company	0	0	0	0.00%	0	0	0	0.00%	0
Sub-total (B) (2):-	**127523**	**79728**	**207251**	**1.75%**	**107605**	**99720**	**207325**	**1.75%**	**0%**

ANNEXURE D TO THE DIRECTORS' REPORT

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2020.

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

Category of Shareholders	No. of Shares held at the beginning of the year (as on April 1, 2019)				No. of Shares held at the end of the year (as on March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding(B) =(B)(1)+(B)(2)	**127712**	**80691**	**208403**	**1.76%**	**107720**	**100683**	**208403**	**1.76%**	**0%**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0%	0	0	0	0.00%	0
Grand Total (A+B+C)	**11727531**	**80691**	**11808222**	**100%**	**11707539**	**100683**	**11808222**	**100%**	**0%**

ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	Otis International Asia Pacific Pte. Ltd.	11599819	98.24%	0.00%	11599819	98.24%	0.00%	N.A.
	TOTAL	11599819	98.24%	0.00%	11599819	98.24%	0.00%	N.A.

iii Change in Promoters' Shareholding: Not Applicable since there was no change during the year

Sl. No. I - Mr.________________________		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year		-	-	-	-
Changes during the year					
Increase					
Date	**Reason for Increase**				
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Decrease					
Date	**Reason for Decrease**				
-	-	-	-	-	-
-	-	-	-	-	-
At the End of the year		-	-	-	-

ANNEXURE D TO THE DIRECTORS' REPORT

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2020.

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2019		Change in Shareholding (Number of Shares)		Shareholding at the end of the year	
		No. of Shares Held	% of Total Shares of The Company	Increase	Decrease	No. of Shares Held	% of Total Shares of The Company
1	Vinod Dadlani	6570	0.06%	-	-	6570	0.06%
2	Sanjivnath P J	2988	0.03%	-	-	2988	0.03%
3	Ashok Dass	2390	0.02%	-	-	2390	0.02%
4	Nariman Hormusji Daroowala	2158	0.02%	-	-	2158	0.02%
5	Gaurang Navinchandra Shah	1950	0.02%	-	-	1950	0.02%
6	Yunus Zia	2300	0.02%	-	-	2300	0.02%
7	Mohammad Junaid Farooq	2200	0.02%	-	-	2200	0.02%
8	Anjana Vasant Jhaveri	2086	0.02%	-	-	2086	0.02%
9	Zainuddin Hatim Popat	2030	0.02%	-	-	2030	0.02%
10	Taral Harshad Kumar Patel	0	0.00%	2014	-	2014	0.02%

* The details of holding has been clubbed based on PAN.

\# % of total Shares of the Company is based on the paid up Capital of the Company at the end of the Year.

v Shareholding of Directors and Key Managerial Personnel: NIL

Sl. No. I - Mr.________________________		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year		-	-	-	-
Changes during the year					
Increase					
Date	**Reason for Increase**				
- - - -	- - - -	- - - -	- - - -	- - - -	- - - -
Decrease					
Date	**Reason for Decrease**				
-	-	-	-	-	-
-	-	-	-	-	-
At the End of the year		-	-	-	-

ANNEXURE D TO THE DIRECTORS' REPORT

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2020.

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accured but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
* Addition	0	0	0	0
* Reduction	0	0	0	0
Net Change	0	0	0	0
Change in Indebtedness during the financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtness**
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accured but not due	0	0	0	0
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Sebi Joseph Managing Director	Suma Puthan (WTD)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,62,33,222	1,75,27,294	5,37,60,516
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	65,49,600	0	65,49,600
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	3,22,24,905	0	3,22,24,905
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- others, specify	0	0	0
5	Others, please specify	0	0	0
	Total (A)	**7,50,07,727**	**1,75,27,294**	**9,25,35,021**

ANNEXURE D TO THE DIRECTORS' REPORT

FORM NO. MGT 9 - EXTRACT OF ANNUAL RETURN AS ON FINANCIAL YEAR ENDED ON MARCH 31, 2020.

(Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.)

B. Remuneration to other Directors: (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Mr. P.S.Dasgupta	Mr. Anil Vaish	
1	**Independent Directors**			
	Fee for attending board & committee meetings	1,20,000	2,70,000	3,90,000
	Commission	7,50,000	7,50,000	15,00,000
	Others, please specify	-	-	-
	Total (1)	8,70,000	10,20,000	18,90,000
2	**Other Non-Executive Directors**			
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	8,70,000	10,20,000	18,90,000
	Total Managerial Remuneration	**8,70,000**	**10,20,000**	**18,90,000**

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD (Amount in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Harish Iyer Company Secretary	Bharat Nayak CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	**27,20,845**	**1,77,80,570**	**2,05,01,415**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	**6,88,440**	**6,88,440**
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- others, specify…	0	0	0
5	Others, please specify	0	0	0
	Total	**27,20,845**	**1,84,69,010**	**2,11,89,855**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: Nil

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/ Compounding fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

ANNEXURE E TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2019-2020.

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

Otis Elevator Company (India) Limited has been supporting charitable and social causes in the communities. In line with the requirements of Section 135 of the Companies Act, the Company has instituted 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.

The Company's CSR policy is available on the Company's website at http://www.otis.com/site/in/pages/CSR_Policy.aspx?menuID=6

2. The Composition of CSR Committee
Mr. Sebi Joseph – Chairman & Managing Director.
Mr. P S Dasgupta – Independent Director
Ms. Suma P N – Director

3. Average net profit of the Company for last three Financial Years
INR 2,313,004,390

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above)
INR 46,260,088

5. Details of CSR spent during the Financial Year.
(a) Total amount to be spent for the financial year: INR 46,260,088
(b) Total amount spent for the Financial Year: INR 46,260,088
(c) Amount unspent : Nil
(d) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR Project / Activity	Sector in which the project is covered (Schedule VII)	Projects or program (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	Amount outlay (budget) project or programs (in INR)	Amount Spent Sub-heads: 1. Direct expenditure on projects or programs	Cumulative expenditure up to the reporting period (in INR)	Amount spent: Direct or through Implementing Agency
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Education Project "Shine"	Promoting Education	Trichur, Rourkela, Raipur, Pune, Pondicherry, Nagapattinam, Kolkatta, Jaipur, Hyderabad, Guwahati, Greenfields, Cochin, Chennai, Bhuj, Bhopal, Bawana, Bangalore, Alibaug.	1,48,04,448	Direct Expenditure	19,27,936	NGO - 'SOS Children's Villages of India'
2	Skilling Project	Promoting Education	Bangalore,Belgaum Delhi, Ananthpur(AP), Delhi, Mumbai, Guntur and Chennai.	1,03,00,000	Direct Expenditure	980,294	NGO- 'Samarthanam Trust for Disabled'
3	Safety Project	Promoting Safety	Mumbai, Delhi	51,97,530	Direct Expenditure		NGO- 'United Way'
4	Education Project- Career Edupath	Promoting Skill Development	Maharashta	28,08,000	Direct Expenditure	2,05,500	NGO- 'Friends Union for energising lives'
5	Education Project	Promoting Education	Telgana	25,50,110	Direct Expenditure	4,59,953	NGO- 'Smile Foundation'
6	PM Cares Fund	Disaster Relief	Pan India	1,00,00,000	Direct Expenditure		Government of India
7	Incidental Expenses	Incidental Expenses	Local	6,00,000	Overheads		Direct
	TOTAL			**46,260,088**			

ANNEXURE E TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2019-2020.

6. **In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:**
   Not Applicable

7. **A responsibility statement of CSR Committee that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company:**

   The CSR Committee declares that the implementation and monitoring of our CSR Policy is in compliance with the CSR objectives and Policy of the Company. The projects have been considered and undertaken with the best of our intentions to contribute to the greater good of the society. In line with the requirements of the Companies Act, 2013 we have also instituted monitoring mechanisms to ensure the projects are implemented as planned.

For and on behalf of the Board of Directors

Sebi Joseph
(DIN: 05221403)
Managing Director & Chairman of CSR Committee

Place: Mumbai
Date: September 09, 2020

ANNEXURE F TO THE DIRECTORS' REPORT

FORM AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rules 8(2) of the Companies (Accounts) Rules, 2014.]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto: N.A.

1) Details of contracts or arrangements or transactions not at Arm's length basis: N.A.

a) Name(s) of the related party & nature of relationship : **N.A.**
b) Nature of contracts/arrangements/transactions : **N.A.**
c) Duration of the contracts/arrangements/transactions : **N.A.**
d) Salient terms of the contracts or arrangements or transaction including the value, if any : **N.A.**
e) Justification for entering into such contracts or arrangements or transactions : **N.A.**
f) Date(s) of approval by the Board : **N.A.**
g) Amount paid as advances, if any : **N.A.**
h) Date on which the special resolution was passed in General meeting as required under first proviso to section 188 : **N.A.**

2) Details of material contracts or arrangements or transactions at arm's length basis: N.A.

a) Name(s) of the related party & nature of relationship : **N.A.**
b) Nature of contracts/arrangements/transactions : **N.A.**
c) Duration of the contracts/arrangements/transactions : **N.A.**
d) Salient terms of the contracts or arrangements or transaction including the value, if any : **N.A.**
e) Date(s) of approval by the Board, if any : **N.A.**
f) Amount paid as advances, if any : **N.A.**

***** The transactions were entered into by the Company in its ordinary course of business & at arm's length basis. Materiality threshold is as prescribed in Rule 15(3) of the Companies (Meeting of Board and it Powers) Second amendment Rules, 2014.**

For and on behalf of the Board of Directors

Place: Mumbai
Date : September 09, 2020

Sebi Joseph
Managing Director
DIN 05221403

Bharat Nayak
Chief Financial Officer
and Additional Director
DIN 01919252

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Otis Elevator Company (India) Limited (“the Company”), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In 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 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

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

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

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

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

2.

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

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

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

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

e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act

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

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

i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 46 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 23 and Note 24 to the standalone financial statements;

iii. There is an instance of delay in transferring amount of Rs.433,690, required to be transferred, to the Investor Education and Protection Fund by the Company which has been transferred/paid subsequent to 31 March 2020. Refer Note 23 to the standalone financial statements; and

iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020.

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

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

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

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN: 20116008AAAAAJ8922

Place: Mumbai
Date: 9 September 2020

OTIS ELEVATOR COMPANY (INDIA) LIMITED

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2020

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report the following:

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

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

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

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

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

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

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

(c) According to the information and explanation given to us and based on the audit procedures conducted by us, we are of the opinion that the no amount of loan is overdue for more than 90 days as on date of balance sheet. Interest amount for the loan given to the wholly owned subsidiary amounting to Rs. 1,458,493 is overdue for more than 90 days as on balance sheet date.

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

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

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

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

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, professional tax, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, employees' state insurance, employees labour welfare fund, cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable except for goods and services tax as given below:

Name of the statute	Nature of the dues	Amount (Rs in lacs)	Period to which the amount relates	Due date	Date of payment
Goods and Services tax Act, 2017	Goods and Service Tax and Interest thereon	403.92	April 2018 to March 2020	Various dates	20 August 2020

(b) According to the information and explanations given to us, there are no dues of duty of customs, income-tax and goods and service tax which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of, sales tax, service tax and value added tax have not been deposited as on 31 March 2020 by the Company on account of disputes:

Name of the statute	Nature of the dues	Amount (Rs in lacs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty in dispute	2,079	FY 2000-01 FY 2003-04 FY 2004-05	The Supreme court of India
The Central Excise Act, 1944	Excise duty in dispute	53	FY 1992-93 to FY 1995-96 FY 1997-98 to FY 1998-99 and FY 2008-09 to FY 2009-10	Customs, Excise and Service Tax Appellate Tribunal, Mumbai
Finance Act 1994 (Service Tax)	Service Tax in dispute	24,132	FY 2007-08 to FY 2014-15	Customs, Excise and Service Tax Apellate Tribunal, Mumbai
Sales Tax/ Value Added Tax - As per the statutes applicable in the following states - Goa, Haryana, Bihar, Jharkhand, Kerala, Maharashtra, Punjab, Rajasthan, West Bengal, Uttar Pradesh	Sales Tax in dispute	24,541	FY 1995-96 FY 1998-99 to FY 2015-16	Assessing Authorities and First Appellate Authorities of Various States
Sales Tax/ Value Added Tax - As per the statutes applicable in the following states - West Bengal and Uttar Pradesh	Sales Tax in dispute	2,748	FY 2003-06 FY 2007-09 FY 2010-11	Apellate Tribunal
Sales Tax/ Value Added Tax - As per the statutes applicable in Rajasthan	Sales Tax in dispute	389	FY 2016-17	High Court of India

OTIS ELEVATOR COMPANY (INDIA) LIMITED

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2020

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

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

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

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

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

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

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

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

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

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

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN : 20116008AAAAAJ8922

Place: Mumbai
Date: 9 September 2020

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Annexure B to the Independent Auditors' report on the standalone financial statements of Otis Elevator Company (India) Limited for the year ended 31 March 2020.

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Otis Elevator Company (India) Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

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

Meaning of Internal Financial controls with Reference to Financial Statements

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

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

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN: 20116008AAAAAJ8922

Place: Mumbai
Date: 9 September 2020

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Balance Sheet as at March 31, 2020

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

	Note	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	6,275	6,450
Right of use assets	4(d)	3,486	-
Capital work-in-progress	4(a) and (b)	22	337
Intangible assets	4(b)	1,004	1,224
Financial assets			
(I) Investments	5	-	-
(ii) Loans	6(a)	55	30
(iii) Trade receivables	13(a)	523	47
(iv) Other financial assets	7	655	665
Deferred tax assets (net)	8	8,121	11,975
Income tax assets (net)	9	4,121	6,557
Other non-current assets	10	6,679	7,242
Total non current assets		**30,941**	**34,527**
Current assets			
Inventories	11	19,153	12,456
Financial assets			
(i) Loans	6(b)	2,492	25,235
(ii) Contract work-in-progress	12	6,103	7,673
(iii) Trade receivables	13(b)	36,666	33,039
(iv) Cash and cash equivalents	14	47,128	24,029
(v) Bank balances other than (iv) above	15	581	287
(vi) Other financial assets	16	1,477	3,389
Other current assets	17	1,524	1,737
Assets held for sale	4(c)	10	10
Total current assets		**1,15,134**	**1,07,855**
TOTAL ASSETS		**1,46,075**	**1,42,382**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	1,181	1,181
Other equity	19	25,493	22,143
Total equity		**26,674**	**23,324**
LIABILITIES			
Non-current liabilities			
Provisions	20	12,016	15,245
Other Financial Liabilities			
Lease Liabilities		1,791	-
Other non-current liabilities	21	2,919	1,367
Total non-current liabilities		**16,726**	**16,612**
Current liabilities			
Financial liabilities			
(i) Trade payables	22		
(a) Total outstanding dues of micro and small enterprises		1,871	2
(b) Total outstanding dues other than micro and small enterprises		34,127	35,483
(ii) Other financial liabilities	23	2,338	807
Provisions	24	4,978	6,185
Employee benefit obligations	25	4,258	3,907
Liabilities for current tax (net)	26	357	1,406
Other current liabilities	27	54,746	54,656
Total current liabilities		**1,02,675**	**1,02,446**
Total liabilities		**1,19,401**	**1,19,058**
TOTAL EQUITY AND LIABILITIES		**1,46,075**	**1,42,382**

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

In terms of our report of even date attached.

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

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: September 9, 2020

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Profit and Loss for the year ended March 31, 2020

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

	Note	Year Ended March 31, 2020	Year Ended March 31, 2019
Revenue			
Revenue from operations	28	1,76,088	1,69,778
Other income	29	5,430	8,693
Total income		**1,81,518**	**1,78,471**
Expenses			
Cost of materials consumed	30	77,076	81,972
Changes in inventories of work-in-progress	31	-	262
Employee benefits expense	32	36,396	31,809
Finance costs	33	768	280
Depreciation and amortisation expenses	34	2,824	1,199
Other expenses	35	36,147	37,014
Total expenses		**1,53,211**	**1,52,536**
Profit before tax		**28,307**	**25,935**
Income tax expense			
1. Current tax	43	6,560	9,850
2. Deferred tax	43	3,913	(486)
3. Adjustment of tax for earlier years		(247)	(762)
		10,226	**8,602**
Profit for the year		**18,081**	**17,333**
Other comprehensive income			
Items that will not be reclassified to Statement of Profit and Loss:			
Actuarial gains / (loss) arising from remeasurements of post-employment benefit obligations		(236)	(116)
Deferred tax income / (expense) related to above item		59	41
Other comprehensive income for the year, net of tax		(177)	(75)
Total comprehensive income for the year		**17,904**	**17,258**
Earnings per Equity Share - (Basic and Diluted) (Refer Note 36) [Nominal value of share Rs. 10 each] (Previous Year - Rs. 10 each)		153.12	146.79

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

In terms of our report of even date attached.

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

For B S R & Co. LLP
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Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Cash flows for the year ended March 31, 2020

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities:		
Profit Before Tax	28,307	25,935
Adjustments for:		
Depreciation and amortisation expense	2,824	1,199
Provision for expected credit loss and other financial assets	1,848	3,333
Unrealised loss/(gain) on fluctuation in foreign exchange (net)	177	(521)
Bad trade receivables and other financial assets written off	-	85
Interest expense on delayed payments of taxes	119	203
Interest on lease liability (Ind AS 116)	430	-
Interest on:		
- Deposits with bank	(2,456)	(3,238)
- Income tax refund	(327)	(17)
- Loans to related parties	(611)	(2,645)
- Others	(6)	(2)
Profit on sale / disposal of property, plant and equipment (net)	(42)	(150)
Provision for product upgradation	54	(360)
Provision for contingency no longer required written back (net)	(1,408)	1,737
Bad non-financial assets written off	316	-
Interest due on Micro, Small and Medium Enterprises	59	-
Unwinding of interest on deposits / retention money / employee loans	160	77
Mark to market on foreign exchange forward contracts	(168)	-
Share based payments to employees	394	488
Profit on sale of shares held in Associate Company Trio Elevators Co (India) Limited (Refer Note 41)	-	(286)
Operating profit before working capital changes	**29,670**	**25,838**
Change in operating assets and liabilities		
(Increase) in trade receivables - current	(5,249)	(6,269)
(Increase) / Decrease in trade receivables - non current assets	(476)	168
(Increase) / Decrease in inventories	(6,697)	553
Increase in trade payables	276	4,887
(Increase) / Decrease in other current financial assets	(320)	273
Decrease / (Increase) in other non - current assets	453	(500)
Decrease in other current assets	213	4,006
(Decrease) / Increase in provisions - non current	(1,821)	1,259
(Decrease) in provisions - current	(1,261)	(4,676)
Increase in employee benefit obligations - current	115	460
(Decrease) / Increase in other current financial liabilities	(326)	381
Increase in non-current liabilities	1,552	233
(Increase) in other non-current financial assets	(278)	(247)
Increase / (Decrease) in other current liabilities	90	(6,660)
Decrease / (Increase) in Contract work-in-progress	1,570	(2,689)
Operating profit after working capital changes	**17,511**	**17,017**
Taxes paid (net)	(5,253)	(9,519)
Net cash generated from operating activities (A)	**12,258**	**7,498**
Cash flow from investing activities		
Purchase of property, plant and equipment	(678)	(2,212)
Proceeds from sale of property, plant and equipment	64	225
Sale of investments	-	430
Loans given to related parties	(2,450)	(2,855)
Loans repaid by related parties	25,197	1,789
Loans given to Supriya Elevator Company (India) Limited	130	-
Interest received	5,519	4,169
(Increase) in other bank balances	(294)	(89)
Net Cash flows generated from Investing Activities (B)	**27,488**	**1,457**
Cash flow from financing activities		
Dividend paid	(12,315)	(47,144)
Dividend distribution tax paid	(2,549)	(9,709)
Repayment of principal lease liabilities	(1,664)	-

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Cash flows for the year ended March 31, 2020

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest expenses - Others	(119)	(106)
Net cash (utilised) for Financing Activities (C)	**(16,647)**	**(56,959)**
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**23,099**	**(48,004)**
Cash and Cash Equivalents at the Beginning of the Year	24,029	72,033
Cash and Cash Equivalents at the End of the Year	**47,128**	**24,029**
Cash and Cash Equivalents comprise:		
Bank Balances:		
- In Current accounts	2,747	3,896
- In Demand Deposits	44,381	20,133
Cash on hand	-	*
	47,128	**24,029**

Notes:

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

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

* Amount is below rounding off norms adopted by the Company.

In terms of our report of even date attached.

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

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: September 9, 2020

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and
Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Standalone Statement of Changes in Equity (SOCIE) for the year ended March 31, 2020

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

A. Equity Share Capital (Refer Note18)

Particulars	Amount
Balance as at March 31, 2018	**1,181**
Changes in equity share capital	-
Balance as at March 31, 2019	**1,181**
Changes in equity share capital	-
Balance as at March 31, 2020	**1,181**

B. Other equity (Refer Note19)

Particulars	Reserve and Surplus			Other Equity	Total
	Capital redemption reserve	General reserve	Retained earnings	Equity contribution from Ultimate Parent-Share based payments	
Balance as at April 1, 2018	**73**	**1,759**	**58,260**	**1,216**	**61,308**
Profit for the year	-	-	17,333	-	**17,333**
Other comprehensive income	-	-	(75)	-	**(75)**
Total comprehensive income for the year	**-**	**-**	**17,258**	**-**	**17,258**
Impact on adoption of Ind AS 115 (net of tax of Rs. 17 lakhs)	-	-	31	-	**31**
Dividends paid	-	-	(47,233)	-	**(47,233)**
Dividend distribution tax	-	-	(9,709)	-	**(9,709)**
Additions towards share based payments	-	-	-	488	**488**
Balance as at March 31, 2019	**73**	**1,759**	**18,607**	**1,704**	**22,143**

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

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

In terms of our report of even date attached.

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

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
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Bharat Nayak
Chief Financial Officer and Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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 9^{th} 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 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 standalone financial statements were authorised for issue by the Company’s Board of Directors on September 9, 2020.

(b) Historical cost convention

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

(c) Use of estimates and judgments

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

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

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

(i) Estimation of total contract revenue and cost of revenue recognition (Refer Note 52)
(ii) Estimation of defined benefit obligations (Refer Notes 25 and 32)
(iii) Estimation of current tax expense and receivables/payables (Refer Notes 9, 26 and 43)
(iv) Impairment of Investments (Refer Note 5)
(v) Impairment of trade receivables and other receivables (Refer Notes 6(a), 6(b), 7, 10, 13(a), 13(b), 16 and 17)
(vi) Recognition and measurement of provisions and contingencies (Refer Notes 20 and 24)

(d) Current vs non-current classification

Operating cycle

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

3 Significant accounting policies

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

(a) Foreign currency translations

(i) <u>Functional and presentation currency</u>

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) <u>Transactions and balances</u>

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

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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

(b) Financial instruments

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

(i) Financial assets

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

Recognition, measurement and classification

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

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

(1) Financial assets measured at amortised cost

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

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

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

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

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

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

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

(ii) Financial Liabilities

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

Recognition, measurement and classification

A financial liability is recognised in the balance sheet only when the Company becomes party to the contractual provisions to the instrument.

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification.

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

(iii) Equity instruments

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

(iv) De-recognition

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

(v) Impairment of financial assets

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

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

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

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

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

(vi) Derivatives

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

(vii) Offsetting financial instruments

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

(c) Inventories

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

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

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

(d) Revenue recognition

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

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

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

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

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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

(e) Other income

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

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

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

(f) Property, plant and equipment

Recognition and measurement

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

Depreciation methods, estimated useful lives and residual value

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

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

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

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

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

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

Transition to Ind AS

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

(g) Intangible assets

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

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

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Standalone Statement of Profit or Loss.

Research and Development:

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

Transition to Ind AS

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

(h) Impairment of non-financial assets

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

(i) Leases

Operating lease

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

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

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

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

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

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

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

Transition to IND AS 116

The Company has adopted Ind AS 116 "Leases" ("Standard") effective April 1, 2019 (Initial application date). The Standard sets out the principles for recognition, measurement, presentation and disclosure of leases.

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

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

(I) Leases for which the lease term ends within 12 months of the date of initial application are accounted in the same way as a short-term lease.
(ii) Low value lease assets are recognized as operating expense on straight line basis over the term of lease.
(iii) The Company has excluded initial direct costs from the measurement of the right-of-use asset.

(j) Employee benefits

i) Short term obligation

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

ii) Other long-term employee benefit obligations

Compensated Absences

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

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

iii) Post employment obligations

a) Defined contribution plans

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

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

(b) Defined benefit plans

Provident Fund

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

Gratuity (Funded)

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

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

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

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

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

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

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

(iv) Termination Benefits

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

(v) Share based payments

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

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

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

(k) Income tax

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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

Current tax

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

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

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

Deferred tax

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

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

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

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

(l) Provisions and contingent liabilities

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

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.
Wherever the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 - "Provision, contingent liabilities and contingent assets" is made.

(m) Segment reporting

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

(n) Earnings per share

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

(o) Cash and cash equivalents

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

(p) Investments

Investments in subsidiary and associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary/associate, the difference between net disposal proceeds and the carrying amounts are recognised in the Standalone Statement of Profit or Loss. Upon first-time adoption of Ind AS, the Company has elected to measure its investments in subsidiary and associate at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

(q) Dividends

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

(r) Measurement of fair value

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or

B. In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(s) Borrowing cost

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

(t) Rounding of amounts

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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

4 Property, plant and equipment

(a)

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

Description	Gross Block					Accumulated Depreciation				Net Block
	As at March 31, 2018	Additions	Deductions	Assets held for sale	As at March 31, 2019	As at March 31, 2018	For the year	Deductions	Assets held for sale	As at March 31, 2019	As at March 31, 2019
Freehold land	250	-	-	-	250	-	-	-	-	-	**250**
Buildings	4,442	810	4	21	5,227	1,175	355	1	11	1,518	**3,709**
Leasehold improvements	467	27	-	-	494	400	60	-	-	460	**34**
Plant and equipments	3,471	681	153	-	3,999	1,415	465	83	-	1,797	**2,202**
Furniture and fittings	173	-	-	-	173	102	19	-	-	121	**52**
Electrical installations	294	-	-	-	294	172	30	-	-	202	**92**
Computers	70	45	8	-	107	54	18	6	-	66	**41**
Vehicles	19	-	*	-	19	10	2	*	-	12	**7**
Office equipments	237	45	5	-	277	184	35	5	-	214	**63**
Total	**9,423**	**1,608**	**170**	**21**	**10,840**	**3,512**	**984**	**95**	**11**	**4,390**	**6,450**
Capital work-in-progress	**775**	**1,170**	**1,608**	**-**	**337**	**-**	**-**	**-**	**-**	**-**	**337**

(b) Intangible assets

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

Description	Gross Block				Accumulated Amortisation				Net Block
	As at April 1, 2018	Additions	Deductions	As at March 31, 2019	As at April 1, 2018	For the year	Deductions	As at March 31, 2019	As at March 31, 2019
Software	-	1,439	-	**1,439**	-	215	-	215	**1,224**
	-	**1,439**	-	**1,439**	-	**215**	-	**215**	**1,224**
Intangible under development	414	1,025	1,439	-	-	-	-	-	-

Note:

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

(c) Assets classified as held for sale

	As at March 31, 2020	As at March 31, 2019
Building (Net Block)	10	10
	10	**10**

Note:

In August 2018, the directors of the Company has decided to sell the Godown No. 12 & 13, 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 in the Board meeting held on August 8, 2018. Accordingly, the net book value of building apportionment thereto has been classified as assets held for sale. These assets were not sold during the current year and the Company continues to hold these asset for sale as re-confirmed by Board in September 9, 2020.

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

(d) Right of use Asset

Movements during the year

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

Note:

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

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

In the standalone statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard does not have any significant impact on current year's profit and earnings per share.

The weighted average incremental borrowing rate of 8.7% to 9.4% p.a. has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

(b) The Company incurred Rs. 356 lakhs for the year ended March 31, 2020 towards expenses relating to short-term leases and leases of low-value assets. The contractual obligation is Rs. 1,674 lakhs for the year ended March 31, 2020. Interest on lease liabilities is Rs. 430 lakhs for the year.

(c) Impact of adoption of IND AS 116 for the year ended March 31, 2020 is as follows:

Particulars	Amt in lakhs
Decrease in lease rental expenses	1,664
Increase in Depreciation	1,437
Increase in Finance cost (net)	377
Net decrease in profit for the year	**150**

		As at March 31, 2020	As at March 31, 2019
5	**Non-current investments (carried at cost)**		
	Unquoted:		
	Subsidiary Company: 268,700 Equity Shares (Previous Year 268,700) of Rs. 100 each fully paid-up in Supriya Elevator Company (India) Limited	564	564
	Less: Provision for impairment	(564)	(564)
		-	-
	Aggregate book value of gross unquoted investments	564	564
	Aggregate book value of net unquoted investments	-	-
	Aggregate amount of impairment in value of investments	564	564

		As at March 31, 2020	As at March 31, 2019
6(a)	**Loans - Non-current**		
	Unsecured, considered good:		
	Loans to employees	55	30
	Unsecured, considered doubtful:		
	Loans to related party:		
	Supriya Elevator Company (India) Limited	130	-
	Less: Provision for expected credit loss	(130)	-
		-	-
		55	**30**

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

Details of Loans to Related Parties

Particulars	As at March 31, 2020	Purpose	Rate of interest %	Repayable on or before
Supriya Elevator Company (India) Limited	130	Working capital	11.25	24-Sep-20
	130			

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

6(b) Loans - Current	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Loans to related parties:		
Chubb Alba Control Systems Limited	-	19,197
Carrier Race Technologies Private Limited	-	3,700
United Technologies Corporation India Private Limited	-	2,300
Otis Global Services Centre Private Limited	2,450	-
Loans to employees	42	38
	2,492	**25,235**

Details of Loans to Related Parties

Particulars	As at March 31, 2020	Purpose	Rate of interest %	Repayable on or before*
Otis Global Services Centre Private Limited	2,000	Project financing and working capital	11.25	27-Apr-20
Otis Global Services Centre Private Limited	450	Project financing and working capital	11.25	21-Jun-20
	2,450			

Details of Loans to Related Parties

Particulars	As at March 31, 2019	Purpose	Rate of interest %	Repayable on or before
Chubb Alba Control Systems Limited	19,197	Project financing and working capital	11.25	July 31, 2019
	19,197			
Carrier Race Technologies Private Limited	3,150	Working capital	11.25	May 14, 2019
	550	Working capital	11.25	May 14, 2019
	3,700			
United Technologies Corporation India Private Limited	2,300	Project financing and working capital	11.25	October 11, 2019
	2,300			

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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

		As at March 31, 2020	As at March 31, 2019
7	**Other financial assets (Non - current)**		
	Unsecured, considered good		
	Security deposits	655	665
	Unsecured, considered doubtful		
	Receivable from related party:		
	Supriya Elevator Company (India) Limited	889	598
	Less: Provision for expected credit loss	(889)	(598)
		-	-
	Security deposits	70	98
	Less: Provision for expected credit loss	(70)	(98)
		-	-
		655	**665**

		As at March 31, 2020	As at March 31, 2019
8	**Deferred tax assets (net)** (Refer Note 43D)		
	Deferred Tax Assets		
	Provision for expected credit loss	2,485	3,246
	Provision for compensated absences and gratuity	1,072	1,366
	Provision for product upgradation	28	73
	Provision for impairment	142	197
	Disallowances under Section 40(a) of the Income tax Act, 1961	99	136
	Depreciation / amortisation	150	95
	Provision for contingency	3,024	5,325
	Mark to market adjustment on derivative contracts	-	130
	Provision for foreseeable losses on contracts	1,170	1,407
		8,170	**11,975**
	Deferred tax liabilities		
	Mark to market adjustment on derivative contracts	42	-
	Ind AS 116 Lease impact	7	-
		49	**-**
	Deferred tax asset (net)	**8,121**	**11,975**

		As at March 31, 2020	As at March 31, 2019
9	**Non-current tax assets (net)**		
	Advance income tax	35,978	29,024
	Provision for tax	(31,857)	(22,467)
		4,121	**6,557**

		As at March 31, 2020	As at March 31, 2019
10	**Other non-current assets**		
	Unsecured, considered good		
	Capital advances	48	39
	Prepaid expenses	59	68
	Balances with Government Authorities	6,572	7,135
	Unsecured, considered doubtful		
	Balances with Government Authorities	1,166	1,107
	Less: Impairment loss allowance	(1,166)	(1,107)
		-	-
		6,679	**7,242**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

11	Inventories (at lower of cost and net realisable value)	As at March 31, 2020	As at March 31, 2019
	Raw materials:		
	Components [including Components In-transit Rs. 10,686 lakhs (Previous year Rs. 5,204 lakhs)]	19,153	12,456
		19,153	**12,456**

During the year, the Company has written down inventories by Rs. 106 lakhs (Previous Year Rs. 61 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, 2020 and March 31, 2019.

12	Contract Work-In-Progress [Refer Note 52]	As at March 31, 2020	As at March 31, 2019
	Progress work	31,728	40,791
	Less: Aggregate amount of progress billings	25,625	33,118
		6,103	**7,673**

13(a)	Trade receivables - non current (Unsecured)	As at March 31, 2020	As at March 31, 2019
	Receivables considered good	523	47
		523	**47**

13(b)	Trade receivables - current (Unsecured)	As at March 31, 2020	As at March 31, 2019
	Receivables considered good *	36,666	33,039
	Receivables with significant increase in credit risk	7,017	6,898
		43,683	39,937
	Less: Provision for expected credit loss	(7,017)	(6,898)
		36,666	**33,039**

* This includes amount receivable from related parties Rs. 86 lakhs (Previous Year Rs. 28 lakhs). (Refer Note 44).

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

14	Cash and cash equivalents	As at March 31, 2020	As at March 31, 2019
	Balances with banks		
	-In Current accounts	2,747	3,896
	-Deposits with original maturity of less than three months	44,381	20,133
	Cash on hand	-	*
		47,128	**24,029**

*Amount is below rounding off norms adopted by the Company.

15	Bank balances other than above	As at March 31, 2020	As at March 31, 2019
	Unpaid dividend accounts	349	265
	Deposit with banks [towards security deposit against sales tax and other matters]	232	22
		581	**287**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

		As at March 31, 2020	As at March 31, 2019
16	**Other financial assets**		
	Receivables from related parties (Refer Note 44)		
	Interest accrued on loans		
	Otis Global Services Centre Private Limited	97	-
	Chubb Alba Control Systems Limited	-	1,947
	Carrier Race Technologies Private Limited	-	640
		97	2,587
	Other receivables *	498	225
	Other receivables - Unsecured considered good		
	Deposits - Others	495	427
	Interest accrued on fixed deposits	173	129
	Derivatives not designated as hedges - foreign exchange forward contracts	214	21
	Unsecured considered doubtful		
	Security deposits - Others	578	580
	Less: Impairment loss allowance	(578)	(580)
		-	-
	Interest accrued on loan to subsidiary	25	10
	Less: Impairment loss allowance	(25)	(10)
		-	-
		1,477	**3,389**

* This includes amount receivable from related parties Rs. 464 lakhs (Previous Year Rs. 198 lakhs). (Refer Note 44).

		As at March 31, 2020	As at March 31, 2019
17	**Other current assets**		
	Prepaid expenses	693	643
	Advance to suppliers	466	857
	Balances with Government Authorities	365	237
		1,524	**1,737**

		As at March 31, 2020	As at March 31, 2019
18	**Equity share capital**		
	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

Particular	As at March 31, 2020		As at March 31, 2019	
	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**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

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

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

	Relationship	As at March 31, 2020	As at March 31, 2019
11,599,819 (Previous Year 11,599,819) equity shares are held by United Technologies South Asia Pacific Pte. Ltd.*	Holding Company	1,160	1,160
		1,160	**1,160**

* Name changed to Otis International Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

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

Name of the Shareholders	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% holding	Number of shares	% holding
United Technologies South Asia Pacific Pte. Ltd.*	11,599,819	98.24%	11,599,819	98.24%

* Name changed to Otis International Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

19 Other equity	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve	73	73
General reserve	1,759	1,759
Retained earnings	21,563	18,607
ESOP reserve - contribution from parent	2,098	1,704
	25,493	**22,143**
a. Capital redemption reserve		
Balance as at the beginning of the year	73	73
Closing balance	**73**	**73**
b. General reserve		
Balance as at the beginning of the year	1,759	1,759
Closing balance	**1,759**	**1,759**
c. Retained earnings		
Balance as at the beginning of the year	18,607	58,260
Add: Profit for the year	18,081	17,333
Items of other comprehensive income recognised directly in retained earnings		
- Re-measurements of post employment benefit obligation (net of tax)	(177)	(75)
Impact on adoption of Ind AS 115 (net of tax of Rs. 17 lakhs)	-	31
Less: Appropriations		
- Dividend (Refer note 47)	12,399	47,233
- Dividend distribution tax	2,549	9,709
	21,563	**18,607**
d. Employees Share Option Plan (ESOP) reserve		
Balance as at the beginning of the year	1,704	1,216
Add: Additions during the year (Refer Note 50)	394	488
Closing balance	**2,098**	**1,704**
	25,493	**22,143**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Nature and purpose of reserves:

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

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

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

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

20 Provisions - Non-current

	As at March 31, 2020	As at March 31, 2019
Other provisions		
Provision for Contingency	12,016	15,245
	12,016	**15,245**

Provision for contingency
Provision for Contingency represents estimates made for probable liabilities arising out of pending matters with various tax authorities. Outflow with regard 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 ascertain the time of outflow.

Under the Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019, announced by the Government of India, the Company has written back net provision of Rs. 362 lakhs as part of provision for contingency no longer required written back, against various disputed liabilities since the Company has settled these liabilities.

Maharashtra state Government had introduced Modified Value Added Tax Amnesty Scheme 2019 on July 9, 2019. Company availed the benefit under this scheme and settled various Value Added Tax (VAT) liabilities pertaining to different years and has written back net provision of Rs. 1,226 lakhs as part of provision for contingency no longer required written back.

Provision for Product Upgradation (Refer Note 24):
Provision for product upgradation includes free product upgrade to be provided to the customers to enhance safety, quality and maintenance of elevators. The amount is determined based on the estimated cost of material and labour to be incurred on the affected units.

Movement in provisions

Particulars	As at March 31, 2020			As at March 31, 2019		
	Provision for product upgradation	Provision for contingency	Provision for forseeable losses on contracts	Provision for product upgradation	Provision for contingency	Provision for forseeable losses on contracts
Opening balance	208	15,245	5,977	1,323	13,986	8,161
Provision recognised during the year	114	2,066	2,675	271	1,807	2,791
Provision utilised during the year	(149)	(1,821)	-	(755)	(478)	-
Provision reversals/written back during the year	(60)	(3,474)	(3,787)	(631)	(70)	(4,975)
Closing balance	**113**	**12,016**	**4,865**	**208**	**15,245**	**5,977**

21 Other non-current liabilities

	As at March 31, 2020	As at March 31, 2019
Advance service and maintenance billing	2,676	1,367
Deferred Revenue for Elevator Contracts towards Service and Maintenance	243	-
	2,919	**1,367**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

22	Trade payables	As at March 31, 2020	As at March 31, 2019
	Trade payables to related parties (Refer Note 44)	18,439	15,089
	Trade Payables - Others		
	- Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	1,871	2
	- Total outstanding dues other than micro enterprises and small enterprises	15,688	20,394
		35,998	**35,485**

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

23	Other financial liabilities	As at March 31, 2020	As at March 31, 2019
	Current		
	Capital creditors	185	155
	Unpaid dividends *	349	265
	Derivatives not designated as hedges - foreign exchange forward contracts	46	387
	Interest payable to micro and small enterprises (Refer Note 45)	60	-
	Lease Liabilities	1,698	-
		2,338	**807**

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

24	Provisions - Current	As at March 31, 2020	As at March 31, 2019
	Provision for foreseeable losses on contracts (Refer Note 20)	4,865	5,977
	Provision for product upgradation (Refer Notes 20)	113	208
		4,978	**6,185**

25	Employee benefit obligations [Refer Notes 32]	As at March 31, 2020	As at March 31, 2019
	Current provisions for employee benefits:		
	Provision for gratuity	753	638
	Provision for compensated absences	3,505	3,269
		4,258	**3,907**

26	Liabilities for current tax (Net)	As at March 31, 2020	As at March 31, 2019
	Current tax liabilities	6,560	18,596
	Advance tax	(6,203)	(17,190)
	Current tax liabilities (Net of advance tax)	**357**	**1,406**

27	Other current liabilities	As at March 31, 2020	As at March 31, 2019
	Advances from customers	5,572	6,726
	Advance service and maintenance billing	11,359	9,534
	Statutory liabilities *	1,572	2,611
	Invoices raised in respect of Incomplete Contracts	1,83,253	1,61,621
	Less: Adjusted against aggregated amount of cost incurred and recognised profits (less recognised losses)	1,48,097	1,26,939
		35,156	34,682
	Deferred Revenue for elevator contracts towards service and maintenance	1,087	1,103
		54,746	**54,656**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

*	**Statutory liabilities includes below break up:**	**As at March 31, 2020**	**As at March 31, 2019**
	Goods and Services Tax, Sales and Service Tax	526	1,680
	Tax deducted and tax collected at source	696	665
	Provident fund and family pension scheme	309	230
	Employees state insurance	5	9
	Others (Labour Welfare Fund and Profession Tax)	36	27
		1,572	**2,611**

28	**Revenue from operations**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
	Contract Revenue :		
	Contracts for supply and installation of elevators, escalators and trav-o-lators	1,03,443	1,03,187
	Income from repairs	10,025	9,330
	Income from maintenance services	62,254	56,658
	Other operating revenues :		
	Sale of scrap	366	603
		1,76,088	**1,69,778**

29	**Other income**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
	Interest income:		
	- Deposits with banks	2,456	3,238
	- Income tax refund	327	17
	- Loans to related parties (Refer note 44)	611	2,645
	- Others	6	2
	Provision for contingency no longer required written back (net) (Refer note 20)	1,408	-
	Liabilities no longer required written back	-	805
	Recoveries of expenses from related parties	362	177
	Provision for product upgradation no longer required written back (net) (Refer notes 20 and 24)	-	360
	Bad debts recovery	16	27
	Profit on sale of shares in Trio Elevators (Associate Company)	-	286
	Profit on sale / disposal of property, plant and equipment	42	150
	Debts recovered	-	203
	Sales tax refund	-	482
	Others	202	301
		5,430	**8,693**

30	**Cost of material consumed**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
	Opening stock of components	12,456	12,747
	Add : Purchases of components	83,773	81,681
	Less: Closing stock of components	19,153	12,456
		77,076	**81,972**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

31 Changes in inventories of work-in-progress	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Opening stock		
Components for Elevators Constructions	-	262
	-	262
Less: Closing stock		
Components for Elevators Constructions	-	-
	-	-
	-	**262**

32 Employee benefit expenses [Refer Note 3 (j)]	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Salaries, wages, allowances, bonus and benefits (net)	32,527	27,851
Contribution to Provident and Family Pension Scheme	1,536	1,447
Contribution to Superannuation Scheme	188	167
Contribution to Gratuity Fund	709	628
Contribution to Employees' State Insurance and Employees' Deposit Linked Insurance Scheme	52	79
Share-based payment to employees (Refer Note 50)	394	488
Workmen and staff welfare expenses	990	1,149
	36,396	**31,809**

I Defined Contribution Plans	**Year ended March 31, 2020**	**Year ended March 31, 2019**
a. Superannuation Fund		
b. State Defined Contribution Plans		
- Employers' Contribution to Employees State Insurance		
Amount recognised in the Statement of Profit and Loss		
(i) Employers' Contribution to Superannuation	188	167
(ii) Employers' Contribution to Employees State Insurance and Employees' Deposit Linked Insurance Scheme	52	79
	240	**246**

II Defined Benefit Plans

i) Gratuity

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

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net defined benefit (asset)/liability
Balance as on March 31, 2019	10,166	9,528	638
Interest cost / income	767	718	49
Current service cost	661	-	661
Total amount recognised in the Statement of Profit and Loss	**1,428**	**718**	**710**
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(178)	-	(178)
Actuarial (Gains) / Losses on Obligations - Due to Experience	52	-	52
Actuarial Gain / (Loss) on plan assets	-	(361)	361
Total amount recognised in other comprehensive income	**(126)**	**(361)**	**235**
Contributions by employer	-	697	(697)
Benefit Paid	(574)	(441)	(133)
Balance as on March 31, 2020	**10,894**	**10,141**	**753**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net defined benefit (asset)/liability
Balance as on March 31, 2018	9,547	9,234	313
Interest cost / income	722	698	24
Current service cost	604	-	604
Total amount recognised in the Statement of Profit and Loss	**1,326**	**698**	**628**
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	13	-	13
Actuarial (Gains) / Losses on Obligations - Due to Experience	(153)	-	(153)
Actuarial Gain / (Loss) on plan assets	-	(256)	256
Total amount recognised in other comprehensive income	**(140)**	**(256)**	**116**
Contributions by employer	-	419	(419)
Benefit Paid	(567)	(567)	-
Balance as on March 31, 2019	**10,166**	**9,528**	**638**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Present Value of funded obligation as at the year end	(10,894)	(10,166)
Fair Value of Plan Assets as at the year end	10,141	9,528
Funded Status	**(753)**	**(638)**
Unfunded Net (Liability) recognised in Balance Sheet	**(753)**	**(638)**

C) Amount recognised in the Balance Sheet

Particulars	As at March 31, 2020	As at March 31, 2019
Present Value of obligation at the end of the year	(10,894)	(10,166)
Fair value of plan assets at the end of the year	10,141	9,528
(Liability) recognised in the Balance Sheet	**(753)**	**(638)**

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, 2020	As at March 31, 2019
Discount rate (per annum)	6.82%	7.54%
Rate of increase in Salary	9.00%	10.00%
Rate of Return on Plan Assets	6.82%	7.54%

- 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

E) Sensitivity analysis

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

Impact on defined benefit obligation of Gratuity:

	As at March 31, 2020		As at March 31, 2019	
	Increase in rate	**Decrease in rate**	**Increase in rate**	**Decrease in rate**
Discount Rate (0.5 % movement)	(328)	350	(314)	335
Compensation levels (0.5 % movement)	341	(323)	325	(308)
Employee turnover (0.5 % movement)	(50)	53	(53)	56

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

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

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

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

Particulars	As at March 31, 2020		As at March 31, 2019	
	Amount	**%**	**Amount**	**%**
Debts Instruments:				
State Government Securities	50	*	102	1
Corporate Bonds	601	6	266	3
Investment Funds:				
Insurance managed funds	9,331	92	8,399	88
Others:				
Cash and cash equivalents (Net)	159	2	761	8
Total	**10,141**	**100**	**9,528**	**100**

G)

Recognised under:	**March 31, 2020**	**March 31, 2019**
Non-current employee benefit obligations	-	-
Current employee benefit obligations [Refer Note 25]	753	638

H)

Particulars	**March 31, 2020**	**March 31, 2019**
Expected gratuity contribution for the next year	1,097	1,019

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

I) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2019 – 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 2 - 5 years	Over 5 years	Total
March 31, 2020				
Defined benefit obligation (gratuity)	1,268	4,647	12,954	18,869
March 31, 2019				
Defined benefit obligation (gratuity)	1,208	3,981	13,993	19,182

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 group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The management intends to maintain the above investment mix in the continuing years.

Changes in yields

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

ii) Provident Fund

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2020 and March 31, 2019 respectively.

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

Particulars	As at March 31, 2020	As at March 31, 2019
Plan assets at period end, at fair value	37,265	33,926
Present value of benefit obligation at period end	(37,265)	(33,926)
Asset recognized in balance sheet	-	-

The plan assets have been primarily invested in government securities.

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

Particulars	As at March 31, 2020	As at March 31, 2019
Government of India (GOI) bond yield	6.82%	7.54%
Remaining term to maturity of portfolio	5 years	5 years
Expected guaranteed interest rate - First year :	8.25%	8.65%
- Thereafter :	8.25%	8.65%

The Company contributed Rs. 1,536 lakhs and Rs. 1,447 lakhs to the provident fund during the years ended March 31, 2020 and March 31, 2019 respectively and the same has been recognised in the Standalone Statement of Profit and Loss under the head Employees Benefit Expenses.

iii) The Liability for compensated absences as at year end is Rs. 3,505 lakhs (Previous Year - Rs. 3,269 lakhs). [Refer Note 25]

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
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33	**Finance costs**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
	Unwinding of interest on deposits / retention money / employee loans	160	77
	Interest expense on delayed payment of Goods and Services Tax	119	203
	Interest on Micro and Small Enterprises	59	-
	Interest on Lease Liability	430	-
		768	**280**

34	**Depreciation and amortisation expense**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
	Depreciation of property, plant and equipment (Owned Assets)	1,062	984
	Amortization of Right of use assets	1,437	-
	Amortisation of intangible assets	325	215
		2,824	**1,199**

35	**Operating and other expenses**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
	Consumption of stores and consumables	1,134	1,383
	Packing and forwarding charges	4,056	4,175
	Repairs and maintenance:		
	- Buildings	335	275
	- Plant and machinery	75	98
	- Vehicles	19	19
	- Others	831	719
	Rent (Refer note 37)	356	2,082
	Rates and taxes	658	702
	Insurance	914	746
	Power and fuel	404	461
	Expenses on contracts for installation / service	7,738	4,647
	Advertising, publicity and sales promotion	193	272
	Commission	1,529	1,263
	Commission to Non-Executive Directors	15	15
	Royalties	6,935	5,724
	Communication costs	548	324
	Travelling and conveyance	1,768	2,121
	Printing and stationery	193	386
	Legal and professional charges [Refer note (i) below]	1,926	1,850
	System and software maintenance expenses	2,091	2,291
	Management fees	704	651
	Bad trade receivables and other financial assets written off	1,145	1,896
	Less: Withdrawn from provision for expected credit loss	(1,145)	(1,811)
		-	85
	Bad non-financial assets written off	435	-
	Less: Withdrawn from provision for expected credit loss	(119)	-
		316	-
	Provision for expected credit loss and other financial assets	1,848	3,333
	Provision for contingency (Refer note 20)	-	1,737
	Product upgradation expense (Refer note 24)	54	-
	Directors' fees	4	5
	Expenditure towards Corporate Social Responsibility activities [Refer Note (ii) below]	463	436
	Loss on fluctuation in foreign exchange (net)	914	986
	Miscellaneous expenses	126	228
	TOTAL	**36,147**	**37,014**

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

	For statutory audit	46	36
	For tax audit	5	5
	For other services	4	22
	Reimbursement of expenses	2	2
		57	**65**

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

Particulars	Paid during the year	Yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above *	Rs. 457 lakhs (Previous Year Rs. 436 lakhs)	Rs. 6 lakhs (Previous Year Rs. Nil lakh)	Rs. 463 lakhs (Previous Year Rs. 436 lakhs)

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

36 Earnings per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit attributable to the owners of the company	18,081	17,333
Weighted Average number of Equity Shares of Rs. 10 each during the year	1,18,08,222	1,18,08,222
Earnings Per Share (Basic and Diluted)	153.12	146.79
Nominal Value of an Equity Share	10	10

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

37 Operating Leases
The Company has entered into non-cancellable operating leases for warehouse and office premises for a primary period of 5 to 10 years. The Company has given refundable interest free security deposits under the agreements. Certain agreements contains provision for renewals.

(a) Total future minimum lease payments in respect of the above mentioned premises being:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Not later than one year	-	771
Later than one year and not later than five years	-	430
Later than five years	-	-

(b) Lease payments recognised in the standalone Statement of Profit and Loss during the year	356	2,082

(c) Maturity analysis

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

Weighted Average effective interest rate is 8.7% p.a. - 9.4% p.a.

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38 Segment information

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

39 Research and development expenses

The Cost of Material Consumed, Employee Benefits Expense, Depreciation and Other Expenses shown in the Statement of Profit and Loss include Rs. 1,651 lakhs (Previous Year Rs. 1,649 lakhs) in respect of the research activities undertaken during the year.

40 The Company has carried out an independent review for assessing compliance up to March 31, 2019 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, 2019 to March 31, 2020 with the aforesaid Transfer Pricing Rules. However, on the basis of self-assessment of the operations during the year, and the conclusion drawn on independent review of its operations in the previous financial year, the Management does not expect any significant deviations from the requirements of the aforesaid Transfer Pricing Rules.

41 Note on investment and receivables for subsidiary

(a) Supriya Elevator Company (India) Limited is having significant business losses and its net worth is fully eroded. The Company performed its annual impairment test for the years ended March 31, 2020 and March 31, 2019. 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) During the previous year, in accordance with Ind AS 109 and Note 3(b), the Company has provided Rs. 436 lakhs (Previous Year Rs. 345 lakhs) on other receivables.

42 Financial instruments – Fair values and risk management

A. Accounting classification and fair values

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

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

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

		Carrying amount			
March 31, 2020	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**
Financial assets					
(i) Loans	6(a) and 6(b)	-	-	2,547	2,547
(ii) Contract work-in-progress	12	-	-	6,103	6,103
(iii) Trade receivables	13(a) and (b)	-	-	37,189	37,189
(iv) Cash and cash equivalents	14	-	-	47,128	47,128
(v) Bank balance other than (iv) above	15	-	-	581	581
(vi) Other financial assets	7 and 16	-	-	1,918	1,918
(vii) Derivatives not designated as hedges - foreign exchange forward contracts	16	214	-	-	214
		214	**-**	**95,466**	**95,680**
Financial liabilities					
((I) Trade payables	22	-	-	35,998	35,998
(ii) Other financial liabilities	23	-	-	2,292	2,292
(iii) Other non-current financial liabilities				1,791	1,791
(iv) Derivatives not designated as hedges - foreign exchange forward contracts	23	46	-	-	46
		46	**-**	**40,081**	**40,127**

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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		Carrying amount			
March 31, 2019	**Note No.**	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**
Financial assets					
(I) Loans	6(a) and 6(b)	-	-	25,265	25,265
(ii) Contract work-in-progress	12	-	-	7,673	7,673
(iii) Trade receivables	13(a) and (b)	-	-	33,086	33,086
(iv) Cash and cash equivalents	14	-	-	24,029	24,029
(v) Bank balance other than (iv) above	15	-	-	287	287
(vi) Other financial assets	7 and 16	-	-	4,033	4,033
(vii) Derivatives not designated as hedges - foreign exchange forward contracts	16	21	-	-	21
		21	**-**	**94,373**	**94,394**
Financial liabilities					
(i) Trade payables	22	-	-	35,485	35,485
(ii) Other financial liabilities	23	-	-	420	420
(iii) Other non-current financial liabilities		-	-	-	-
(iv) Derivatives not designated as hedges - foreign exchange forward contracts	23	387	-	-	387
		387	**-**	**35,905**	**36,292**

B. Measurement of fair values

i) **Valuation processe**

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

ii) **Fair value hierarchy**

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

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

C. Financial risk management

Risk management framework

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

i **Management of the credit risk**

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

Trade Receivables

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

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. The Company assesses and manages credit risk based on the Company's credit policy. Under the Company's credit policy, each new customer is analyzed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company assesses on a forward looking basis the expected credit losses associated with its assets

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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 do not believe there are any particular customer or group of customers that would subject the Company to any significant credit risks in the collection of accounts receivable.

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	6,898	5,823
Changes in allowance during the year	119	1,075
Loss allowance as at the end of the year	7,017	6,898

Loans to related parties:

The Company has given unsecured loans to other group entities of United Technologies Corporation Inc. The loans outstanding as at March 31, 2020 have not been repaid subsequent to the year end. The loans outstanding as at March 31, 2019 have been repaid during the current year.

Cash and cash equivalents

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

Derivatives

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

Other Financial Assets:

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

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

Security deposits	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	678	566
Changes in allowance during the year (Refer Notes - 7 and 16)	(30)	112
Loss allowance as at the end of the year	648	678

Receivable from subsidiary company	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	608	263
Changes in allowance during the year (Refer Notes - 6(a), 7 and 16)	436	345
Loss allowance as at the end of the year	1,044	608

ii **Liquidity risk**

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

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

Exposure to liquidity risk

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

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Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1year	1-5 years	More than 5 years
As at March 31, 2020 **Non-derivative financial liabilities**					
Other financial lease liabilities (Non-current)	1,791	2,462	-	2,302	160
Trade payables	35,998	35,998	35,998	-	-
Other financial liabilities	2,292	2,292	2,292	-	-
Derivative Financial Liabilities					
Foreign exchange forward contracts	46	46	46	-	-
As at March 31, 2019 **Non-derivative financial liabilities**					
Trade payables	35,485	35,485	35,485	-	-
Other financial liabilities	420	420	420	-	-
Derivative Financial Liabilities					
Foreign exchange forward contracts	387	387	387	-	-

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, 2020			As at March 31, 2019		
	Number of contracts	Foreign currency Amount	Amount	Number of contracts	Foreign currency Amount	Amount
Import contracts						
EURO	8	27	2,199	10	31	2,537
JPY	5	63	52	7	152	101
USD	4	24	1,715	4	11	751
CHF	3	1	51	3	1	64
CNH	7	388	4,272	15	777	8,381
HKD	-	-	-	3	22	198
Total			**8,289**			**12,031**
Export contracts						
USD	3	10	738	1	10	709
Total			**738**			**709**

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

Particulars	March 31, 2020		March 31, 2019	
	Foreign currency Amount	Amount	Foreign currency Amount	Amount
Receivables				
USD	2	112	-	-
Payables				
USD	75	5,643	29	1,945
EURO	8	684	17	1,232
SGD	-	-	*	13
HKD	23	227	9	69
JPY	18	4	-	-
CNH	410	4,164	-	-

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

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, 2020	March 31, 2019
Currencies		
USD	(553)	195
EURO	68	123
SGD	1	1
HKD	(23)	7
JPY	*	-
CNH	(416)	-
	(923)	**326**

* 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, 2020	Year ended March 31, 2019
Income tax expense		
Current income tax		
Current tax on profits for the year	6,560	9,850
Adjustments for current tax of prior periods	(247)	(762)
Total current tax expense	6,313	9,088
Deferred income tax asset /(liability), net		
(Decrease) / increase in deferred tax liabilities	3,913	(486)
Total deferred tax expense/(benefit)	3,913	(486)
Income tax expense for the year	**10,226**	**8,602**

B Amounts recognised in other comprehensive income

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

	For the year ended 31 March, 2019		
	Before tax	Tax (expense) benefit	Net of tax
Remeasurements of defined benefit liability/(asset)	(116)	41	(75)
	(116)	41	(75)

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

C Reconciliation of effective tax rate	As at March 31, 2020	As at March 31, 2019
Profit before tax	**28,307**	**25,935**
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 34.94%)	7,124	9,063
Add Tax Effect on amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments for current tax of prior periods	(247)	(762)
Effect of changes in tax rate *	3,350	(29)
Effect of non-deductible expenses	202	274
Interest on delayed payments of taxes	-	71
Impairment of investment in the subsidiary	-	(285)
Ind AS 116 Lease Impact	9	-
Foreseeable losses on contracts	(207)	259
Others	(5)	11
	10,226	**8,602**

The Company's weighted average tax rates for years ended March 31, 2020 and 2019 were 36.13% and 33.17%, respectively. The effective tax rate is primarily lower/higher on account of adjustment of tax for earlier years and decrease/increase in tax rate.

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

D Movement in deferred tax balances

Deferred Tax Assets	Deferred Tax Assets/(Liability) April 1, 2019	Recognised in Statement of Profit and Loss	Recognised in OCI/Retained earnings	Deferred tax assets	Deferred tax liability	Net Deferred Tax Assets March 31, 2020
Provision for expected credit loss	3,246	(761)	-	2,485	-	2,485
Provision for compensated absences and gratuity	1,366	(294)	-	1,072	-	1,072
Provision for Product Upgradation	73	(45)	-	28	-	28
Disallowances under Section 40(a) of the Income Tax Act, 1961	136	(37)	-	99	-	99
Depreciation / amortisation	95	55	-	150	-	150
Provision for Contingency	5,325	(2,301)	-	3,024	-	3,024
Remeasurements of defined benefit obligation	-	(59)	59	-	-	-
Provision for foreseeable losses on contracts	1,407	(237)	-	1,170	-	1,170
Mark to Market adjustment on derivative contracts gains	130	(172)	-	-	42	(42)
Provision for impairment	197	(55)	-	142	-	142
Ind AS 116 Lease Impact	-	(7)	-	-	7	(7)
Deferred Tax Assets	**11,975**	**(3,913)**	**59**	**8,170**	**49**	**8,121**
Net tax assets	**11,975**	**(3,913)**	**59**	**8,170**	**49**	**8,121**

Deferred Tax Assets	Deferred Tax Assets/(Liability) April 1, 2018	Recognised in Statement of Profit and Loss	Recognised in OCI/Retained earnings	Deferred tax assets	Deferred tax liability	Net Deferred Tax Assets March 31, 2019
Provision for expected credit loss	2,626	620	-	3,246	-	3,246
Provision for compensated absences and gratuity	1,164	202	-	1,366	-	1,366
Voluntary Separation Plan	75	(75)	-	-	-	-
Provision for Product Upgradation	463	(390)	-	73	-	73
Disallowances under Section 40(a) of the Income Tax Act, 1961	136	-	-	136	-	136
Depreciation	208	(113)	-	95	-	95
Provision for Contingency	4,886	439	-	5,325	-	5,325
Remeasurements of defined benefit obligation	-	(41)	41	-	-	-
Provision for foreseeable losses on contracts	1,930	(523)	-	1,407	-	1,407
Mark to Market adjustment on derivative contracts	(23)	153	-	130	-	130
Provision for impairment	-	197	-	197	-	197
Impact on adoption of Ind AS 115	-	17	(17)	-	-	-
Deferred Tax Assets	**11,465**	**486**	**24**	**11,975**	**-**	**11,975**
Net tax assets	**11,465**	**486**	**24**	**11,975**	**-**	**11,975**

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

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Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
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44 Related Party Disclosures

A Relationships:

(I) Where Control Exists

United Technologies Corporation Inc., United States (Refer Note 48)	Ultimate Holding
United Technologies South Asia Pacific Pte Ltd, Singapore *	Holding Company

* Name changed to Otis International Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

(II) Subsidiary Company

Supriya Elevator Company (India) Limited, India

(III) Associate Company

Trio Elevators Co (India) Limited, India (Upto 27th August, 2018)

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

Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey
Carrier Airconditioning & Refrigeration Limited, India
Carrier Race Technologies Private Limited, India
Chubb Alba Control Systems Limited, India
Concepcion-Otis Philippines, Inc., Philippines
Ceam SRL, Italy
Elevators (Private) Limited, Sri Lanka
Guangzhou Otis Elevator Company Ltd, China
Otis Global Services Centre Private Limited, India
Jsc Mos Otis ,Russia
Nippon Otis Elevator Company, Japan
Otis A.S., Czech Republic (formerly known as Otis Escalators S.R.O.- Czech Republic)
Otis Electric Elevator Co., Ltd., China
Otis Elevator (China) Co., China
Otis Elevator Co Pty Ltd, Australia
Otis Elevator Company (H.K.) Limited, Hong Kong
Otis Elevator Company (M) SDN BHD, Malasiya
Otis Elevator Company (S) Pte. Ltd., Singapore
Otis Elevator Company Ltd, Thailand
Otis Elevator Company, New Jersey, United States
Otis Elevator Traction Machine (China) Co. Ltd., China
Otis Elevator Vietnam Company Limited, Vietnam
Otis Elevator, Korea
Otis Elevators International Inc., Hong Kong
Otis Elevator Management (Shanghai) Company Limited, China
Otis Limited, United Kingdom
Otis Gmbh & Co. OHG, Germany
Otis High-Rise Elevator(Shanghai) Co., Ltd., China
Otis LLC, U.A.E
OTIS NV, Belgium
Otis Scs, France
P.T.Citas Otis Elevator, Indonesia
Seral Otis Industria Metalurgica Ltda, Chile
Sigma Elevator Singapore Pte Ltd,Singapore
United Technologies Corporation India Private Limited, India
Zayani Otis Elevator Company W.L.L., Bahrain
Zardoya Otis S.A., Spain

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

(V) Key Managerial Personnel

Sebi Joseph	Managing Director
Puthan Naduvakkat Suma	Director
Bharat Nayak **	Additional Director (w.e.f. October 22, 2019)
Priya Shankar Dasgupta	Independent Director
Anil Vaish	Independent Director

(VI) Transaction with Post Emploment benefit entities

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

B Transaction:

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short term employee benfits:		
- Salaries and other employee benefits	722	588
Post employment benefits - gratuity	36	28
Long term employee benefits - Compensated absences	24	20
Employee share-based payment #	322	477
Commission and sitting fee to non executive directors	18	20
Total	**1,122**	**1,133**

In addition to the above, 2,456 units stock options (Previous Year 7,377 Units stock options) of United Technologies Corporation Inc., USA, the Ultimate Holding Company, were exercised during the year.

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

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

Particulars	Category	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of Goods and Materials			
Otis Elevator (China) Co., China	IV	2,411	3,067
Otis Electric Elevator Co., Ltd., China	IV	20,827	14,670
Zardoya Otis S.A., Spain	IV	2,663	4,661
Otis GMBH & Co. OHG, Germany	IV	4,191	4,283
Otis Elevator Company, New Jersey, United States	IV	572	509
Otis Elevator Traction Machine (China) Co. Ltd., China	IV	1,664	501
Nippon Otis Elevator Company, Japan	IV	497	203
OTIS SCS, France	IV	789	299
Guangzhou Otis Elevator Company Ltd, China	IV	90	193
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	IV	5,889	4,960
Ceam SRL, Italy	IV	-	1
Otis A.S., Czech Republic	IV	*	*
Otis Elevators International Inc., Hong Kong	IV	-	*
Supriya Elevator Company (India) Limited, India	II	66	57
Otis Elevator Company Ltd, Thailand	IV	-	1
Otis Elevator Management (Shanghai) Company Limited, China	IV	-	1
Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey	IV	93	-
Otis Elevator Co Pty Ltd, Australia	IV	2	-
Jsc Mos Otis ,Russia	IV	8	-
Total		**39,762**	**33,406**
Purchase of Intangible Assets			
Otis Elevator Company, New Jersey, United States	IV	105	847
Total		**105**	**847**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

Particulars	Category	For the year ended March 31, 2020	For the year ended March 31, 2019
System and Software Maintenance Expenses			
Otis Elevator Company (S) Pte. Ltd., Singapore	IV	-	14
Otis Elevator Company, New Jersey, United States	IV	968	862
Otis Elevators International Inc., Hong Kong	IV	241	302
United Technologies South Asia Pacific Pte Ltd, Singapore	IV	17	-
Total		**1,226**	**1,178**
Legal and Professional Expenses			
Otis Elevator Company, New Jersey, United States	IV	*	34
Total		*****	**34**
Royalties Expenses			
Otis Elevator Company, New Jersey, United States	IV	6,935	5,724
Total		**6,935**	**5,724**
Management Fee			
United Technologies South Asia Pacific Pte Ltd, Singapore	IV	704	651
Total		**704**	**651**
Repairs & Maintenance charges of elevators			
Elevators (Private) Limited, Sri Lanka	IV	108	139
Total		**108**	**139**
Repairs and Maintenance - Others			
Carrier Airconditioning & Refrigeration Limited, India	IV	44	22
Chubb Alba Control Systems Limited, India	IV	-	12
Total		**44**	**34**
Reimbursement of Expenses to related parties			
Otis Elevator Company, New Jersey, United States	IV	24	30
Otis Elevator VietNam Company Limited, Vietnam	IV	-	1
Otis Elevator Company (S) Pte. Ltd., Singapore	IV	1	1
Nippon Otis Elevator Company, Japan	IV	72	3
Carrier Airconditioning & Refrigeration Limited, India	IV	-	*
United Technologies Corporation India Private Limited, India	IV	-	3
United Technologies South Asia Pacific Pte Ltd, Singapore	I	12	10
Otis Elevators International Inc., Hong Kong	IV	-	1
Otis Elevator, Korea	IV	-	2
Otis Electric Elevator Co., Ltd., China	IV	100	-
Otis Elevator Company Ltd, Thailand	IV	1	-
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	IV	1	-
Total		**211**	**51**
Rent paid to Other Companies			
Carrier Airconditioning & Refrigeration Limited, India	IV	61	95
Total		**61**	**95**
Revenue from Sale of Goods/Services			
Otis Elevator Company (S) Pte. Ltd., Singapore	IV	(10)	10
Seral Otis Industria Metalurgica Ltda, Chile	IV	109	89
OTIS SCS, France	IV	-	*
P.T.Citas Otis Elevator, Indonesia	IV	*	1
Elevators (Private) Limited, Sri Lanka	IV	1,276	3,810
Nippon Otis Elevator Company, Japan	IV	-	*
OTIS NV, Belgium	IV	-	1
United Technologies South Asia Pacific Pte Ltd, Singapore	IV	27	20
Otis GMBH & Co. OHG, Germany	IV	-	1
Otis Elevator Co Pty Ltd, Australia	IV	2	-
Otis Elevators International Inc., Hong Kong	IV	1	-
Otis LLC, U.A.E	IV	*	-
Otis Elevator, Korea	IV	1	-
Total		**1,406**	**3,932**
Recovery from related parties			
Otis Elevator Company, New Jersey, United States	IV	182	31
OTIS LIMITED, United Kingdom	IV	-	46
United Technologies South Asia Pacific Pte Ltd, Singapore	I	180	100
Total		**362**	**177**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

Particulars	Category	For the year ended March 31, 2020	For the year ended March 31, 2019
Recovery of expenses from related parties			
Otis Elevator Company (M) SDN BHD, Malasiya	IV	202	140
Otis Elevator Company, New Jersey, United States	IV	61	16
United Technologies South Asia Pacific Pte Ltd, Singapore	I	167	168
Otis LLC, U.A.E	IV	-	3
Otis Elevator Company (S) Pte. Ltd., Singapore	IV	-	19
Supriya Elevator Company (India) Limited, India	II	276	404
Otis Electric Elevator Co., Ltd., China	IV	31	-
Nippon Otis Elevator Company, Japan	IV	(1)	174
Otis Elevators International Inc., Hong Kong	IV	2	1
P.T.Citas Otis Elevator, Indonesia	IV	5	2
Otis Elevator (China) Co., China	IV	42	-
Otis Elevator Traction Machine (China) Co. Ltd., China	IV	1	-
Otis Elevator, Korea	IV	1	-
Total		**787**	**927**
Recovery of rent from related parties (netted off from rent expense)			
Supriya Elevator Company (India) Limited, India	II	47	5
Carrier Airconditioning & Refrigeration Limited, India	IV	15	105
Chubb Alba Control Systems Limited, India	IV	-	7
Total		**62**	**117**
Inter Corporate Loan Given / (Repaid) (Net)			
Otis Global Services Centre Private Limited, India	IV	2,450	-
Supriya Elevator Company (India) Limited, India	IV	130	-
Chubb Alba Control Systems Limited, India	IV	-	(1,789)
Carrier Race Technologies Private Limited, India	IV	-	550
United Technologies Corporation India Private Limited, India	IV	-	2,300
Total		**2,580**	**1,061**
Interest on Inter Corporate Loan Given			
Otis Global Services Centre Private Limited, India	IV	108	-
Supriya Elevator Company (India) Limited, India	IV	15	-
Chubb Alba Control Systems Limited, India	IV	402	2,164
Carrier Race Technologies Private Limited, India	IV	55	360
United Technologies Corporation India Private Limited, India	IV	31	121
Total		**611**	**2,645**
Dividend paid during the year			
United Technologies South Asia Pacific Pte Ltd, Singapore	I	12,180	46,399
Total		**12,180**	**46,399**

Outstanding Balances	Category	Balance as at March 31, 2020	Balance as at March 31, 2019
Loan / Advance Receivable			
Otis Global Services Centre Private Limited, India	IV	2,450	-
Supriya Elevator Company (India) Limited, India (Net of provision of Rs. 130 lakhs (March 31, 2019 -Rs. NIL)	IV	-	-
Carrier Race Technologies Private Limited, India	IV	-	3,700
Chubb Alba Control Systems Limited, India	IV	-	19,197
United Technologies Corporation India Private Limited, India	IV	-	2,300
Total		**2,450**	**25,197**
Accrued Interest on Inter Corporate Deposit (net of TDS)			
Otis Global Services Centre Private Limited, India	IV	97	-
Chubb Alba Control Systems Limited, India	IV	-	1,947
Supriya Elevator Company (India) Limited, India (Net of provision of Rs. 25 lakhs (March 31, 2019 -Rs. 10 lakhs)	II	-	-
Carrier Race Technologies Private Limited, India	IV	-	640
Total		**97**	**2,587**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Outstanding Balances	Category	Balance as at March 31, 2019	Balance as at March 31, 2018
Payables			
Otis Elevator Company, New Jersey, United States	IV	2,653	2,435
Otis Elevators International Inc., Hong Kong	IV	227	268
Otis Elevator Company (S) Pte. Ltd., Singapore	IV	-	13
OTIS SCS, France	IV	327	386
Carrier Airconditioning & Refrigeration Limited, India	IV	-	35
Zardoya Otis S.A., Spain	IV	952	1,764
Otis GMBH & Co. OHG, Germany	IV	1,210	1,488
Nippon Otis Elevator Company, Japan	IV	56	60
Guangzhou Otis Elevator Company Ltd, China	IV	-	28
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	IV	1,909	1,720
Otis Elevator (China) Co., China	IV	166	1,095
Otis Elevator Traction Machine (China) Co. Ltd., China	IV	520	170
Otis Electric Elevator Co., Ltd., China	IV	9,715	5,041
Otis Elevator VietNam Company Limited, Vietnam	IV	-	1
United Technologies South Asia Pacific Pte Ltd, Singapore	I	682	583
Otis Elevator Company Ltd, Thailand	IV	-	1
Otis Elevator Management (Shanghai) Company Limited, CHINA	IV	-	1
Elevators (Private) Limited, Sri Lanka	IV	17	-
Jsc Mos Otis ,Russia	IV	3	-
Otis Elevator Co Pty Ltd, Australia	IV	2	-
Total		**18,439**	**15,089**
Receivables			
Non Current Financial Assets			
Supriya Elevator Company (India) Limited, India(Net of provision of Rs. 889 lakhs (March 31, 2019 -Rs. 597 lakhs)	II	-	-
Trade Recievables:			
Elevators (Private) Limited, Sri Lanka	IV	86	28
Other Non Current Financial Assets:			
United Technologies South Asia Pacific Pte Ltd, Singapore	I	81	95
Otis Elevator Company (S) Pte. Ltd., Singapore	IV	-	10
Otis Elevators International Inc., Hong Kong	IV	1	1
P.T.Citas Otis Elevator, Indonesia	IV	*	3
Otis Elevator Company (M) SDN BHD, Malasiya	IV	53	61
Seral Otis Industria Metalurgica Ltda, Chile	IV	11	5
OTIS SCS, France	IV	-	*
Carrier Airconditioning & Refrigeration Limited, India	IV	1	11
Chubb Alba Control Systems Limited, India	IV	-	*
Nippon Otis Elevator Company, Japan	IV	(1)	9
Carrier Race Technologies Private Limited, India	IV	-	*
Otis GMBH & Co. OHG, Germany	IV	1	1
Otis Elevator Company, New Jersey, United States	IV	238	-
OTIS NV, Belgium	IV	-	1
Otis Electric Elevator Co., Ltd., China	IV	32	-
Otis Elevator (China) Co., China	IV	44	-
Otis Elevator Co Pty Ltd, Australia	IV	2	-
Otis Elevator Traction Machine (China) Co. Ltd., China	IV	1	-
Otis LLC, U.A.E	IV	1	-
Otis Elevator, Korea	IV	*	-
Total		**551**	**225**

Note:
For information on transactions with post employment benefit plans mentions in A (VI) above, refer the note 32.

*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, 2020

(All amounts are in Rupees in Lakhs, except otherwise as 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, 2020	Year ended March 31, 2019
The principal amount remaining unpaid to any supplier as at the end of each accounting year;	1,871	2
The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	3	*
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 this Act	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	59	1
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.	60	1

* Amounts are below rounding off norms adopted by the Company for which following information is given in Rupees below:

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

46 <u>Contingent Liabilities</u>

	As at March 31, 2020	As at March 31, 2019
a) Claims against the Company not acknowledged as debt		
(i) Sales tax matters		
- Show Cause Notices	646	646
- Demand Notices	29,282	30,791

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.

	As at March 31, 2020	As at March 31, 2019
(ii) Excise, Service Tax and Custom matters		
Excise matters		
- Show Cause Notices	48,517	48,517
- Demand Notices	2,185	2,185
Service Tax matters		
- Show Cause Notices	6,096	6,096
- Demand Notices	24,362	24,362
Custom matters		
- Show Cause Notices	15	15

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

		As at March 31, 2020	As at March 31, 2019
	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.		
b)	Litigations / claims against the Company by customers / ex-employees / general public.	3,006	3,030
	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 Rs. 40 (Previous Year Rs. Nil) remaining to be executed on Capital Account not provided for.	56	105
ii)	Guarantees given by banks to various government departments and customers for specific business purpose. The Management is of opinion that there will be no impact on future cash flows of the Company.	22,219	18,785

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. Accordingly, this has been disclosed as a contingent liability in the standalone financial statements.

47 Capital management

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

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

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

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

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Equity shares Interim dividend Rs. 105 per share fully paid (Previous year - Rs. 400)	12,399	47,233

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

48 Events Occurring after the balance sheet date:

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

49 Offsetting financial assets and financial liabilities

The following table presents the recognized financial instruments that are subject to enforceable master netting arrangements and other similar agreements but not offset, as at March 31, 2020 and March 31, 2019.

Particulars		Related amounts not offset	
	Gross Amounts	Amounts subject to master netting arrangements	Net amount
As at March 31, 2020			
Other financial assets			
Derivative not designated as hedges			
- Foreign exchange forward contracts	214	(214)	-
Other financial liabilities			
Derivative Financial Liabilities			
Foreign exchange forward contracts	46	(214)	(168)
As at March 31, 2019			
Other financial assets			
Derivative not designated as hedges			
- Foreign exchange forward contracts	21	(21)	-
Other financial liabilities			
Derivative Financial Liabilities			
Foreign exchange forward contracts	387	(21)	366

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.

50 Employee share based payments

Certain employees of the Company have been granted Long-Term Incentive Plan (LTIP) namely - Stock Appreciation Rights (SAR), Performance Stock Units (PSU), and Restricted Stock Units (RSU) by the Ultimate Parent Company United Technologies Corporation Inc. (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.

The Company has recognised an employee benefit expense towards share based payment of Rs. 394 lakhs (Previous Year Rs. 488 lakhs) with a corresponding increase in Other Equity as equity contribution from the Ultimate Holding Company.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020

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

51 Recent accounting pronouncements

Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

52 Disclosure as per Ind AS 115

(a) The Company is engaged inter-alia in the business of manufacture, erection, installation and maintenance of elevators, escalators and travolators. The type of work in the contracts with the customers involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance, etc. The effect of initially applying Ind AS 115 on the Company's revenue from contracts with customers is described in Note (e) below. The Company has recognised the cumulative effect of applying Ind AS 115 as an adjustment to the opening balance at April 1, 2018. Due to the transition method chosen in applying Ind AS 115, comparative information has not been restated to reflect the new requirements.

(b) Disaggreagtion of revenue from contracts with customers

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Primary geographical markets		
India	1,68,963	1,62,752
Sri Lanka	5,308	4,978
Nepal	758	758
Bangladesh	221	221
Bhutan	472	466
	1,75,722	**1,69,175**

(c) Contract balances

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

Particulars	As at March 31, 2020	As at March 31, 2019
Receivables which are included in Trade and other receivables		
Contract assets		
- Amount due from customers on construction contract	6,103	7,673
- Accrued value of work done net off provision	1,79,825	1,67,730
Contract liabilities		
- Amount due to customers under construction contract	35,156	34,682
- Advance from customer	5,572	6,726

- Company recognised the cumulative effect of applying Ind AS 115 as an adjustment to the opening balance at April 1, 2019.

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, 2020 was impacted by an impairment charge of INR NIL. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the 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.

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

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	As at March 31, 2020	As at March 31, 2019
(A)	**Due from contract customers:**		
	At the beginning of the reporting period (Para 116 (a))	7,673	4,332
	Add: Increase / (decrease) in Progress work (net)	(9,063)	15,312
	Less: Increase / (decrease) in aggregate amount of progress billings (net)	(7,493)	11,971
	Due from contract customers impaired during the reporting period (Para 118)	-	-
	Significant change due to other reasons (E.g. Business acquisition etc.)	-	-
	At the end of the reporting period (Para 116 (a))	6,103	7,673
(B)	**Due to contract customers:**		
	At the beginning of the reporting period (Para 116 (a))	34,682	40,422
	Less: Increase in aggregated amount of cost incurred and recognised profit (Less recognised losses)	21,158	24,948
	Add : Increase in progress billing made towards contracts-in-progress (net)	21,632	19,208
	Significant change due to other reasons (Para 118) (Eg. Business acquisition etc.)	-	-
	At the end of the reporting period (Para 116 (a))	35,156	34,682
	Total (A+B)	**41,259**	**42,355**

(d) 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.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Standalone Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as 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, 2020:

Particulars	March 2021	March 2022	March 2023	Total
Contract revenue	1,06,151	99,670	12,695	2,18,516
	1,06,151	**99,670**	**12,695**	**2,18,516**

Particulars	March 2020	March 2021	March 2022	Total
Contract revenue	88,759	56,854	10,809	1,56,422
	88,759	**56,854**	**10,809**	**1,56,422**

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.

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss

The following table discloses the reconciliation of amount of revenue recognised as at 31 March 2020:

Particulars	As at March 31, 2020	As at March 31, 2019
Contract price of the revenue recognised	1,75,722	1,69,175
Revenue recognised in the Statement of Profit and Loss	**1,75,722**	**1,69,175**

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

53 COVID-19

The COVID-19 pandemic has caused social and economic disruption across India and also has also impacted our industry. The Company has taken various measures to deal with the situation. The Company's factory operations have resumed shipments in early May and the field teams are doing installation, maintenance and attending to breakdowns following enhanced internal safety and government guidelines. As per assessment, the Company is of the view that there would be a slowdown in demand in short term during the lockdown and demand would gradual bounce back with the easing off the lockdown. The Company has considered internal and external information while assessing recoverability of its assets disclosed in the standalone financial statements up to the date of the approval of these financial statements by the Board of Directors. Based on such assessment and considering the current economic indicators, the Company expects to recover the carrying amount of these assets. The management has also considered the impact of COVID-19 on the business for the foreseeable future and have concluded that the Company has sufficient resources to continue as a going concern and will be able to meet its financial obligations over the foreseeable future. The Company will continue to closely monitor the economic situation and take appropriate actions.

In terms of our report of even date attached

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

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: September 9, 2020

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and
Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Otis Elevator Company (India) Limited (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

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

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

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

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(I) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act.

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

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

i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group. Refer Note 46 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 25 and

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF OTIS ELEVATOR COMPANY (INDIA) LIMITED

Note 26 to the consolidated financial statements in respect of such items as it relates to the Group;

iii. There is an instance of delay in transferring amount of Rs.433,690, required to be transferred, to the Investor Education and Protection Fund by the Holding Company which has been transferred/paid subsequent to 31 March 2020. Refer Note 25 to the consolidated financial statements; and

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31March 2020.

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

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

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

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN: 20116008AAAAAI4601

Place: Mumbai
Date: 9 September 2020

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2020

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of Otis Elevator Company (India) Limited (hereinafter referred to as “the Holding Company”) and such companies incorporated in India under the Companies Act, 2013 which is its subsidiary company, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which is its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management's Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT – 31 MARCH 2020

company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

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

Maulik Jhaveri
Partner
Membership No. 116008
ICAI UDIN: 20116008AAAAAI4601

Place: Mumbai
Date: 9 September 2020

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Balance sheet as at March 31, 2020

	Notes	As at March 31, 2020 in Rs. Lakhs	As at March 31, 2019 in Rs. Lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	4(a)	6,278	6,451
Right of use assets	5	3,562	-
Capital work-in-progress	4(a)	22	337
Intangible assets	4(b)	1,005	1,225
Financial assets			
(i) Loans	6(a)	55	30
(ii) Trade receivables	13(a)	523	47
(iii) Other financial assets	7	683	680
Deferred tax assets (net)	8	7,716	11,763
Income tax assets (net)	9	4,144	6,575
Other non-current assets	10	6,679	7,242
Total non current assets		**30,667**	**34,350**
Current assets			
Inventories	11	19,220	12,535
Financial assets			
(i) Loans	6(b)	2,492	25,235
(ii) Contract work-in-progress	12	6,104	7,678
(iii) Trade receivables	13(b)	36,727	33,104
(iv) Cash and cash equivalents	14	47,166	24,087
(v) Bank balances other than (iv) above	15	581	319
(vi) Other financial assets	16	1,478	3,403
Other current assets	17	1,603	1,807
Assets held for sale	4(c)	10	10
Total current assets		**1,15,381**	**1,08,178**
TOTAL ASSETS		**1,46,048**	**1,42,528**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	1,181	1,181
Other equity	19	25,006	21,499
Total equity		**26,187**	**22,680**
LIABILITIES			
Non-current liabilities			
Provisions	20	12,016	15,245
Other Financial Liabilities			
Lease Liabilities		1,835	-
Employee benefit obligations	21(a)	46	60
Other non-current liabilities	22	2,919	1,367
Total non-current liabilities		**16,816**	**16,672**
Current liabilities			
Financial liabilities			
(i) Short - term borrowings	23	-	128
(ii) Trade payables	24		
(a) Total outstanding dues of micro and small enterprises		1,931	21
(b) Total outstanding dues other than micro and small enterprises		34,188	35,666
(iii) Other financial liabilities	25	2,408	846
Provisions	26	4,978	6,189
Employee benefit obligations	21(b)	4,287	3,945
Liabilities for current tax (net)	27	357	1,406
Other current liabilities	28	54,896	54,975
Total current liabilities		**1,03,045**	**1,03,176**
Total liabilities		**1,19,861**	**1,19,848**
TOTAL EQUITY AND LIABILITIES		**1,46,048**	**1,42,528**

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

In terms of our report of even date attached.

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: September 9, 2020

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

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

	Notes	Year ended March 31, 2020 in Rs. Lakhs	Year ended March 31, 2019 in Rs. Lakhs
Revenue			
Revenue from operations	29	1,76,726	1,70,683
Other income	30	5,424	8,483
Total income		**1,82,150**	**1,79,166**
Expenses			
Cost of materials consumed	31	77,085	82,199
Changes in Inventories of work-in-progress	32	-	262
Employee benefits expenses	33	36,823	32,267
Finance costs	34	785	305
Depreciation and amortisation expenses	35	2,855	1,200
Other expenses	36	35,946	37,041
Total expenses		**1,53,494**	**1,53,274**
Profit before share of net profits of investments accounted for using equity method and tax		**28,656**	**25,892**
Share of net profits / (loss) of investments accounted for using equity method and tax		-	31
Profit before tax		**28,656**	**25,923**
Income tax expense			
1. Current tax	43	6,560	9,850
2. Deferred tax	43	4,106	(402)
3. Adjustment of tax for earlier years		(247)	(762)
		10,419	**8,686**
Profit for the year		**18,237**	**17,237**
Other comprehensive income			
Items that will not be reclassified to the Statement of Profit and Loss:			
Actuarial gains/(losses) arising from remeasurements of post-employment benefit obligations		(235)	(117)
Deferred tax income / (expense) related to above item		59	41
Other comprehensive income for the year, net of tax		(176)	(76)
Total comprehensive income for the year		**18,061**	**17,161**
Profit is attributable to:			
Owners of Otis Elevator Company (India) Limited		18,237	17,237
Non-controlling interests		-	-
Other comprehensive income attributable to			
Owners of Otis Elevator Company (India) Limited		(176)	(76)
Non-controlling interests		-	-
Total comprehensive income attributable to :			
Owners of Otis Elevator Company (India) Limited		18,061	17,161
Non-controlling interests		-	-
Earnings per Share - (Basic and Diluted) [Refer note 37] (Rs. per Equity Share of Rs. 10 each) [Nominal value of share Rs. 10 each] (Previous Year - Rs. 10 each)		154.45	145.97

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

In terms of our report of even date attached.

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

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: September 9, 2020

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2020

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from operating activities:		
Profit before tax	28,656	25,923
Adjustments for :		
Depreciation and amortisation expense	2,855	1,200
Provision for expected credit loss and other financial assets	1,412	2,988
Unrealised loss/(gain) on fluctuation in foreign exchange (net)	178	(521)
Bad trade receivables and other financial assets written off	-	82
Interest expense on delayed payments of taxes	119	205
Interest on lease liability	437	-
Interest - others	-	10
Interest on Borrowings	-	13
Interest on :		
- Deposits with Bank	(2,458)	(3,240)
- Income tax refund	(327)	(17)
- Loans to related parties	(596)	(2,645)
- Others	(6)	(2)
Profit on sale / disposal of property, plant and equipment (net)	(42)	(150)
Provision for product upgradation	54	(360)
Provision for contingency / write back of provision for contingency (net)	(1,408)	1,737
Bad non-financial assets written off	316	-
Interest due on Micro and Small Enterprises	68	-
Unwinding of Interest on deposits / retention money / employee loans	160	77
Share based payments to Employees	394	488
Mark to market on foreign exchange forward contracts	(168)	-
(Profit) / Loss on sale / disposal of investment in associate	-	(70)
Share of net profits of investments accounted for using equity method	-	(31)
Operating profit before working capital changes	**29,644**	**25,687**
Change in operating assets and liabilities		
(Increase) / Decrease in trade receivables - non-current	(476)	167
(Increase) / decrease in trade receivables - current	(4,950)	(6,246)
(Increase) / Decrease in inventories	(6,685)	619
Increase in trade Payables	192	4,794
(Increase) / Decrease in other current financial assets	(304)	267
Decrease / (Increase) in other non-current assets	396	(500)
Decrease in other current assets	204	3,933
(Decrease) / Increase in provisions (non-current)	(1,821)	1,259
(Decrease) in provisions (current)	(1,265)	(4,681)
(Decrease) / Increase in employee benefit obligations (non-current)	(14)	11
Increase in employee benefit obligations (current)	108	466
(Decrease) / Increase in other current financial liabilities	(318)	381
Increase in non-current liabilities	1,552	233
Decrease in other non current financial assets	21	123
(Decrease) / Increase in other current liabilities	(79)	(6,740)
Decrease / (Increase) in Contract work-in-progress	1,574	(2,690)
Operating profit after working capital changes	**17,779**	**17,083**
Taxes paid (net)	(5,259)	(9,524)
Net cash generated from operating activities (A)	**12,520**	**7,559**
Cash flow from investing activities		
Purchase of property, plant and equipment	(681)	(2,214)
Proceeds from sale of Property plant and equipment	63	225
Sale of Investments in Associate	-	430
Loan given to related parties	(2,450)	(1,066)
Loan repaid by related parties	25,197	
Interest received	5,508	4,171
(Increase) in other bank balances	(262)	(120)
Net Cash Generated from Investing Activities (B)	**27,375**	**1,426**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of Cash Flows for the year ended March 31, 2020

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Cash flow from financing activities		
Interest paid on short term borrowings	(28)	-
Dividend paid	(12,315)	(47,144)
Dividend distribution tax paid	(2,549)	(9,709)
Repayment of principal lease liabilities	(1,696)	-
Repayment of Borrowings	(100)	-
Interest expense	(119)	(106)
Net cash (utilised) for Financing Activities (C)	**(16,807)**	**(56,959)**
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**23,088**	**(47,974)**
Cash and Cash Equivalents at the Beginning of the Year	24,078	72,052
Cash and Cash Equivalents at the End of the Year	**47,166**	**24,078**
Cash and Cash Equivalents comprise:		
Cash on hand	-	*
Bank Balances:		
- In Current accounts	2,785	3,954
- Deposits with original maturity of less than three months	44,381	20,133
Temporary overdraft with banks	*	(9)
	47,166	**24,078**

Notes:

1. The above Consolidated Cash Flow Statement has been prepared under "Indirect Method" set out in Accounting Standard (Ind AS) 7 on the Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.
2. The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying Notes.

3. Movement of short-term borrowings	For the year ended March 31, 2020 In Rs. Lakhs	For the year ended March 31, 2019 In Rs. Lakhs
Short-term borrowings (1st April)	100	100
Add/Less: movement during the year	(100)	-
Short-term borrowings (31st March)	-	100

*Amount is below rounding off norms adopted by the Group.

In terms of our report of even date attached.

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

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: September 9, 2020

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and
Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Consolidated Statement of changes in equity for the year ended March 31, 2020

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

A. Equity Share Capital (Refer Note 18)

Particulars	Amount
Balance as at April 1, 2018	**1,181**
Changes in equity share capital	-
Balance as at March 31, 2019	**1,181**
Changes in equity share capital	-
Balance as at March 31, 2020	**1,181**

B. Other equity (Refer Note 19)

Particulars	Reserves and Surplus			Other Equity (Refer Note 52)	Total
	Capital redemption reserve	General reserve	Retained earnings	Equity contribution from Ultimate Parent - Share based payments	
Balance as at April 1, 2018	**73**	**1,759**	**57,713**	**1,216**	**60,761**
Profit for the year	-	-	17,237	-	17,237
Other comprehensive income	-	-	(76)	-	(76)
Total comprehensive income for the year	**-**	**-**	**17,161**	**-**	**17,161**
Impact on adoption of Ind AS 115 (net of tax of Rs. 17 lakhs)	-	-	31		31
Dividends paid	-	-	(47,233)	-	(47,233)
Dividend distribution tax			(9,709)	-	(9,709)
Addition towards share based payments	-	-	-	488	488
Balance as at March 31, 2019	**73**	**1,759**	**17,963**	**1,704**	**21,499**

Particulars	Reserves and Surplus			Other Equity (Refer Note 52)	Total
	Capital redemption reserve	General reserve	Retained earnings	Equity contribution from Ultimate Parent - Share based payments	
Balance as at April 1, 2019	**73**	**1,759**	**17,963**	**1,704**	**21,499**
Profit for the year	-	-	18,237	-	18,237
Other comprehensive income	-	-	(176)	-	(176)
Total comprehensive income for the year	**-**	**-**	**18,061**	**-**	**18,061**
Dividends paid	-	-	(12,399)	-	(12,399)
Dividend distribution tax	-	-	(2,549)	-	(2,549)
Addition towards share based payments	-	-	-	394	394
Balance as at March 31, 2020	**73**	**1,759**	**21,076**	**2,098**	**25,006**

The above Consolidated Statement of changes in equity should be read in conjunction with the accompanying notes.

In terms of our report of even date attached.

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

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: September 9, 2020

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

1 Background of the Company

The Otis Elevator Company (India) Limited ('the Holding Company') having its registered office at Magnus Towers, 9th Floor, Mindspace, Link Road, Malad West, Mumbai – 400 064 was incorporated on 30th October,1953 vide certificate of incorporation number U29150MH1953PLC009158 issued by the Registrar of Companies, Mumbai, Maharashtra. The Group is engaged inter-alia in the business of manufacture, erection, installation and maintenance of elevators, escalators and travolators. The financial statements of Otis Elevator Company (India) Limited (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group").

2 Basis of Preparation and Principles of Consolidation:

(A) Basis of Preparation

(a) Statement of compliance

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

These consolidated financial statements were authorised for issue by the Company's Board of Directors on September 9, 2020.

(b) Historical cost convention

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

(c) Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This Note provides an overview of the areas that involved higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in relevant Notes together with information about the basis of calculation for each affected line item in the consolidated Ind AS financial statements.
The areas involving critical estimates or judgments are:
(i) Estimation of total contract revenue and cost of revenue recognition (Refer Note 53)
(ii) Estimation of defined benefit obligations (Refer Notes 33 and 21)
(iii) Estimation of current tax expense and receivables/payables (Refer Notes 9, 27 and 43)
(iv) Impairment of trade receivables and other receivables (Refer Notes 6(a), 6(b), 7, 10, 13(a), 13(b), 16 and 17)
(v) Recognition and measurement of provisions and contingencies (Refer Notes 20 and 26)

(d) Current vs non-current classification

Operating cycle

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

(B) Principles of Consolidation and equity accounting:

(a) Subsidiary

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, consolidated statement of changes in equity and balance sheet respectively.

(b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control.

This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associate are accounted for using the equity method of accounting (see (c) below), after initially being recognised at cost.

(c) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in Note 3(h) below.

(d) Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

3 Significant accounting policies

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

(a) Foreign currency translations

(I) <u>Functional and presentation currency</u>

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The consolidated Ind AS financial statements are presented in Indian rupee (Rs.), which is Group’s functional and presentation currency.

(ii) <u>Transactions and balances</u>

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

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

(b) Financial instruments

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

(i) Financial assets

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

Recognition, measurement and classification

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

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

(1) Financial assets measured at amortised cost

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

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

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

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

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

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

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

(ii) Financial liabilities

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

Recognition, measurement and classification

A financial liability is recognised in the balance sheet only when the Group becomes party to the contractual provisions to the instrument.

Financial liabilities are classified as either held at a) fair value through profit or loss, or b) at amortised cost. Management determines the classification of its financial liabilities at the time of initial recognition or, where applicable, at the time of reclassification.

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

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020

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

(iii) Equity instruments

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

(iv) De-recognition

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

(v) Impairment of financial assets

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

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

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

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

ECL impairment loss allowance/reversal is recognized during the period as expense/income in the consolidated Statement of Profit and Loss. In case of financial assets measured as at amortised cost, ECL is presented as an allowance. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount but is disclosed as net carrying amount.

(vi) Derivatives

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

(vii) Offsetting financial instruments

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

(c) Inventories

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

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

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

(d) Revenue recognition

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

The Group has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 01 April 2018. The group has adopted Ind AS 115 ‘Revenue from Contracts with Customers’ effective 1 April 2018. The group has elected the option of the modified retrospective approach Group has applied the following accounting policy for revenue recognition:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) Other Income

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

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

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

(f) Property, plant and equipment

Recognition and measurement

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

Depreciation methods, estimated useful lives and residual value

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

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

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

Gains or losses arising from the retirement or disposal of a tangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the consolidated Statement of Profit and Loss.

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

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

Transition to Ind AS

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

(g) Intangible assets

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

Softwares purchased are amortised over a period of 3 to 5 years on straight line basis.

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.

Research and Development:

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

Transition to Ind AS

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

(h) Impairment of non-financial assets :

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

(i) Leases

Operating lease

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

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

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

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

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

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

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

Transition to IND AS 116

The Group has adopted Ind AS 116 "Leases" ("Standard") effective April 1, 2019 (Initial application date). The Standard sets out the principles for recognition, measurement, presentation and disclosure of leases.

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

The Group has availed of following practical expedients as provided by the Standard:

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

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

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

(j) Employee benefits

i) Short term obligation

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

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ii) Other long-term employee benefit obligations

Compensated Absences

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

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

iii) Post employment obligations

a) Defined contribution plans

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

The Group contributes to Superannuation Fund, Employee's State Insurance Fund and Employees Deposit Linked Insurance scheme, and has no further obligation beyond making its contribution. The Group's contributions to the above funds are charged to the consolidated Statement of Profit and Loss.

b) Defined benefit plans

Provident Fund

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

Gratuity

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

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

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Consolidated Statement of Profit and Loss as past service cost.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets (as applicable). This cost is included in employee benefit expense in the Consolidated Statement of Profit and Loss.

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

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

iv) Termination Benefits

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

v) Share based payments

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

The fair value of options granted is recognised as an employee benefit expenses with a corresponding increase in equity as contribution from the parent. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of revision to original estimates, if any, in the Consolidated Statement of Profit and Loss, with a corresponding adjustment to equity.

(k) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Consolidated Statement of Profit and Loss except to the extent that it relates items recognised directly in equity or in other comprehensive income.

Current tax

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

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

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

Deferred tax

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

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

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

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

Current and deferred tax is recognised in the consolidated Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

(l) Provisions and contingent liabilities

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

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

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with in the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount can not be made.
Where the likelihood of outflow of resources is remote, no provision or disclosure as specified in Ind AS -37 - "Provision, contingent liabilities and contingent assets" is made.

(m) Segment reporting

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

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(n) Earnings per share

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

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

(o) Cash and cash equivalents

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

(p) Investments

Investments in subsidiary and associate are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiary/associate, the difference between net disposal proceeds and the carrying amounts are recognised in the consolidated Statement of Profit and Loss. Upon first-time adoption of Ind AS, the Group has elected to measure its investments in subsidiary and associate at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., April 1, 2015.

(q) Dividends

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

(r) Measurement of fair value

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

A. In the principal market for the asset or liability, or
B. In the absence of a principal market, in the most advantageous market for the asset or liability.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as under, based on the lowest level input that is significant to the fair value measurement as a whole:

A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
B. Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
C. Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(s) Borrowing cost

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

(t) Rounding of amounts

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

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

4. Property, Plant and Equipment

(a)

Description	Gross Block					Accumulated Depreciation				Net Block
	As at April 1, 2019	Additions	Deductions	Transfer in/(out)	As at March 31, 2020	As at April 1, 2019	For the year	Deductions	As at March 31, 2020	As at March 31, 2020
Freehold land	250	-	-	-	250	-	-	-	-	250
Buildings	5,227	8	12	(101)	5,122	1,518	347	5	1,860	3,262
Leasehold improvements	492	244	45	-	691	460	70	42	488	203
Plant and equipments	3,999	561	19	101	4,642	1,798	530	11	2,317	2,325
Furniture and fixtures	174	18	-	-	192	121	16	-	137	55
Electrical installations	294	-	-	-	294	202	23	-	225	69
Computers	109	-	9	-	100	68	22	8	82	18
Vehicles	18	-	2	-	16	10	2	-	12	4
Office equipments	281	81	-	-	362	216	54	-	270	92
Total	**10,844**	**912**	**87**	-	**11,669**	**4,393**	**1,064**	**66**	**5,391**	**6,278**
Capital Work-in-progress	**337**	**594**	**909**	-	**22**	-	-	-	-	**22**

Description	Gross Block					Accumulated Depreciation					Net Block
	As at April 1, 2018	Additions	Deductions	Assets held for sale	As at March 31, 2019	As at April 1, 2018	For the year	Deductions	Assets held for sale	As at March 31, 2019	As at March 31, 2019
Freehold land	250	-	-	-	250	-	-	-	-	-	250
Buildings	4,442	810	4	21	5,227	1,175	355	1	11	1,518	3,709
Leasehold improvements	465	27	-	-	492	400	60	-	-	460	32
Plant and equipments	3,471	681	153	-	3,999	1,416	465	83	-	1,798	2,201
Furniture and fixtures	174	-	-	-	174	102	19	-	-	121	53
Electrical installations	294	-	-	-	294	172	30	-	-	202	92
Computers	72	45	8	-	109	56	18	6	-	68	41
Vehicles	18	-	-	-	18	8	2	-	-	10	8
Office equipments	241	45	5	-	281	185	36	5	-	216	65
Total	**9,427**	**1,608**	**170**	**21**	**10,844**	**3,514**	**985**	**95**	**11**	**4,393**	**6,451**
Capital Work-in-progress	**775**	**1,170**	**1,608**	-	**337**	-	-	-	-	-	**337**

(b) Intangible assets

Description	Gross Block				Amortisation				Net Block
	As at April 1, 2019	Additions	Deductions	As at March 31, 2020	As at April 1, 2019	For the year	Deductions	As at March 31, 2020	As at March 31, 2020
Software	1,440	105	-	1,545	215	325	-	540	1,005
Total	**1,440**	**105**	-	**1,545**	**215**	**325**	-	**540**	**1,005**
Intangible under development	-	**105**	**105**	-	-	-	-	-	-

Description	Gross Block				Amortisation				Net Block
	As at April 1, 2018	Additions	Deductions	As at March 31, 2019	As at April 1, 2018	For the year	Deductions	As at March 31, 2019	As at March 31, 2019
Software	1	1,440	1	1,440	-	215	-	215	1,225
Total	**1**	**1,440**	**1**	**1,440**	-	**215**	-	**215**	**1,225**
Intangible under development	**414**	**1,025**	**1,439**	-	-	-	-	-	-

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

(c) Assets held for sale

	As at March 31, 2020	As at March 31, 2019
Building (Net block)	10	10
	10	**10**

Note:

In August 2018, the directors of the Holding Company has decided to sell the Godown No. 12 & 13, 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 in the Board meeting held on August 8, 2018. Accordingly, the net book value of building apportionment thereto has been classified as assets held for sale. These assets were not sold during the current year and the Holding Company continues to hold these assets for sale as re-confirmed by Board in September 9, 2020.

5 Right of use assets

Movements during the year

Description	Gross Block					Accumulated Depreciation				Net block as at March 31, 2020
	Balance as at April 1, 2019	Additions on account of transition to IND AS 116 - April 1, 2019	Additions	Deductions	Balance as at March 31, 2020	Balance as at April 1, 2019	Additions during the year	Deductions	Balance as at March 31, 2020	
Leasehold buildings	-	3,884	403	-	4,287	-	1,274	-	1,274	3,013
Leasehold Vehicles	-	344	241	-	585	-	154	-	154	431
Leasehold Office equipments	-	121	35	-	156	-	38	-	38	118
Total	**-**	**4,349**	**679**	**-**	**5,028**	**-**	**1,466**	**-**	**1,466**	**3,562**

NOTES:

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

This has resulted in recognising a right-of-use asset of Rs. 4,349 lakhs (including reclassification of deposit of Rs. 203 lakhs) and a corresponding lease liability of Rs. 4,146 lakhs.

In the consolidated statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard does not have any significant impact on the current year's profit and earnings per share.

The weighted average incremental borrowing rate of 8.7% to 11.25% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

(b) The Group incurred Rs. 371 lakhs for the year ended March 31, 2020 towards expenses relating to short-term leases and leases of low-value assets. The contractual obligation is Rs. 1,697 lakhs for the year ended March 31, 2020. Interest on lease liabilities is Rs. 437 lakhs for the year.

(c) The Group's leases mainly comprise of office premises, vehicles and office equipments.

(d) Impact of adoption of IND AS 116 for the year ended March 31, 2020 is as follows:

Particulars	Amt in lakhs
Decrease in lease rental expenses	1,697
Increase in Depreciation	1,466
Increase in Finance cost (net)	384
Net decrease in profit for the year	**153**

6 (a) Loans - Non-Current

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Loans to employees	55	30
	55	**30**

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

6 (b) Loans - Current

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good:		
Loans to related parties		
Chubb Alba Control Systems Limited	-	19,197
Carrier Race Technologies Private Limited	-	3,700
United Technologies Corporation India Private Limited	-	2,300
Otis Global Services Centre Private Limited	2,450	-
Loans to employees	42	38
	2,492	**25,235**

Details of Loans to Related Parties

Particulars	As at March 31, 2020 Amounts	Purpose	Rate of interest %	Repayable on or before*
Otis Global Services Centre Private Limited	2,000	Project financing and working capital	11.25	27-Apr-20
Otis Global Services Centre Private Limited	450	Project financing and working capital	11.25	21-Jun-20
	2,450			

Details of Loans to Related Parties

Particulars	As at March 31, 2019 Amounts	Purpose	Rate of interest %	Repayable on or before
Chubb Alba Control Systems Limited	19,197	Project financing and working capital	11.25	July 31, 2019
	19,197			
Carrier Race Technologies Private Limited	3,150	Working capital	11.25	May 14, 2019
	550	Working capital	11.25	May 14, 2019
	3,700			
United Technologies Corporation India Private Limited	2,300	Project financing and working capital	11.25	October 11, 2019
	2,300			

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

7 Other financial assets (non current)

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Security deposits	669	680
Long-term Deposits with bank with maturity period more than 12 months	13	-
Interest accrued on deposits, Loans and advances	1	-
Unsecured, considered doubtful		
Security deposits	70	98
Less: Provision for expected credit loss	(70)	(98)
	-	-
	683	**680**

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

		As at March 31, 2020	As at March 31, 2019
8	**Deferred tax assets (Net)** [Refer note 43D]		
	Deferred tax assets		
	Provision for expected credit loss	2,222	3,034
	Provision for compensated absences and gratuity	1,072	1,366
	Provision for product upgradation	28	73
	Disallowances under Section 40(a) of the Income tax Act, 1961	99	136
	Depreciation and amortisation	150	95
	Provision for contingency	3,024	5,325
	Provision for foreseeable losses on contracts	1,170	1,407
	Mark to market adjustment on derivative contracts	-	130
	Others	-	197
	Gross deferred tax assets	**7,765**	**11,763**
	Deferred tax liabilities		
	Mark to market adjustment on derivative contracts gains	42	-
	Ind AS 116 Lease impact	7	-
	Gross deferred tax liabilities	**49**	**-**
	Deferred tax assets (net)	**7,716**	**11,763**

		As at March 31, 2020	As at March 31, 2019
9	**Income tax assets (net)**		
	Advance income tax	36,001	29,043
	Provision for tax	(31,857)	(22,468)
		4,144	**6,575**

		As at March 31, 2020	As at March 31, 2019
10	**Other non-current assets**		
	Unsecured, considered good		
	Capital advances	48	39
	Prepaid expenses	59	68
	Balances with government authorities	6,572	7,135
	Unsecured, considered doubtful		
	Balances with Government Authorities	1,166	1,107
	Less: Impairment loss allowance	(1,166)	(1,107)
		-	**-**
		6,679	**7,242**

		As at March 31, 2020	As at March 31, 2019
11	**Inventories (at lower of cost or net realisable value)**		
	Raw materials:		
	Components and Spares [including Components In-transit Rs. 10,686 lakhs (March 31, 2019: Rs. 5,204 lakhs)]	19,220	12,535
		19,220	**12,535**

During the year, the Group has written down inventories by Rs. 106 lakhs (Previous Year Rs. 61 lakhs) in respect of provision for slow moving and obsolete items. These are recognised as an expense during the year.

Details of Inventory

Following the industry pattern, the group considers an Elevator as produced when total components comprising complete elevators are dispatched from the Shipping department. Accordingly, there is no closing stock of goods produced as of March 31, 2020 and March 31, 2019.

	As at March 31, 2020	As at March 31, 2019
12 Contract Work-In-Progress [Refer Note 53]		
Progress work	31,735	40,812
Less: Aggregate amount of progress billings	25,631	33,134
	6,104	**7,678**

	As at March 31, 2020	As at March 31, 2019
13(a) Trade receivables - non current (Unsecured)		
Receivables considered good	523	47
	523	**47**

	As at March 31, 2020	As at March 31, 2019
13(b) Trade receivables - current (Unsecured)		
Receivables considered good*	36,727	33,104
Receivables with significant increase in credit risk	7,025	6,920
	43,752	40,024
Less: Provision for expected credit loss	(7,025)	(6,920)
	36,727	**33,104**

* This includes amount receivable from related parties Rs. 86 lakhs (March 31, 2019 : Rs. 28 lakhs) Refer note 44.

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

	As at March 31, 2020	As at March 31, 2019
14 Cash and Cash equivalents		
Balances with banks		
- In Current accounts	2,785	3,954
- Deposits with original maturity of less than three months	44,381	20,133
Cash on hand	-	#
	47,166	**24,087**

Amount is below rounding off norms adopted by the Group.

	As at March 31, 2020	As at March 31, 2019
15 Bank balances other than above		
Unpaid dividend	349	265
Deposit with banks [towards security deposit against sales tax and other matters]	232	54
	581	**319**

	As at March 31, 2020	As at March 31, 2019
16 Other financial assets		
Receivables from related parties (Refer note 44)		
Interest accrued on loans		
Otis Global Services Centre Private Limited	97	-
Chubb Alba Control Systems Limited	-	1,947
Carrier Race Technologies Private Limited	-	640
	97	2,587
Other receivables *	498	225

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

	As at March 31, 2020	As at March 31, 2019
Other receivables - Unsecured considered good		
Deposits - Others	496	439
Interest accrued on fixed deposits	173	131
Derivative not designated as hedges- Foreign exchange forward contracts	214	21
Unsecured, considered doubtful		
Security deposits - Others	581	584
Less: Impairment loss allowance	(581)	(584)
	-	-
	1,478	**3,403**

* This includes amount receivable from related parties Rs. 464 lakhs (Previous Year Rs.198 lakhs). (Refer note 44).

17 Other current assets

	As at March 31, 2020	As at March 31, 2019
Prepaid expenses	693	645
Advance to employees	2	2
Unbilled revenue	15	-
Advance to suppliers	468	864
Balances with Government Authorities	429	296
Less: Impairment loss allowance	(4)	-
	425	296
	1,603	**1,807**

18 Equity share capital

	As at March 31, 2020	As at March 31, 2019
Authorised		
15,000,000 (Previous Year 15,000,000) equity shares of Rs. 10 each	1,500	1,500
Issued, subscribed and paid-up		
11,808,222 (previous year : 11,808,222) equity shares of Rs. 10 each fully paid-up	1,181	1,181
	1,181	**1,181**

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	11,808,222	1,181	11,808,222	1,181
Additions / deletions during the year	-	-	-	-
Balance as at the end of the year	**11,808,222**	**1,181**	**11,808,222**	**1,181**

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

(c) Shares held by the parent company

	Relationship	As at March 31, 2020	As at March 31, 2019
11,599,819 equity shares (Previous Year: 11,599,819 equity shares) are held by United Technologies South Asia Pacific Pte. Ltd.*	Holding Company	1,160	1,160
		1,160	**1,160**

* Name changed to Otis International Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

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

Name of the Shareholders	As at March 31, 2020 Number of shares	As at March 31, 2020 % holding	As at March 31, 2019 Number of shares	As at March 31, 2019 % holding
United Technologies South Asia Pacific Pte. Ltd. *	11,599,819	98.24%	11,599,819	98.24%

* Name changed to Otis International Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

19 OTHER EQUITY

	As at March 31, 2020	As at March 31, 2019
Capital redemption reserve	73	73
General reserve	1,759	1,759
Retained earnings	21,076	17,963
ESOP reserve - contribution from parent	2,098	1,704
	25,006	**21,499**
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	17,963	57,713
Add: Profit for the year	18,237	17,237
Items of other comprehensive income recognised directly in retained earnings		
- Re-measurements of post employment benefit obligation (net of tax)	(176)	(76)
Impact on adoption of Ind AS 115 (net of tax Rs. Nil ; Previous year ; Rs. 17 lakhs)	-	31
- Dividend (Refer note 47)	12,399	47,233
- Dividend distribution tax	2,549	9,709
Balance as at the end of the year	**21,076**	**17,963**
d. Employees Share Option Plan (ESOP) reserve		
Balance as at the beginning of the year	1,704	1,216
Add: Additions during the year (Refer Note 52)	394	488
Balance as at the end of the year	**2,098**	**1,704**
	25,006	**21,499**

Nature and purpose of reserves

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

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

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

d. Employees Share Option Plan (ESOP) reserve
The ESOP reserve is used to recognise the grant date fair value of share based options issued to employees by the ultimate parent company. Refer note 52 for details.

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

	As at March 31, 2020	As at March 31, 2019
20 Provisions - Non-Current		
Other provisions		
Provision for contingency	12,016	15,245
	12,016	**15,245**

Provision for contingency (Refer note 41):
Provision for Contingency represents estimates made for probable liabilities arising out of pending matters with various tax authorities. Outflow with regard to the said matters depends on exhaustion of remedies available to the Group under the law and hence, the Group is not able to reasonably ascertain the time of outflow.

Provision for product upgradation (Refer note 26):
Provision for product upgradation includes free product upgrade to be provided to the customers to enhance safety, quality and maintenance of elevators. The amount is determined based on the estimated cost of material and labour to be incurred on the affected units.

(i) Movement in provisions

Particulars	Year ended March 31, 2020			Year ended March 31, 2019		
	Provision for product upgradation	Provision for contingency	Provision for forseeable losses on contracts	Provision for product upgradation	Provision for contingency	Provision for forseeable losses on contracts
Balance as at March 31, 2019	208	15,245	5,981	1,323	13,986	8,170
Provision recognised during the year	114	2,066	2,676	271	1,807	2,791
Provision utilised during the year	(149)	(1,821)	-	(755)	(478)	-
Provision reversals/written back during the year	(60)	(3,474)	(3,792)	(631)	(70)	(4,980)
Balance as at March 31, 2020	**113**	**12,016**	**4,865**	**208**	**15,245**	**5,981**

	As at March 31, 2020	As at March 31, 2019
21 Employee benefit obligations [Refer Note 33]		
(a) Non-current provisions for employee benefits :		
Provision for gratuity	46	60
	46	**60**
(b) Current provisions for employee benefits :		
Provision for gratuity	758	644
Provision for compensated absences	3,529	3,301
	4,287	**3,945**

	As at March 31, 2020	As at March 31, 2019
22 Other non-current liabilities		
Advance service and maintenance billing	2,676	1,367
Deferred Revenue for Elevator Contracts towards Service and Maintenance	243	-
	2,919	**1,367**

	As at March 31, 2020	As at March 31, 2019
23 Short-term borrowings		
Unsecured working capital loan from related parties		
Carrier Airconditioning and Refrigeration Limited *	-	100
Interest accrued and due on borrowings**	-	28
	-	**128**
* Loan repaid on April 14, 2019. Rate of Interest @ 12.50%		
** Carrier Airconditioning and Refrigeration Limited	-	28

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

24 Trade payables

	As at March 31, 2020	As at March 31, 2019
Trade payables to related parties (Refer note 44)	18,439	15,089
Trade Payables - Others		
- Total outstanding dues of micro enterprises and small enterprises (Refer Note 45)	1,931	21
- Total outstanding dues of other than micro and small enterprises	15,749	20,577
	36,119	**35,687**

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

25 Other financial liabilities

	As at March 31, 2020	As at March 31, 2019
Capital creditors	185	155
Unpaid dividends *	349	265
Temporary overdraft with banks	**	9
Derivative not designated as hedges - foreign exchange forward contracts	46	387
Interest payable to micro and small enterprises (Refer Note 45)	99	30
Lease Liabilities	1,729	-
	2,408	**846**

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

**Amount is below rounding off norms adopted by the Group.

26 Provisions - Current

	As at March 31, 2020	As at March 31, 2019
Provision for foreseeable losses on contracts [Refer Note 20]	4,865	5,981
Provision for product upgradation [Refer Note 20]	113	208
	4,978	**6,189**

27 Liabilities for current tax (net)

	As at March 31, 2020	As at March 31, 2019
Current tax liability	6,560	18,596
Advance tax	(6,203)	(17,190)
	357	**1,406**

28 Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Advances from customers	5,606	6,788
Advance service and maintenance billing	11,452	9,645
Statutory liabilities *	1,578	2,617
Invoices raised in respect of incomplete contracts	1,83,336	1,61,866
Less: Adjusted against aggregated amount of cost incurred and recognised profits (less recognised losses)	1,48,167	1,27,056
	35,169	34,810
Deferred Revenue for elevator contracts for service and maintenance	1,091	1,115
	54,896	**54,975**

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

	As at March 31, 2020	As at March 31, 2019
***Statutory liabilities includes below break up:**		
Goods and Services Tax, Sales and Service Tax	529	1,681
Tax deducted and tax collected at source	696	667
Provident fund and family pension scheme	311	233
Employees state insurance	5	9
Others (Labour welfare fund and Profession tax)	37	27
	1,578	**2,617**

29 Revenue from operations

	As at March 31, 2020	As at March 31, 2019
Contract Revenue :		
Contracts for supply and installation of elevators, escalators and trav-o-lators	1,03,577	1,03,606
Income from repairs	10,084	9,392
Income from maintenance services	62,699	57,080
Other operating revenues :		
Sale of scrap	366	605
	1,76,726	**1,70,683**

30 Other income

	As at March 31, 2020	As at March 31, 2019
Interest income:		
- Deposits with banks	2,458	3,240
- Income tax refund	327	17
- Loans to related parties (Refer note 44)	596	2,645
- Others	6	2
Provision for Contingency no longer required written back (net) (Refer note 20)	1,408	-
Provision for product upgradation no longer required written back (Refer note 20 and 26)	-	360
Liabilities no longer required written back	-	805
Recoveries of expenses from related parties	362	177
Profit on sale / disposal of property, plant and equipment	42	150
Profit on sale of shares in Trio Elevators (Associate Company)	-	70
Reversal of excess provision for Loss on contracts	5	4
Bad debts recovery	16	27
Interest Income over the Security deposit	1	-
Reversal of excess provision for doubtful debts	1	-
Debts recovered	-	203
Sales tax refund	-	482
Others	202	301
	5,424	**8,483**

31 Cost of material consumed

Raw material, components and spare parts	As at March 31, 2020	As at March 31, 2019
Opening stock	12,535	12,892
Add: Purchases during the year	83,770	81,842
Less: Closing stock	19,220	12,535
	77,085	**82,199**

32 Changes in inventories of work-in-progress

	As at March 31, 2020	As at March 31, 2019
Opening stock		
Components for Elevators Constructions	-	262
Less: Closing stock		
Components for Elevators Contractions	-	-
	-	**262**

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

33 Employee benefit expenses	As at March 31, 2020	As at March 31, 2019
Salaries, wages, allowances, bonus and benefits (net)	32,921	28,269
Contribution to Provident and Family Pension Scheme	1,553	1,467
Contribution to Superannuation Scheme	188	167
Contribution to Gratuity Fund	720	639
Contribution to Employees' State Insurance and Employees' Deposit Linked Insurance Scheme	52	79
Share-based payment to employees (Refer Note 52)	394	488
Workmen and staff welfare expenses	995	1,158
	36,823	**32,267**

I Defined Contribution Plans

a. Superannuation Fund
b. State Defined Contribution Plans
- Employers' Contribution to Employees State Insurance
- Other contribution plan

	Year ended March 31, 2020	Year ended March 31, 2019
Amount recognised in the Statement of Profit and Loss		
(i) Employers' Contribution to Superannuation	188	167
(ii) Employers' Contribution to Employees State Insurance and Employees' Deposit Linked insurance scheme	52	79
	240	**246**

II Defined Benefit Plans

i) Gratuity

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

	Funded Plan			Unfunded Plan
Particulars	**Present Value of Obligation**	**Fair Value of Plan Assets**	**Net defined benefit (asset) liability**	**Present Value of Obligation**
Balance as on March 31, 2018	**9,547**	**9,234**	**313**	**54**
Interest cost	722	698	24	4
Current service cost	604	-	604	7
Total amount recognised in profit or loss	**1,326**	**698**	**628**	**11**
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	13	-	13	-
Actuarial (Gains) / Losses on Obligations - Due to Experience	(153)	-	(153)	1
Actuarial Gain / (Loss) on plan assets	-	(256)	256	-
Total amount recognised in other comprehensive income	**(140)**	**(256)**	**116**	**1**
Contributions by employer	-	419	(419)	-
Benefit Paid	(567)	(567)	-	-
Balance as on March 31, 2019	**10,166**	**9,528**	**638**	**66**

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020

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

Particulars	Funded Plan: Present Value of Obligation	Funded Plan: Fair Value of Plan Assets	Funded Plan: Net defined benefit (asset) liability	Unfunded Plan: Present Value of Obligation
Balance as on March 31, 2019	**10,166**	**9,528**	**638**	**66**
Interest cost	768	718	50	4
Current service cost	661	-	661	6
Total amount recognised in profit or loss	**1,429**	**718**	**711**	**10**
Actuarial (Gains) / Losses on Obligations - Due to Change in Financial Assumptions	(178)	-	(178)	-
Actuarial (Gains) / Losses on Obligations - Due to Experience	52	-	52	(2)
Actuarial Gain / (Loss) on plan assets	-	(361)	361	-
Total amount recognised in other comprehensive income	**(126)**	**(361)**	**235**	**(2)**
Contributions by employer	-	697	(697)	-
Benefit Paid	(574)	(441)	(133)	(24)
Balance as on March 31, 2020	**10,895**	**10,141**	**754**	**50**

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

Particulars	Funded Plan: As at March 31, 2020	Funded Plan: As at March 31, 2019	Unfunded Plan: As at March 31, 2020	Unfunded Plan: As at March 31, 2019
Present Value of funded obligation as at the year end	(10,895)	(10,166)	(50)	(66)
Fair Value of Plan Assets as at the year end	10,141	9,528	-	-
Funded Status	**(754)**	**(638)**	**(50)**	**(66)**
Present Value of unfunded Obligation as at the year end	-	-	-	-
Unfunded Net Liability recognised in Balance Sheet	**(754)**	**(638)**	**(50)**	**(66)**

C) Amount recognised in the Balance Sheet

Particulars	Funded Plan: As at March 31, 2020	Funded Plan: As at March 31, 2019	Unfunded Plan: As at March 31, 2020	Unfunded Plan: As at March 31, 2019
Present Value of Obligation at the end of the year	(10,895)	(10,166)	(50)	(66)
Fair value of plan assets at the end of the year	10,141	9,528	-	-
(Liability) recognised in the Balance Sheet	**(754)**	**(638)**	**(50)**	**(66)**

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: As at March 31, 2020	Funded Plan: As at March 31, 2019	Unfunded Plan: As at March 31, 2020	Unfunded Plan: As at March 31, 2019
Discount Rate (per annum)	6.82%	7.54%	6.25%	7.28%
Rate of increase in Salary	9.00%	10.00%	8.40%	9.40%
Rate of Return on Plan Assets	6.82%	7.54%	-	-

- The discount rates reflects the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of the obligation.
- The estimates of future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand and the employment market.

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

E) Sensitivity analysis

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

	Funded Plan – Impact on defined benefit obligation of Gratuity (Amounts)			
	As at March 31, 2020		**As at March 31, 2019**	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Discount Rate (0.5 % movement)	(328)	350	(314)	335
Compensation levels (0.5 % movement)	341	(323)	325	(308)
Employee turnover (0.5 % movement)	(50)	53	(53)	56

	Unfunded Plan – Impact on defined benefit obligation of Gratuity (Amounts)			
	As at March 31, 2020		**As at March 31, 2019**	
	Increase in rate	Decrease in rate	Increase in rate	Decrease in rate
Discount rate (1% movement)	(46)	53	(62)	71
Compensation levels (1% movement)	53	(46)	70	(62)
Employee turnover (-/+50%)	(47)	53	(64)	70

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

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

	Funded Plan			
Particulars	**As at March 31, 2020**		**As at March 31, 2019**	
	Amount	**%**	**Amount**	**%**
Debts Instruments:				
Central Government Securities	-	-	-	-
State Government Securities	50	*	102	1
Corporate Bonds	601	6	266	3
Investment Funds:				
Special Deposits Scheme	-	-	-	-
Insurance managed funds	9,331	92	8,399	88
Others:				
Cash and cash equivalents (net)	159	2	761	8
Total	**10,141**	**100**	**9,528**	**100**

G)

Recognised under:	**March 31, 2020**	**March 31, 2019**
Non-current employee benefit obligations [Refer Note 21(a)]	46	60
Current employee benefit obligations [Refer Note 21(b)]	758	644

H)

Particulars	**March 31, 2020**	**March 31, 2019**
Expected gratuity contribution for the next year	1,097	1,019

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020

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

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

The weighted average duration of the defined benefit obligation is 8 years (March 31, 2019 – 8 years). The expected maturity analysis of undiscounted gratuity is as follows:

	Funded Plan			
Particulars	**Less than a year**	**Between 2 - 5 years**	**Over 5 years**	**Total**
March 31, 2020				
Defined benefit obligation (gratuity)	1,268	4,647	12,954	18,869
March 31, 2019				
Defined benefit obligation (gratuity)	1,208	3,981	13,993	19,182

	Unfunded Plan			
Particulars	**Less than a year**	**Between 2 - 5 years**	**Over 5 years**	**Total**
March 31, 2020				
Defined benefit obligation (gratuity)	-	23	104	127
March 31, 2019				
Defined benefit obligation (gratuity)	1	39	116	156

J) Risk exposure

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

Asset Volatility

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

Changes in yields

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

ii) Provident Fund

The group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by The group has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2020 and March 31, 2019 respectively.

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

Particulars	Funded Plan	
	As at March 31, 2020	**As at March 31, 2019**
Plan assets at period end, at fair value	37,265	33,926
Present value of benefit obligation at year end	(37,265)	(33,926)
Asset recognized in balance sheet	-	-

The plan assets have been primarily invested in government securities.

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

Particulars	Funded Plan	
	As at March 31, 2020	As at March 31, 2019
Government of India (GOI) bond yield	6.82%	7.54%
Remaining term to maturity of portfolio	5 years	5 years
Expected guaranteed interest rate - First year:	8.25%	8.65%
- Thereafter:	8.25%	8.65%

The Group contributed Rs. 1,553 lakhs and Rs. 1,467 lakhs to the provident fund during the years ended March 31, 2020 and March 31, 2019, respectively and the same has been recognised in the Consolidated Statement of Profit and Loss under the head Employees Benefit Expenses.

III) The liability for compensated absences as at year end is Rs. 3,529 lakhs (March 31, 2019 - Rs. 3,301 lakhs). (Refer note 21)

34 Finance Costs	**As at March 31, 2020**	**As at March 31, 2019**
Unwinding of interest on deposits / retention money / employee loans	160	77
Interest on short term borrowings	-	13
Interest on Micro and Small Enterprises	68	-
Interest expense on delayed payments of taxes	119	205
Interest on Goods and Services Tax	1	-
Interest on Lease Liability	437	-
Interest - others	-	10
	785	**305**

35 Depreciation and amortisation expense	**As at March 31, 2020**	**As at March 31, 2019**
Depreciation of property, plant and equipment (Owned Assets)	1,064	985
Amortisation of Right of use assets	1,466	-
Amortisation of intangible assets	325	215
	2,855	**1,200**

36 Operating and other expenses	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Consumption of stores and consumables	1,134	1,383
Packing and forwarding charges	4,064	4,196
Repairs and maintenance:		
- Buildings	339	275
- Plant and machinery	75	98
- Vehicles	19	19
- Others	831	724
Rent (Refer note 38)	371	2,125
Rates and taxes	659	702
Insurance	916	748
Power and fuel	407	465
Expenses on contracts for installation/ service	7,862	4,864
Advertising, publicity and sales promotion	193	272
Commission	1,529	1,263
Commission to Non-Executive Directors	15	15
Royalties	6,935	5,724
Communication costs	552	328
Travelling and conveyance	1,771	2,130
Printing and stationery	198	394
Legal and professional charges [Refer note (i) below]	1,979	1,890
Housekeeping expenses	7	12
System and software maintenance expenses	2,091	2,291

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

	As at March 31, 2020	As at March 31, 2019
Management fees `	704	651
Bad trade receivables and other financial assets written off	1,145	1,893
Less: Withdrawn from provision for expected credit loss	(1,145)	(1,811)
	-	82
Bad non-financial assets written off	435	-
Less: Withdrawn from provision for expected credit loss	(119)	-
	316	-
Provision for expected credit loss and other financial assets	1,412	2,988
Product upgradation expense (Refer note 26)	54	-
Provision for contingency (Refer Note 20)	-	1,737
Directors' fees	4	5
Expenditure towards Corporate Social Responsibility activities [Refer Note (ii) below]	463	436
Doubtful Debts	1	
Loss on fluctuation in foreign exchange (net)	914	986
Miscellaneous expenses	131	238
	35,946	**37,041**

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

For statutory audit	50	40
For tax audit	6	6
For other services	4	22
Reimbursement of expenses	3	3
	63	**71**

(ii) Corporate Social Responsibility Expenses:

(a) Gross amount required to be spent by the group during the year was Rs. 436 lakhs (Previous Year Rs. 436 Lakhs)

(b) Amount spent during the year on:

Particulars	Paid during the year	Yet to be paid	Total
(i) Construction/acquisition of any asset	-	-	-
(ii) On purposes other than (i) above	Rs. 457 lakhs (Previous Year Rs. 436 lakhs)	Rs. 6 lakhs (Previous Year Rs. Nil lakh)	Rs. 463 lakhs (Previous Year Rs. 436 lakhs)

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

37 Earnings per share

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit attributable to the owners of the company	18,237	17,237
Weighted Average number of Equity Shares of Rs. 10 each during the year	1,18,08,222	1,18,08,222
Earnings Per Share (Basic and Diluted)	154.45	145.97
Nominal Value of an Equity Share	10	10

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

38 Operating Leases

The Group has entered into non-cancellable operating leases for warehouse and office premises for a primary period of 5 to 10 years. The Group has given refundable interest free security deposits under the agreements. Certain agreements contains provision for renewals.

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

(a) Total future minimum lease payments in respect of the above mentioned premises being:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Not later than one year	-	771
Later than one year and not later than five years	-	430
Later than five years	-	-

(b) Lease payments recognised in the Statement of Profit and Loss during the year	371	2,125

(c) Maturity analysis

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

Weighted average effective interest rate is 8.70% p.a.-11.25% p.a.

39 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Holding Company. The Group has identified the following segments i.e. (i) Contract for supply and installation of elevators, escalators and trav-o-lators and (ii) services for maintenance, repairs and modernisation of elevators and escalators as reporting segments based on the information reviewed by CODM.

The above business segments have been identified considering:
a) the nature of products and services
b) the differing risks and returns
c) the internal organisation and management structure, and
d) the internal financial reporting systems.

The segment information presented is in accordance with the accounting policies adopted for preparing the consolidated financial statements of the Group.
Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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Particulars	2019-20			2018-19		
	New Equipment Installation	Service	Total	New Equipment Installation	Service	Total
Revenue						
Segment revenue	1,03,666	73,060	1,76,726	1,04,058	66,625	1,70,683
Inter-segment revenue	-	-	-	-	-	-
External revenue	**1,03,666**	**73,060**	**1,76,726**	**1,04,058**	**66,625**	**1,70,683**
Other income	218	209	427	579	76	655
Expenses						
Identifiable operating expenses	63,408	13,638	77,046	71,567	11,133	82,700
Allocated expenses	38,413	36,921	75,334	35,457	34,640	70,097
Segment result	**2,063**	**22,710**	**24,773**	**(2,387)**	**20,928**	**18,541**
Unallocable Income /(Expenses)						
Other income	-	-	4,997	-	-	7,828
Other expenses	-	-	(1,114)	-	-	(477)
Exceptional Item						
Sale of shares in Trio Elevators (Associate Company)						
Provision for doubtful receivables and accrued interest receivable from subsidiary			-			
Profit before taxation			**28,656**			**25,892**
Depreciation						
Segment depreciation	1,971	885	2,855	968	232	1,200
Unallocable depreciation	-	-	-	-	-	-
Total Depreciation			**2,855**			**1,200**
Non Cash Expenses /(income) other than Depreciation						
Segment Non Cash Expenditure	922	350	1,272	(940)	2,202	1,262
Unallocable Non Cash Expenditure	-	-	761	-	-	427
Total Non Cash Expenditure other than Depreciation			**2,033**			**1,689**

Information about major customers

There is no single customer which contributes more than 10% of the Group's total revenues.

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. 1,651 lakhs (Previous Year Rs. 1,694 lakhs) in respect of the research activities undertaken during the year.

41 Under the Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019, announced by the Government of India, the Group has written back net provision of Rs. 362 lakhs as part of provision for contingency no longer required written back, against various disputed liabilities since the Group has settled these liabilities.

Maharashtra state Government had introduced Modified Value Added Tax Amnesty Scheme 2019 on July 9, 2019. Group availed the benefit under this scheme and settled various Value Added Tax (VAT) liabilities pertaining to different years and has written back net provision of Rs. 1,226 lakhs as part of provision for contingency no longer required written back.

42 Financial instruments - Fair values and risk management

A. Accounting classification and fair values

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

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

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

March 31, 2020		Carrying amount			
	Note No.	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets					
(i) Loans	6(a) and 6(b)	-	-	2,547	2,547
(ii) Contract work-in-progress	12	-	-	6,104	6,104
(iii) Trade receivables	13(a) and 13(b)	-	-	37,250	37,250
(iv) Cash and cash equivalents	14	-	-	47,166	47,166
(v) Bank balance other than (iv) above	15	-	-	581	581
(vi) Other financial assets (including non-current bank balance)	7 and 16	-	-	1,947	1,947
(vii) Derivatives not designated as hedges-Foreign exchange forward contracts	16	214	-	-	214
		214	**-**	**95,595**	**95,809**
Financial liabilities					
(I) Short term borrowings	23	-	-	-	-
(ii) Trade payables	24	-	-	36,119	36,119
(iii) Other financial liabilities	25	46	-	2,362	2,408
(iii) Other non current financial liabilities				1,835	1,835
		46	**-**	**40,316**	**40,362**

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020

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

March 31, 2019		**Carrying amount**			
	Note No.	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**
Financial assets					
(i) Loans	6(a) and 6(b)	-	-	25,265	25,265
(ii) Contract work-in-progress	12	-	-	7,678	7,678
(iii) Trade receivables	13(a) and 13(b)	-	-	33,151	33,151
(iv) Cash and cash equivalents	14	-	-	24,087	24,087
(v) Bank balance other than (iv) above	15	-	-	319	319
(vi) Other financial assets (including non-current bank balance)	7 and 16	-	-	4,062	4,062
(vii) Derivatives not designated as hedges-Foreign exchange forward contracts	16	21	-	-	21
		21	**-**	**94,562**	**94,583**
Financial liabilities					
(i) Short term borrowings	23	-	-	128	128
(ii) Trade payables	24	-	-	35,687	35,687
(iii) Other financial liabilities	25	-	-	459	459
(iv) Derivatives not designated as hedges - foreign exchange forward contracts	25	387	-	-	387
		387	**-**	**36,274**	**36,661**

B. Measurement of fair values

i) **Valuation processes**

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

ii) **Fair value hierarchy**

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

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

C. Financial risk management

Risk management framework

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

i. Management of the credit risk

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

Trade and other receivables

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

Exposures to customers outstanding at the end of each reporting period are reviewed by the Group to determine incurred and expected credit losses. The Group assesses and manages credit risk based on the Group's credit policy. Under the Group credit policy each new customer is analysed individually for credit worthiness before the Group's standard payment and delivery terms and conditions are offered. The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instrument, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining 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.

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

The Group's accounts receivable are geographically dispersed. The Management do not believe there are any particular customer or Group of customers that would subject the Group to any significant credit risks in the collection of accounts receivable.

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	6,920	5,858
Changes in allowance during the year	105	1,062
Loss allowance as at the end of the year	**7,025**	**6,920**

Loans to related parties:
The Group has given unsecured loans to other Group entities of United Technologies Corporation Inc. The loans outstanding as of March 31, 2020 have not been repaid subsequent to the year end. The loans outstanding as of March 31, 2019 have been repaid during the current year.

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

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

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

Following is the movement in Provision for expected credit loss on other financial assets:

Security deposits	Year ended March 31, 2020	Year ended March 31, 2019
Loss allowance at the beginning of the year	682	570
Changes in allowance during the year (Refer Notes - 7 and 16)	(31)	112
Loss allowance as at the end of the year	**651**	**682**

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

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

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

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

Particulars	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1- 5 years	More than 5 years
As at March 31, 2020					
Non-derivative financial liabilities					
Other financial lease liabilities (Non-current)	1,835	2,462	-	2,302	160
Short term borrowings	-	-	-	-	-
Trade payables	36,119	36,119	36,119	-	-
Other financial liabilities	2,363	2,363	2,363	-	-
Derivative Financial Liabilities					
Foreign exchange forward contracts	46	46	46	-	-
As at March 31, 2019					
Non-derivative financial liabilities					
Short term borrowings	128	128	128	-	-
Trade payables	35,687	35,687	35,687	-	-
Other financial liabilities	816	816	816	-	-
Derivative Financial Liabilities					
Foreign exchange forward contracts	30	30	30	-	-

iii. Market risk

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

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

Particulars	March 31, 2020			March 31, 2019		
	Number of contracts	Foreign currency	Amount	Number of contracts	Foreign currency	Amount
Import contracts						
EURO	8	27	2,199	10	31	2,537
JPY	5	63	52	7	152	101
USD	4	24	1,715	4	11	751
CHF	3	1	51	3	1	64
CNH	7	388	4,272	15	777	8,381
SGD	-	-	-	-	*	-
HKD	-	-	-	3	22	198
			8,289			**12,032**
Export contracts						
USD	3	10	**738**	1	10	**709**
			738			709

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

Particulars	March 31, 2020		March 31, 2019	
	Foreign currency	Amount	Foreign currency	Amount
Receivables				
USD	2	112		
Payables				
USD	75	5,643	29	1,945
EURO	8	684	17	1,232
SGD	-	-	*	13
HKD	23	227	9	69
JPY	18	4	-	-
CNH	410	4,164	-	-
AED			-	-
CHF			-	-

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

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.

	Statement of Profit or loss (Amount)	
Currencies	**March 31, 2020**	**March 31, 2019**
USD	(553)	195
EURO	68	123
SGD	1	1
HKD	(23)	7
JPY	*	-
CNH	(416)	-
	(923)	**326**

* Amounts are below rounding off norms adopted by the group

43 INCOME TAX EXPENSE

A Amounts recognised in Statement of Profit and Loss

	March 31, 2020	March 31, 2019
Income tax expense		
Current tax		
Current tax on profits for the year	6,560	9,850
Adjustments for current tax of prior periods	(247)	(762)
Total current tax expense	**6,313**	**9,088**
Deferred tax		
(Decrease) / increase in deferred tax liabilities	4,106	(402)
Total deferred tax expense/(benefit)	**4,106**	**(402)**
Income tax expense	**10,419**	**8,686**

B Amounts recognised in other comprehensive income

For the Year ended March 31, 2020	Before tax	Tax expense/ (benefit)	Net of tax
Remeasurements of defined benefit liability / (asset)	(235)	59	(176)
	(235)	**59**	**(176)**

For the Year ended March 31, 2019	Before tax	Tax expense/ (benefit)	Net of tax
Remeasurements of defined benefit liability/(asset)	(117)	41	(76)
	(117)	**41**	**(76)**

C Reconciliation of effective tax rate	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Profit before tax	**28,656**	**25,923**
Tax using the domestic tax rate (Current year 25.168% and Previous Year 34.94%)	7,212	9,058
Add Tax Effect on amounts which are not deductible (taxable) in calculating taxable income:		
Adjustments for current tax of prior periods	(247)	(762)
Effect of changes in tax rate*	3,295	(29)
Interest on delayed payments of taxes	-	71
Effect of non-deductible expenses	202	274
Deferred Tax on undistributed Profits of an Associate	-	-

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	Year ended March 31, 2020	Year ended March 31, 2019
Tax losses for which no deferred income tax was recognised	22	60
Foreseeable losses on contracts	(207)	-
Others	142	14
	10,419	**8,686**

The Group weighted average tax rates for years ended March 31, 2020 and 2019 were 36.35% and 33.17%, respectively. The effective tax rate is primarily higher/lower on account of adjustment of tax for earlier years and increase in tax rate. Further disallowance of CSR and Share-based payment to employees which resulted in increase in current tax expense for the year.

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

D Movement in deferred tax balances

		Year ended March 31, 2020		March 31, 2020		
Deferred Tax Assets/(Liabilities)	**Net balance April 1, 2019**	**Recognised in profit or loss**	**Recognised in OCI/ Retained earnings**	**Net**	**Deferred tax asset**	**Deferred tax liability**
Provision for expected credit loss	3,034	(812)	-	2,222	2,222	-
Provision for Compensated Absences and Gratuity	1,366	(353)	59	1,072	1,072	-
Provision for Product Upgradation	73	(45)	-	28	28	-
Disallowances under Section 40(a) of the Income Tax Act, 1961	136	(37)	-	99	99	-
Depreciation and amortisation	95	55	-	150	150	-
Provision for Contingency	5,325	(2,301)	-	3,024	3,024	-
Provision for foreseeable losses on contracts	1,407	(237)	-	1,170	1,170	-
Mark to Market adjustment on derivative contracts gains	130	(172)	-	(42)	-	42
Ind AS 116 Lease impact	-	(7)		(7)	-	7
Others	197	(197)	-	-	-	-
Deferred Tax Assets	**11,763**	**(4,106)**	**59**	**7,716**	**7,765**	**49**
Net tax assets	**11,763**	**(4,106)**	**59**	**7,716**	**7,765**	**49**

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

D Movement in deferred tax balances

Deferred Tax Assets/(Liabilities)	Net balance April 1, 2018	Year ended March 31, 2019 Recognised in profit or loss	Recognised in OCI/ Retained earnings	March 31, 2019 Net	Deferred tax asset	Deferred tax liability
Provision for doubtful debts/advances	2,535	499	-	3,034	3,034	-
Provision for Compensated Absences and Gratuity	1,164	161	41	1,366	1,366	-
Voluntary Separation Plan	75	(75)	-	-	-	-
Provision for Product Upgradation	463	(390)	-	73	73	-
Disallowances under Section 40(a) of the Income Tax Act, 1961	136	-	-	136	136	-
Depreciation and amortisation	208	(113)	-	95	95	-
Provision for Contingency	4,887	438	-	5,325	5,325	-
Provision for foreseeable losses on contracts	1,930	(523)	-	1,407	1,407	-
Mark to Market adjustment on derivative contracts gains	(23)	153	-	130	130	
Provision for impairment	-	197	-	197	197	-
Impact on adoption of Ind AS 115	-	17	(17)	-	-	
Deferred Tax Assets	**11,375**	**364**	**24**	**11,763**	**11,763**	**-**
Depreciation	-	-	-	-	-	-
Dividend Distribution Tax on undistributed profit of associate	(38)	38	-	-	-	-
Net tax assets	**11,337**	**402**	**24**	**11,763**	**11,763**	**-**

Deferred tax assets and deferred tax liabilities have been offset because they related to the same governing taxation laws.

E Unused tax losses for which no deferred tax asset has been recognised.

Financial Year	As at March 31, 2020 Unused tax Losses	Potential tax benefit	Year of Expiry	As at March 31, 2019 Unused tax Losses	Potential tax benefit	Year of Expiry
2010-11	14	5	2020	14	4	2020
2011-12	101	34	2021	101	31	2021
2012-13	58	19	2022	58	18	2022
2013-14	35	12	2023	35	11	2023
2014-15	14	5	2024	14	4	2024
2015-16	59	20	2025	59	18	2025
2016-17	185	62	2026	201	62	2026
2017-18	38	13	2027	116	36	2027
2018-19	146	49	2028	126	39	2028
2019-20	113	38	2029	-	-	-

F Unrecognised deferred tax asset of Subsidiary

	As at March 31, 2020	As at March 31, 2019
Deferred tax assets		
Depreciation/amortisation (Including Ind AS 116)	21	-
Provision for compensated absences	8	8
Provision for gratuity	16	17
Provision for doubtful debts	3	6
Provision for doubtful advances	2	1
Carried Forward Losses	254	223
Gross Deferred Tax Assets	**304**	**255**

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities	**-**	**-**
Depreciation / amortisation	-	4
Gross Deferred Tax Liabilities	**-**	**4**
	-	**-**
Deferred Tax Assets (Net)	**304**	**251**

Recognised deferred tax asset to the extent of deferred tax liability	-	4
Unrecognised deferred tax asset	304	251

The Group has recognised the deferred tax asset to the extent of deferred tax liabilities since it is not probable that future taxable amounts will be available to utilise against such deferred tax assets.

44 Related Party Disclosures

A Relationships:

(I) Where Control Exists

United Technologies Corporation Inc., United States (Refer note 48)	Ultimate Holding Company
United Technologies South Asia Pacific Pte Ltd, Singapore *	Parent Company

* Name changed to Otis International Asia Pacific Pte. Ltd. w.e.f. June 29, 2020

(II) Associate Company

Trio Elevators Co (India) Limited, India (upto 27th August 2018)

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

Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey
Carrier Airconditioning & Refrigeration Limited, India
Carrier Race Technologies Private Limited, India
Carrier Singapore (Pte) Limited, Singapore
Chubb Alba Control Systems Limited, India
Chubb Group Security LTD, United Kingdom
Concepcion-Otis Philippines, Inc., Philippines
Ceam SRL, Italy
Elevators (Private) Limited, Sri Lanka
Guangzhou Otis Elevator Company Ltd, China
Otis Global Services Centre Private Limited, India
Jsc Mos Otis ,Russia
Nippon Otis Elevator Company, Japan
Otis A.S., Czech Republic (formerly known as Otis Escalators)
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 (H.K.) Limited, Hong Kong
Otis Elevator Company (M) SDN BHD, Malasiya
Otis Elevator Company (S) Pte. Ltd., Singapore
Otis Elevator Company Ltd, Thailand
Otis Elevator Company, New Jersey, United States
Otis Elevator Traction Machine (China) Co. Ltd., China
Otis Elevator Vietnam Company Limited, Vietnam
Otis Elevator, Korea
Otis Elevators International Inc., Hong Kong
Otis Elevator Management (Shanghai) Company Limited, China
Otis Limited, United Kingdom
Otis Gmbh & Co. OHG, Germany
Otis High-Rise Elevator(Shanghai) Co., Ltd., China
Otis LLC, U.A.E
OTIS NV, Belgium
Otis Scs, France
P.T.Citas Otis Elevator, Indonesia
Pratt & Whitney, U. S. A.
Seral Otis Industria Metalurgica Ltda, Chile

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

Sigma Elevator Singapore Pte Ltd, Singapore
United Technologies Corporation India Private Limited, India
Zayani Otis Elevator Company W.L.L., Bahrain
Zardoya Otis S.A., Spain

(IV) Key Managerial Personnel

Sebi Joseph	Managing Director
Puthan Naduvakkat Suma	Director
Bharat Nayak **	Additional Director (w.e.f. October 22, 2019)
Priya Shankar Dasgupta	Independent Director
Anil Vaish	Independent Director

(V) Transaction with Post Emploment benefit entities

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

B Transactions:

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Short term employee benfits:		
- Salaries and other employee benefits	722	588
Post employment benefits - gratuity	36	28
Long term employee benefits- Compensated absences	24	20
Employee share-based payment	322	477
Commission and sitting fee to non executive directors	18	20
Total	**1,122**	**1,133**

In addition to the above, 2,456 units stock options (Previous Year 7,377 Units stock options) of United Technologies Corporation Inc., USA, the Ultimate Holding Company, were exercised during the year.

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

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

Particulars	Category	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of goods and materials			
Otis Elevator (China) Co., China	III	2,411	3,067
Otis Electric Elevator Co., Ltd., China	III	20,827	14,670
Zardoya Otis S.A., Spain	III	2,663	4,661
Otis GMBH & Co. OHG, Germany	III	4,191	4,283
Otis Elevator Company, New Jersey, United States	III	572	508
Otis Elevator Traction Machine (China) Co. Ltd., China	III	1,664	501
Nippon Otis Elevator Company, Japan	III	497	203
OTIS SCS, France	III	789	299
Guangzhou Otis Elevator Company Ltd, China	III	90	193
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	III	5,889	4,960
Ceam SRL, Italy	III	-	1
Otis A.S., Czech Republic	III	*	*
Otis Elevators International Inc., Hong Kong	III	*	*
Otis Elevator Company Ltd, Thailand	III	-	1
Buga Otis Asansor Sanayi ve Ticaret A.S., Turkey	III	93	-
Otis Elevator Co Pty Ltd, Australia	III	2	-
Jsc Mos Otis, Russia	III	8	-
Otis Elevator Management (Shanghai) Company Limited, China	III	-	1
Total		**39,696**	**33,348**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020
(All amounts are in Rupees in Lakhs, except otherwise as stated)

Particulars	Category	For the year ended March 31, 2020	For the year ended March 31, 2019
Purchase of Intangible assets			
Otis Elevator Company, New Jersey, United States	III	105	847
Total		**105**	**847**
System and software maintenance expenses			
Otis Elevator Company (S) Pte. Ltd., Singapore	III	-	14
Otis Elevator Company, New Jersey, United States	III	968	862
Otis Elevators International Inc., Hong Kong	III	241	302
United Technologies South Asia Pacific Pte Ltd, Singapore	III	17	-
Total		**1,226**	**1,178**
Legal and professional expenses			
Otis Elevator Company, New Jersey, United States	III	*	34
Total		*****	**34**
Royalties expenses			
Otis Elevator Company, New Jersey, United States	III	6,935	5,724
Total		**6,935**	**5,724**
Management fee			
United Technologies South Asia Pacific Pte Ltd, Singapore	I	704	651
Total		**704**	**651**
Repairs and maintenance charges of elevators			
Elevators (Private) Limited, Sri Lanka	III	108	139
Total		**108**	**139**
Repairs and maintenance - Others			
Carrier Airconditioning & Refrigeration Limited, India	III	44	22
Chubb Alba Control Systems Limited, India	III	-	12
Total		**44**	**34**
Reimbursement of expenses to related parties			
Otis Elevator Company, New Jersey, United States	III	24	30
Otis Elevator VietNam Company Limited, Vietnam	III	-	1
Otis Elevator Company (S) Pte. Ltd., Singapore	III	1	1
Nippon Otis Elevator Company, Japan	III	72	3
Carrier Airconditioning & Refrigeration Limited, India	III	*	*
United Technologies Corporation India Private Limited, India	I	-	3
United Technologies South Asia Pacific Pte Ltd, Singapore	I	12	10
Otis Elevators International Inc., Hong Kong	III	-	1
Otis Electric Elevator Co., Ltd., China	III	100	-
Otis Elevator Company Ltd, Thailand	III	1	-
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	III	1	-
Otis Elevator, Korea	III	-	2
Total		**211**	**51**
Rent paid to other companies			
Carrier Airconditioning & Refrigeration Limited, India	III	61	95
Total		**61**	**95**
Revenue from sale of goods/services			
Otis Elevator Company (S) Pte. Ltd., Singapore	III	(10)	10
Seral Otis Industria Metalurgica Ltda, Chile	III	109	89
OTIS SCS, France	III	*	*
P.T.Citas Otis Elevator, Indonesia	III	*	1
Elevators (Private) Limited, Sri Lanka	III	1,276	3,810
Nippon Otis Elevator Company, Japan	III	*	*
OTIS NV, Belgium	III	-	1
United Technologies South Asia Pacific Pte Ltd, Singapore	I	27	20
Otis Elevator Co Pty Ltd, Australia	III	2	-
Otis Elevators International Inc., Hong Kong	III	1	-
Otis LLC, U.A.E	III	*	-
Otis Elevator, Korea	III	1	-
Otis GMBH & Co. OHG, Germany	III	-	1
Total		**1,406**	**3,932**

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020

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

Particulars	Category	For the year ended March 31, 2020	For the year ended March 31, 2019
Recovery from related parties (other income)			
Otis Elevator Company, New Jersey, United States	III	182	31
OTIS LIMITED, United Kingdom	III	-	46
United Technologies South Asia Pacific Pte Ltd, Singapore	I	180	100
Total		**362**	**177**
Recovery of expenses from related parties			
Otis Elevator Company (M) SDN BHD, Malasiya	III	202	140
Otis Elevator Company, New Jersey, United States	III	61	16
United Technologies South Asia Pacific Pte Ltd, Singapore	I	167	168
Otis LLC, U.A.E	III	-	3
Otis Elevator Company (S) Pte. Ltd., Singapore	III	-	19
Otis Electric Elevator Co., Ltd., China	III	31	-
Nippon Otis Elevator Company, Japan	III	(1)	174
Otis Elevators International Inc., Hong Kong	III	2	1
Otis Elevator (China) Co., China	III	42	-
Otis Elevator Traction Machine (China) Co. Ltd., China	III	1	-
Otis Elevator, Korea	III	1	-
P.T.Citas Otis Elevator, Indonesia	III	5	2
Total		**511**	**523**
Recovery of rent from related parties (netted off from rent expense)			
Carrier Airconditioning & Refrigeration Limited, India	III	15	105
Chubb Alba Control Systems Limited, India	III	-	7
Total		**15**	**112**
Inter corporate loan given / (repaid) (net)			
Otis Global Services Centre Private Limited, India	III	2,450	-
Chubb Alba Control Systems Limited, India	III	-	(1,789)
Carrier Race Technologies Private Limited, India	III	-	550
United Technologies Corporation India Private Limited, India	I	-	2,300
Total		**2,450**	**1,061**
Interest expense on working capital loan			
Carrier Airconditioning & Refrigeration Limited, India	III	-	13
Total		**-**	**13**
Interest on inter corporate loan given			
Otis Global Services Centre Private Limited, India	III	108	-
Chubb Alba Control Systems Limited, India	III	402	2,164
Carrier Race Technologies Private Limited, India	III	55	360
United Technologies Corporation India Private Limited, India	I	31	121
Total		**596**	**2,645**
Dividend paid during the year			
United Technologies South Asia Pacific Pte Ltd, Singapore	I	12,180	46,399
Total		**12,180**	**46,399**

Outstanding Balances	Category	Balance as at March 31, 2020	Balance as at March 31, 2019
Loan / advance receivable			
Otis Global Services Centre Private Limited, India	III	2,450	-
Carrier Race Technologies Private Limited, India	III	-	3,700
Chubb Alba Control Systems Limited, India	III	-	19,197
United Technologies Corporation India Private Limited, India	III	-	2,300
Total		**2,450**	**25,197**
Accrued Interest on Inter Corporate Deposit (net of TDS)			
Otis Global Services Centre Private Limited, India	III	97	-
Chubb Alba Control Systems Limited, India	III	-	1,947
Carrier Race Technologies Private Limited, India	III	-	640
Total		**97**	**2,587**
Loan Payable:			
Carrier Airconditioning & Refrigeration Limited, India	III	-	100
Total		**-**	**100**

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Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020

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

Outstanding Balances		Balance as at March 31, 2020	Balance as at March 31, 2019
Interest accrued and due on Working Capital Loan			
Carrier Airconditioning & Refrigeration Limited, India	III	-	28
Total		**-**	**28**
Payables			
Otis Elevator Company, New Jersey, United States	III	2,653	2,435
Otis Elevators International Inc., Hong Kong	III	227	268
Otis Elevator Company (S) Pte. Ltd., Singapore	III	-	13
OTIS SCS, France	III	327	386
Carrier Airconditioning & Refrigeration Limited, India	III	-	35
Zardoya Otis S.A., Spain	III	952	1,764
Otis GMBH & Co. OHG, Germany	III	1,210	1,488
Nippon Otis Elevator Company, Japan	III	56	60
Guangzhou Otis Elevator Company Ltd, China	III	-	28
Otis High-Rise Elevator(Shanghai) Co., Ltd., China	III	1,909	1,720
Otis Elevator (China) Co., China	III	166	1,095
Otis Elevator Traction Machine (China) Co. Ltd., China	III	520	170
Otis Electric Elevator Co., Ltd., China	III	9,715	5,041
Otis Elevator VietNam Company Limited, Vietnam	III	-	1
United Technologies South Asia Pacific Pte Ltd, Singapore	I	682	583
Otis Elevator Company Ltd, Thailand	III	-	1
Otis Elevator Management (Shanghai) Company Limited, CHINA	III	-	1
Elevators (Private) Limited, Sri Lanka	IV	17	-
Jsc Mos Otis, Russia	IV	3	-
Otis Elevator Co Pty Ltd, Australia	IV	2	-
Total		**18,439**	**15,089**
Receivables			
Non Current Financial Assets			
Trade Recievables:			
Elevators (Private) Limited, Sri Lanka	III	86	28
Other Non Current Financial Assets:			
United Technologies South Asia Pacific Pte Ltd, Singapore	I	81	95
Otis Elevator Company (S) Pte. Ltd., Singapore	III	-	10
Otis Elevators International Inc., Hong Kong	III	1	1
P.T.Citas Otis Elevator, Indonesia	III	*	3
Otis Elevator Company (M) SDN BHD, Malasiya	III	53	61
Seral Otis Industria Metalurgica Ltda, Chile	III	11	5
OTIS SCS, France	III	*	*
Carrier Airconditioning & Refrigeration Limited, India	III	1	11
Chubb Alba Control Systems Limited, India	III	*	*
Nippon Otis Elevator Company, Japan	III	(1)	9
Carrier Race Technologies Private Limited, India	III	*	*
Otis GMBH & Co. OHG, Germany	III	1	1
OTIS NV, Belgium	III	-	1
Otis Elevator Company, New Jersey, United States	IV	238	-
Otis Electric Elevator Co., Ltd., China	IV	32	-
Otis Elevator (China) Co., China	IV	44	-
Otis Elevator Co Pty Ltd, Australia	IV	2	-
Otis Elevator Traction Machine (China) Co. Ltd., China	IV	1	-
Otis LLC, U.A.E	IV	1	-
Otis Elevator, Korea	IV	*	-
Total		**551**	**225**

Note:

For information on transactions with post employment benefit plans mentions in A (VI) above, refer the note 33.

The terms and conditions of transactions with related parties where no more favourable than those available, or which might be expected to be available, in similar transactions with non-related parties on an arms's length basis.

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

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

45 Dues to Micro and Small Enterprises

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
The principal amount remaining unpaid to any supplier as at the end of each accounting year;	1,931	21
The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	13	7
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;	*	71
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 this Act	1	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	59	5
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.	99	30

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

The above information regarding total outstanding dues to Micro Enterprises and Small Enterprises and that is given in Note 24 has been determined to the extent such parties have been identified on the basis of information available with the Group. The auditor have relied upon the management for identification of such parties.

46 Contingent Liabilities

	As at March 31, 2020	As at March 31, 2019
a) Claims against the Group not acknowledged as debt		
(i) Sales tax matters		
- Show Cause Notices	646	646
- Demand Notices	29,354	30,863

Note:

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

	As at March 31, 2020	As at March 31, 2019
(ii) Excise and Service Tax matters		
Excise matters		
- Show Cause Notices	48,517	48,517
- Demand Notices	2,185	2,185

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

Service Tax matters		
- Show Cause Notices	6,274	6,274
- Demand Notices	24,362	24,362
Custom matters		
- Show Cause Notices	15	15

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

b)	Litigations / claims against the Group by customers / ex-employees / general public. The Group has strong grounds of appeal and does not foresee any outflow in this regard.	3,006	3,030
c)	**Commitments**		
I.	Estimated amount of contracts [net of capital advances of Rs. 40 (Previous Year Rs. Nil) remaining to be executed on Capital Account not provided for.	56	105
ii.	Guarantees given by banks to various government departments and customers for specific business purpose. The Management is of opinion that there will be no impact on future cash flow of the Group.	22,228	18,810

d) The Hon'ble Supreme Court of India ("SC") by their order dated 28 February 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution.

In view of the management, the liability for the period from date of the SC order to 31st March, 2019 is not significant. Further, pending directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the financial statements. Accordingly, this has been disclosed as a contingent liability 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.

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

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Equity shares Interim dividend Rs. 105 per share fully paid (Previous year - Rs.400)	12,399	47,233

48 Events occuring after the balance sheet date:

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

49 Interests in other entities

(a) Subsidiary

The Group's subsidiary as at March 31, 2020 is set out below. Subsidiary has capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group.

Name of Entity	Place of business/country of incorporation	Ownership interest held by the ownership group		Ownership interest held by the non-controlling interests		Principal activities
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Supriya Elevator Company (India) Limited	India	100%	100%	0%	0%	Manufacture, erection, installation and maintenance of elevators.

(b) Investment in associate:

Name of Entity	Place of Business	% of ownership Interest	Accounting Method	Quoted fair value		Carrying amount		Principal activities
				March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Trio Elevators Co (India) Limited (upto 27th August 2018)	India	Current year Nil Previous Year [19.90% (upto 27th August 2018]	Equity method	-	*	-	-	Manufacture, erection, installation and maintenance of elevators, escalators and travolators.

During the previous year, pursuant to the Board of Directors resolution dated August 27, 2018 and Share Purchase Agreement dated August 27, 2018, the Company has sold 288,550 equity shares of Rs. 10 each representing remaining 19.90% shareholding in its Associate Company, Trio Elevators Co (India) Limited for a consideration of Rs. 430 lakhs.

* Unlisted entity - No quoted price available.

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

50 Disclosures mandated by schedule III of Companies Act 2013, by way of additional information

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in Total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive inocme	Amount	As % of consolidated other comprehensive inocme	Amount
Parent (Indian)								
Otis Elevator Company (India) Limited								
March 31, 2020	102%	26,673	99%	18,080	101%	(178)	99%	17,903
March 31, 2019	103%	23,324	101%	17,333	99%	(75)	101%	17,258
Subsidiaries (Indian)								
Supriya Elevator Company (India) Limited								
March 31, 2020	-4%	(1,125)	0%	(88)	-1%	2	0%	(87)
March 31, 2019	-5%	(1,038)	-1%	(173)	1%	(1)	-1%	(174)
Inter-company eliminations and								
consolidation adjustments	2%	639	1%	245	0%	-	1%	245
March 31, 2020	2%	394	0%	46	0%	-	0%	46
March 31, 2019								
Associate (Indian)								
Trio Elevators Co (India) Limited								
March 31, 2020	0%	-	0%	-	0%	-	0%	-
March 31, 2019	0%	-	0%	31	0%	-	0%	31
Total								
March 31, 2020	**100%**	**26,187**	**100%**	**18,237**	**100%**	**(176)**	**100%**	**18,061**
March 31, 2019	**100%**	**22,680**	**100%**	**17,237**	**100%**	**(76)**	**100%**	**17,161**

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, 2020 and March 31, 2019

		Related amounts not offset	
Particulars	**Gross Amounts**	**Amounts subject to master netting arrangements**	**Net Amount**
As at March 31, 2020			
Other financial assets			
Derivative not designated as hedges			
- Foreign exchange forward contracts	214	(214)	-
Other financial liabilities			
Derivative Financial Liabilities			
Foreign exchange forward contracts	99	(214)	(115)
As at March 31, 2019			
Other financial assets			
Derivative not designated as hedges			
- Foreign exchange forward contracts	21	(21)	-
Other financial liabilities			
Derivative Financial Liabilities			
Foreign exchange forward contracts	387	(21)	366

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

Certain employees of the group have been granted Long-Term Incentive Plan (LTIP) namely - Stock Appreciation Rights (SAR), Performance Stock Units (PSU), and Restricted Stock Units (RSU) by the Ultimate Parent Company United Technologies Corporation Inc. (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.

The Group has recognised an employee benefit expense towards share based payment of Rs. 394 lakhs (March 31, 2019: Rs 488 lakhs) with a corresponding increase in Other Equity as equity contribution from the Ultimate Holding Company.

53 Disclosure as per Ind AS 115

(a) The Group is engaged inter-alia in the business of manufacture, erection, installation and maintenance of elevators, escalators and travolators. The type of work in the contracts with the customers involve construction, engineering, designing, supply of materials, development of system, installation, project management, operations and maintenance, etc. The effect of initially applying Ind AS 115 on the Group’s revenue from contracts with customers is described in Note 19. The Group has recognised the cumulative effect of applying Ind AS 115 as an adjustment to the opening balance at April 1, 2018. Due to the transition method chosen in applying Ind AS 115, comparative information has not been restated to reflect the new requirements.

(b) Disaggreagtion of revenue from contracts with customers

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

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Primary geographical markets		
India	1,69,601	1,63,655
Sri Lanka	5,308	4,978
Nepal	758	758
Bangladesh	221	221
Bhutan	472	466
	1,76,360	**1,70,078**

(c) Contract balances

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

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Receivables which are included in Trade and other receivables		
Contract assets		
- Amount due from customers on construction contract	6,104	7,678
- Accrued value of work done net off provision	1,79,902	1,67,869
Contract liabilities		
- Amount due to customers under construction contract	35,169	34,810
- Advance from customer	5,606	6,788

*Group recognised the cumulative effect of applying Ind AS 115 as an adjustment to the opening balance at 1 April 2019.

The contract assets primarily relate to the group's rights to consideration for work completed but not billed at the reporting date. The amount of contract assets during the period ended 31 March 2020 was impacted by an impairment charge of INR NIL. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the group issues an invoice to the customer. The contract liabilities primarily relate to the advance consideration received from customers for construction for which revenue is recognised over time.

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

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

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

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

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
(A)	**Due from contract customers:**		
	At the beginning of the reporting period (Para 116 (a))	7,678	4,336
	Add: Increase / (decrease) in progress work (net)	(9,077)	15,306
	Less: Increase / (decrease) in aggregate amount of progress billing (net)	(7,503)	11,964
	Due from contract customers impaired during the reporting period (Para 118)	-	-
	Significant change due to other reasons (E.g. Business acquisition etc.)	-	-
	At the end of the reporting period (Para 116 (a))	6,104	7,678
(B)	**Due to contract customers:**		
	At the beginning of the reporting period (Para 116 (a))	34,810	40,644
	Less: Increase in aggregated amount of cost incurred and recognised profits (less recognised losses) (net)	21,111	24,567
	Add: Increase in Progress billings made towards contracts-in-progress (net)	21,470	18,733
	Significant change due to other reasons (Para 118) (E.g. Business acquisition etc.)	-	-
	At the end of the reporting period (Para 116 (a))	35,169	34,810
	Total (A+B)		

(d) Performamce obligation

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

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

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

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 2020:

Particulars	**March 2021**	**March 2022**	**2023-2027**	**Total**
Contract revenue	1,06,292	99,672	12,695	2,18,659
	1,06,292	**99,672**	**12,695**	**2,18,659**

Particulars	**March 2020**	**March 2021**	**2022-2026**	**Total**
Contract revenue	88,897	56,854	10,809	1,56,560
	88,897	**56,854**	**10,809**	**1,56,560**

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.

(e) Reconciliation of revenue recognised in the Statement of Profit and Loss

The following table discloses the reconciliation of amount of revenue recognised as at 31 March 2020:

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Contract price of the revenue recognised	1,76,360	1,70,078
Revenue recognised in the Statement of Profit and Loss	**1,76,360**	**1,70,078**

*Group has applied Ind AS 115 using the cumulative effect method.

(f) The Group has adopted Ind AS 115 ‘Revenue from Contracts with Customers’ effective 1 April 2019. The group has elected the option of the modified retrospective approach and there is no material impact on the measurement of revenue and retained earnings as of 1 April 2019. The presentation of certain contract related balances have been changed post implementation of Ins AS 115 to compliance with the requirement of Ind AS 115.

54 Recent Accounting Pronouncements
Standards issued but not yet effective:

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020

OTIS ELEVATOR COMPANY (INDIA) LIMITED

Notes forming part of the Consolidated Financial Statements as of and for the year ended March 31, 2020

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

55. COVID-19

The COVID-19 pandemic has caused social and economic disruption across India and also has also impacted our industry. The Group has taken various measures to deal with the situation. Group's factory operations have resumed shipments in early May and the field teams are doing installation, maintenance and attending to breakdowns following enhanced internal safety and government guidelines. As per assessment, the Group is of the view that there would be a slowdown in demand in short term during the lockdown and demand would gradual bounce back with the easing off the lockdown. The Group has considered internal and external information while assessing recoverability of its assets disclosed in the consolidated financial statements up to the date of the approval of these financial statements by the Board of Directors. Based on such assessment and considering the current economic indicators, the Group expects to recover the carrying amount of these assets. The management has also considered the impact of COVID-19 on the business for the foreseeable future and have concluded that the Group has sufficient resources to continue as a going concern and will be able to meet its financial obligations over the foreseeable future. The Group will continue to closely monitor the economic situation and take appropriate actions.

In terms of our report of even date attached.

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

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

Maulik Jhaveri
Partner
Membership No. 116008
Place: Mumbai
Date: September 9, 2020

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and
Additional Director
DIN 01919252
Place: Mumbai
Date: September 9, 2020

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs. Lakhs)

Sl. No.	Particulars	Details
1	Name of the subsidiary	Supriya Elevator Company (India) Limited
2	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	NA
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
4	Share capital	269
5	Reserves & surplus	(1,393)
6	Total assets	378
7	Total Liabilities	1,502
8	Investments	-
9	Turnover	705
10	(Loss) / Profit before taxation	(88)
11	Provision for taxation	-
12	(Loss) / Profit after taxation	(88)
13	Proposed Dividend	-
14	% of shareholding	100

Notes:

1 Names of subsidiaries which are yet to commence operations: None

2 Names of subsidiaries which have been liquidated or sold during the year: None

Part “B”: Associates and Joint Venture: Not Applicable

For and on behalf of the Board of Directors

Sebi Joseph
Managing Director
DIN 05221403
Place: Mumbai

Suma P N
Director
DIN 05350680
Place: Bengaluru

Bharat Nayak
Chief Financial Officer and
Additional Director
DIN 01919252
Place: Mumbai

Harish Iyer
Company Secretary
Membership No. 24491
Place: Mumbai

Date: September 9, 2020

NOTES

FOR THE **COMMUNITY**
BY THE **COMMUNITY**
TO THE **COMMUNITY**

Otis India supported the higher education of youth who are differently abled and underprivileged Children through Samarthanam Trust, SOS children's Village.