



41ST
ANNUAL REPORT
2022-23

CARRIER TECHNOLOGIES INDIA LIMITED

CONTENT

S. No.	Particulars	Page No.
1.	The Board of Directors	2
2.	Board Committees	2
3.	Other Information	3
4.	Notice of Annual General Meeting	4
5.	Directors' Report	16
	ANNEXURE TO DIRECTORS' REPORT:	25
	NOMINATION AND REMUNERATION POLICY	28
	ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY PURSUANT TO RULES 8 & 9 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2021	32
	Secretarial Audit Report (Annexure "D")	36
6.	Independent Auditors' Report	39
7.	Balance Sheet	50
8.	Statement of Profit and Loss	52
9.	Cash Flow Statement	54
10.	Notes to Financial Statements	58



Carrier Technologies India Limited

The Board of Directors

Mr. Veera Venkata Prakash Bodla

(DIN: 09178187)

Managing Director

Mr. Vikram Arthur Fernandes Prabhu

(DIN:06421340)

Non-Executive Director

Mr. Srinivas Kotni

(DIN:01085277)

Independent Director

Mr. Adishesiah Chowdary Jakkampudi

(DIN:01109704)

Independent Director

w.e.f 16th June,2023

Ms. Shalini Singh

(DIN: 09721685)

Whole-Time Director

Mr. Muthalagappan Karuppiah

(DIN: 08539111)

Wholetime Director

Mr. Adwait Chandrashekhar Patil

(DIN: 05341704)

Director

Board Committees:

Nomination & Remuneration Committee

Mr. Muthalagappan Karuppiah

(DIN: 08539111)

Chairman

Mr. Srinivas Kotni

(DIN:01085277)

Member

Mr. Vikram Arthur Fernandes Prabhu

(DIN:06421340)

Member

Mr. Adishesiah Chowdary Jakkampudi

(DIN:01109704)

Independent Director

w.e.f 16th June, 2023

Audit Committee

Mr. Veera Venkata Prakash Bodla

(DIN: 09178187)

Chairman

Mr. Srinivas Kotni

(DIN:01085277)

Member

Mr. Adishesiah Chowdary Jakkampudi

(DIN:01109704)

Independent Director

w.e.f 16th June, 2023

Stakeholder Relationship Committee

Mr. Vikram Arthur Fernandes Prabhu

(DIN:06421340)

Chairman

Mr. Veera Venkata Prakash Bodla

(DIN: 09178187)

Member

Mr. Adwait Chandrashekhar Patil

(DIN: 05341704)

Director

Corporate Social Responsibility Committee

Ms. Vasanthi Narayana

(DIN:08319835)

Chairman

Mr. Srinivas Kotni

(DIN:01085277)

Member

Mr. Veera Venkata Prakash Bodla

(DIN: 09178187)

Member

Mr. Srinivasa Rao Cherukuri

Chief Financial Officer

(PAN: AEVPC0366C)

with effect from 28th November, 2022

Ms. Samta Jain

Company Secretary

(PAN: ATVPJ5862D)

with effect from 16th June, 2023

Auditors:

MSKA & Associates

Statutory Auditors

(ICAI Firm Registration Number: 105047W)
The Palm Springs Plaza, Office No. 1501-B, 15th Floor
Sector-54, Golf Course Road, Gurugram – 122001
Haryana, India

Deloitte Touche Tohmatsu India LLP

Chartered Accountants
Internal Auditors
KRB Towers, Plot No. 1 to 4 & 4A, 2nd Floor,
A Wing, Jubilee Enclave, Madhapur,
Hyderabad – 500081, Telangana, India

DMK Associates

Company Secretaries
Secretarial Auditors
31/36, Basement, Old Rajinder Nagar,
New Delhi-110060

Bankers:

The Hongkong & Shanghai Banking Corporation Limited
Citibank N.A.
Bank of America

Registrar & Share Transfer Agents:

Adroit Corporate Services Private Limited
Registration Number: INR000002227
17-20, Jafferbhoy Industrial Estate,
1st Floor, Makwana Road, Marol Naka, Andheri (E),
Mumbai - 400059, Maharashtra, India

Registered Office:

Carrier Technologies India Limited
Unit No. 4B, 2nd Floor, The Centrium
Lal Bahadur Shastri Marg, Kurla West
Mumbai- 400070, Maharashtra, India
CIN: U29193MH1981FLC024364
Tel: 022 -61700700
Email: gpccsindialegal@carrier.com
Website: <https://www.carrier.com/commercial/en/in/investor>



CARRIER TECHNOLOGIES INDIA LIMITED

(Formerly known as UTC Fire & Security India Limited)

CIN: U29193MH1981FLC024364

Registered Office: Unit No. 4B, 2nd Floor, The Centrum,

Lal Bahadur Shastri Marg, Kurla West, Mumbai-400070, Maharashtra, India;

Website: <https://www.carrier.com/commercial/en/in/>; Email: gpccsindialegal@carrier.com

Phone: +91-22-61700700; +91-124-4825361; Fax: +91-124-2372230

NOTICE OF THE 41th ANNUAL GENERAL MEETING

NOTICE is hereby given that the **41st (Forty First) Annual General Meeting** of members of **Carrier Technologies India Limited** (the “**Company**”) will be held on **Friday, the 29th day of September, 2023 at 9.30 A.M.** through Video Conferencing (“**VC**”) / Other Audio-Visual Means (“**OAVM**”) to transact the following businesses:

Ordinary Business:

1. **To consider and adopt the audited financial statements of the company for the financial year ended on 31st March, 2023 and the report of the Board of Directors and Auditors thereon and in this regard to consider and if thought fit to pass the following resolution as an ordinary resolution:**

“RESOLVED THAT the audited financial statements of the company for the financial year ended on 31st March, 2023 together with the report of Board of Directors and auditors thereon be and are hereby considered and adopted.”

2. **To re-appoint Mr. Karuppiah Muthalagappan (DIN: 08539111) who retires by rotation and being eligible, offers himself for re-appointment as a director of the company and in this regard to consider and if thought fit to pass the following resolution as an ordinary resolution:**

“RESOLVED THAT Mr. Karuppiah Muthalagappan (DIN: 08539111) who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a director of the company liable to retire by rotation.”

Special Business:

3. **To appoint Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) as an independent director on the Board of Directors of the company and in this regard to consider and if thought fit to pass the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the recommendation of nomination and remuneration committee of the company and pursuant to the provisions of Section 149 and 152 read with schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modifications and/or re-enactment thereof for the time being in force Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) who was appointed as an additional director, who fulfills the criterion for the independence as provided in section 149(6) of the Act, and who holds office up to the date of Annual general Meeting, be and is hereby appointed as an independent director on the Board of Directors of the company not liable to retire by rotation and to hold the office for a term of 1 (one) consecutive years effective from 16th June, 2023 to 15th June, 2024.

RESOLVED FURTHER THAT for purpose of giving effect to the above said resolution the Board of Directors or the Company Secretary of the company be and is hereby authorized to do all such acts, deeds, things, matters as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard to give effect the above said resolution.”

Registered office:

Carrier Technologies India Limited
Unit No. 4B, 2nd Floor, The Centrium,
Lal Bahadur Shastri Marg, Kurla West,
Mumbai- 400070, Maharashtra, India
CIN: U29193MH1981FLC024364
Website: <https://www.carrier.com/>
Email Id: gpccsindialegal@carrier.com
Tel: +91-22-61700700; +91-124-4825361
Fax: +91-124-2372230

By Order of the Board of Directors
For Carrier Technologies India Limited

Sd/-
Samta Jain
Company Secretary
Membership No. ACS 46162

Date: 4th September, 2023

Place: Hyderabad

NOTES

1. The Company believes that Annual General Meeting (“AGM”) is a forum which provides to the shareholders an opportunity to interact with the Board of Directors (“the Board”) and its Senior Management team. However, in view of the Covid-19 pandemic and in accordance with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 03/2022 dated May 05, 2022 and / or any other applicable notification/circular (collectively referred to as “**MCA Circulars**”) "General Circular No. 10/2022 dated 28 December 2022" issued by Ministry of Corporate Affairs (“**MCA**”) wherein MCA permitted convening the Annual General Meeting (“**AGM**” / “**Meeting**”) through Video Conferencing (“**VC**”) or Other Audio-Visual Means (“**OAVM**”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (“**Act**”) and the rules made thereunder, the 41st AGM of the Company will be held through VC/OAVM and the members can attend and participate in the 41st AGM of the company through VC/OAVM. The deemed venue for the 41st AGM shall be the registered office of the Company i.e. Carrier Technologies India Limited, Unit No. 4B, 2nd Floor, The Centrium, Lal Bahadur Shastri Marg, Kurla West, Mumbai - 400070, Maharashtra, India.
2. The explanatory statement pursuant to Section 102 of the said Act with respect to the special business to be transacted at the 41st AGM is annexed hereto and forms part of this notice.
3. Generally, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll instead of himself/herself and the proxy need not be a member of the company. Since this 41st AGM is being held through VC/OAVM pursuant to the MCA Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the 41st AGM of the Company and hence the Proxy Form and Attendance Slip are not annexed hereto. However, in pursuance of Sections 112 and 113 of the said Act, a body corporate if it is member of the Company can authorize such person as it thinks fit to act as its representative and such authorized person shall be entitled to exercise voting through remote e-voting or participate and e-voting in the AGM to be held through VC/OAVM.
4. Since the 41st AGM will be held through VC/OAVM, the route map of the venue of the AGM is not annexed hereto.
5. Details of Directors retiring by rotation /seeking re-appointment / appointment at the 41st AGM of the company are provided in the “**Annexure - I**” to the Notice.

DISPATCH OF ANNUAL REPORT THROUGH ELECTRONIC MODE:

6. In compliance with the MCA Circulars, the Notice of the 41st AGM of the company along with the Annual Report 2022 - 2023 is being sent only through electronic mode to those members whose email addresses are registered with the company / depositories. Members may note that the Notice and Annual Report 2022-23 will also be available on the Company’s website <https://www.carrier.com/commercial/en/in/investor/> on the website of Registrars and Share Transfer Agent (“**R&T Agent**”) of the Company i.e. Adroit Corporate Services Private Limited (“**Adroit Share Transfer Agent**”) at <http://www.adroitcorporate.com/RandTServices.aspx>. The Notice can also be accessed from the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
7. For receiving all communications including Annual Report from the Company electronically:
Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the company with details of folio number and attaching a self-attested copy of PAN card at gpccindialegal@carrier.com or to Registrar

& Share Transfer Agent of company i.e. Adroit Corporate Services Private Limited, 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai - 400059, Maharashtra, India or by writing at **info@adroitcorporate.com**.

8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, for receiving all communications (including Annual report) from the Company electronically etc. to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the company's records which will help the company and the Company's Registrars and Share Transfer Agent i.e. Adroit Corporate Services Private Limited to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Adroit. For any grievances, please write to Adroit at 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (E), Mumbai - 400059, Maharashtra, India or by email to **info@adroitcorporate.com**.

PROCEDURE FOR JOINING THE AGM THROUGH VC/ OAVM:

9. Members will be provided with a facility to attend the 41st AGM through VC/OAVM through the CDSL e-voting system. Members may access the same at **https://www.evotingindia.com** under shareholders / members tab by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members tab where the EVSN of the Company will be displayed.
10. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the procedure given in the instructions for shareholders for remote e-voting below after point 15.
11. Members can join the 41st AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting. The facility of participation at the 40th AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Corporate Social Responsibility Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the 41st AGM without restriction on account of first come first served basis.
12. Members are encouraged to join the meeting through Laptop / I-Pad for better experience.
13. The participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches. The Members will be required to allow camera and use internet with a good speed to avoid any disturbance during the 41st AGM.
14. The Members who would like to express their views/ask questions during the 41st AGM may register themselves as a speaker by sending their request in advance at least 15 (fifteen) days prior to meeting mentioning their name, Demat account number/folio number, email id, mobile number at company email id - **gpccsindialegal@carrier.com**. Those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the meeting.
15. The members who do not wish to speak during the 41st AGM but have queries may send their queries in advance 15 (fifteen) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id - **gpccsindialegal@carrier.com**. These queries will be replied to by the company suitably by email.



THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and MCA Circulars dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 15th June, 2020, 28th September, 2020, 31st December, 2020, 23rd June, 2021, 8th December, 2021 and 5th May, 2022 General Circular No. 10/2022 dated 28 December 2022 and any other applicable notification/circular as applicable from time to time the Company is pleased to provide remote e-voting facility to its members to cast their votes electronically on all resolutions set forth in this notice. The shareholders may cast their votes remotely using an electronic voting system on the dates mentioned hereinbelow (“**remote e-voting**”).

For this purpose, the company has entered into an agreement with Central Depository Services (India) Limited (“**CDSL**”) for facilitating voting through electronic means as the authorized e-voting agency. The facility of casting votes by a shareholder using remote e-voting as well as the e-voting system on the date of the 41st AGM will be provided by CDSL.

- i. The remote e-voting period begins on **Thursday, 26th September, 2023 at 09:00 a.m.** and ends on **Wednesday, 28th September, 2023 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 (“**record date**”) of **22nd September, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted electronically prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. The shareholders should log on to the e-voting website <https://www.evotingindia.com/>.
- iv. Click on Shareholders.
- v. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members 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. If you are holding shares in demat form and had logged on to **<https://www.evotingindia.com/>** and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

	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) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the 8 digits of the sequence number sent by Company / Adroit Share Transfer Agent or contact Company / Adroit Share Transfer Agent.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your Demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the Depository or Company, please enter the member ID / folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in de-mat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members 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 Carrier Technologies India Limited.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii. If a De-mat account holder has forgotten a 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 available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone users can download the app from the App Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE 41ST AGM ARE AS UNDER:

16. The facility for voting through electronic voting system during the 41st AGM shall be made available only to those members who would be present in the 41st AGM through VC/OAVM facility and have not casted their votes on the resolutions through remote e-voting and are otherwise not barred from doing so. The procedure for e-voting on the day of the 41st AGM is same as the instructions mentioned above for remote e-voting.
17. If any votes are cast by the shareholders through the e-voting available during the 41st AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes casted by such shareholders shall be considered invalid as the facility of e-voting during the AGM is available only to the shareholders attending the AGM.
18. Shareholders who have voted through remote e-voting will be eligible to attend the 41st AGM. However, they will not be eligible to vote at the 41st AGM. Voting rights of a shareholder / beneficial owner (in case of electronic shareholding) shall be in proportion to his/her share in the paid-up equity share capital of the Company as on the cut-off date i.e. **22nd September, 2023**.
19. The Board of Directors have appointed DMK Associates as scrutinizer to scrutinize the e-voting during 41st AGM and remote e-voting in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for the said purpose.



NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS:

20. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com/> and register themselves in the “Corporates” module.
21. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
22. 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.
23. The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
24. 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.
25. Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority Letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the company at the email address - gpcssindialegal@carrier.com if they have voted from individual tab and not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.

If you have any queries or issues regarding attending 41st AGM and 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).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013, Maharashtra, India or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

For shareholders who holds 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 email address - gpcssindialegal@carrier.com or to Registrar and Transfer agent of company on email address - info@adroitcorporate.com.

For shareholders who holds shares in Demat form- Please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, 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 email address - gpcssindialegal@carrier.com or to Registrar and Transfer agent of company on email address - info@adroitcorporate.com.

After due verification the Company / Adroit Share Transfer Agent will forward your login credentials to your registered email address.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

26. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013 and the relevant documents referred to in the Notice will be available electronically for inspection by the Shareholders during the 41st AGM of the company. Shareholders seeking to inspect such documents can send an email to **gpccsindialegal@carrier.com**.
27. Members seeking any information with regard to the accounts or any matter to be placed at the 41st AGM are requested to write to the Company on or before 22nd September, 2023 through email on **gpccsindialegal@carrier.com**. The same will be replied by the company suitably.

OTHER INFORMATION

28. Shareholders attending the 41st AGM through VC/ OAVM shall be reckoned for the purpose of the quorum under Section 103 of the Companies Act, 2013.
29. The Company's ISIN number is INE226D01017.
30. Pursuant to notification number G.S.R. 853 (E) issued by the ministry of corporate affairs dated 10th September, 2018 which includes any modifications thereof shareholders holding shares in physical form are requested to convert their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Shareholders can contact the Company or Adroit for assistance in this regard and the Company shall facilitate dematerialization of physical shareholding.
31. The shareholders holding shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Adroit Corporate Services Private Limited, Registrar and Share Transfer Agent of the Company for consolidation into a single folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
32. In case of joint holders attending the meeting, only such joint holder whose name appears as the first holder in the order of names as per the register of members of the Company will be entitled to vote.
33. Queries proposed to be raised at the 41st AGM may please be sent to the Company at its registered office at least 7 days prior to the date of annual general meeting to enable the company to compile the information and answer them in the meeting.
34. Pursuant to Section 72 of the Companies Act, 2013, the shareholders are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination are requested to send their requests in Form No. SH-13 pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 to the Registrar and Share Transfer Agents of the Company. Shareholders holding shares in demat form may contact their respective depository participants for recording of nomination.
35. Non-resident Indian shareholders are requested to inform the Company's Registrar and Share Transfer Agent i.e. Adroit Corporate Services Private Limited immediately: (i) the particulars of the bank account maintained in India with complete name, branch, account type, account number and address of the bank if not furnished earlier; and (ii) any change in their residential status on return to India for permanent settlement.
36. The Ministry of Corporate Affairs has taken a green initiative in corporate governance by allowing paperless compliances by the companies and has issued circulars allowing companies to send official documents to their members electronically to prevent global environment degradation. In support of the green initiative your Company proposes to send the documents i.e. notice convening general meetings, annual report containing audited financial statements, directors' report, auditors' report etc. and other communications in electronic form. To support this green initiative of the government in full measure, members who have



- not registered their e-mail addresses so far are requested to register their e-mail addresses in respect of electronic holdings with the depository through their concerned depository participants. The members who hold shares in physical form are requested to register their e-mail addresses with the Company.
37. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **22nd September, 2023** shall only be entitled to avail the facility of remote e-voting / e-voting during 41st AGM. Any person who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 22nd September, 2023 may obtain their user ID and password for remote e-voting and e-voting during 41st AGM by sending a request to Registrar and Share transfer agent i.e. Adroit Corporate Services Private Limited at **info@adroitcorporate.com**. A person who is not a member as on the cut-off date should treat this Notice of AGM for information purposes only.
38. The scrutinizer after scrutinizing the votes casted at the 41st AGM (e-voting during 41st AGM) and through remote e-voting, will not exceeding 3 days from the conclusion of the 41st AGM, make a consolidated scrutinizer's report of the votes casted in favor or against, if any, and submit the same to the Chairman of the 41st AGM. The results declared shall be available on the website of the Company **www.carrier.com/building-solutions/en/in/investor/** and on the website of the CDSL. The resolutions will be deemed to be passed on the date of 41st AGM subject to receipt of the requisite number of votes in favor of the resolutions.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

Item No. 3: To appoint Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) as an independent director on the Board of Directors of the company and in this regard to consider and if thought fit to pass the following resolution as an Ordinary Resolution:

Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) was appointed as an additional director on the Board of Directors of the company by the Board of Directors in their meeting dated 16th June, 2023 for a period of one year effective from 16th June, 2023 to 15th June, 2024 ("tenure"). The nomination and remuneration committee of the Board of Directors has recommended the appointment of Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) as an independent director for a period of 1 (one) effective from 16th June, 2023 to 15th June, 2024. The Board of Directors as per the recommendation of the nomination and remuneration committee considered that given his background and experience the association of Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) would be beneficial to the company. Accordingly, it is proposed to appoint Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) as an independent director of the company, not liable to retire by rotation, for a term of 1 (year) consecutive years on the Board of Directors of the company.

Notice in writing under section 160 of the Companies Act, 2013 has been received from Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) proposing his candidature for the office of independent director of the company.

Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) is not disqualified from being appointed as a director in terms of section 164 of the Companies Act 2013 and has given his consent to act as an independent director of the company. The company has also received declaration from Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) that he meets the criteria of independence as prescribed under section 149(6) of the Act. In the opinion of the Board of Directors Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) fulfils the conditions for appointment as an independent director as per Companies Act 2013.

Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) is independent of the management of the company. He shall be paid remuneration by way of sitting fee for attending meetings of the Board of Directors and committees thereof within limits prescribed in Companies Act, 2013. Copy of letter of appointment of Mr.

Adiseshiah Chowdary Jakkampudi (DIN: 01109704) setting out the terms and conditions of appointment is available for inspection by the members during the annual general meeting. Additional information in respect of Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) as required in the secretarial standard-2 is given herein below.

Mr. Adiseshiah Chowdary Jakkampudi (DIN: 01109704) is interested in the resolution set out at item number 3 of the notice. Save and except the above none of the other directors / key managerial personnel of the company / their relatives are in any way concerned or interested financially or otherwise in the resolution. This statement may also be regarded as an appropriate disclosure under the applicable provisions of the Companies Act 2013. The Board of Directors recommend the special resolution set out at item number 3 of the notice for approval by members and relevant documents related to above said resolution can be inspected at the registered office of the company during business hours up to the date of passing of above resolution.

Annexure - I

Information of directors seeking appointment/re-appointment at the forthcoming annual general meeting (pursuant to Secretarial Standards - 2 issued by The Institute of Company Secretaries of India):

Name and Designation of the Director	Mr. Karupiah Muthalagappan, Whole Time Director	Mr. Adiseshiah Chowdary Jakkampudi, Additional Director in the Category of Independent Director
Director Identification Number	08539111	01109704
Date of Birth	15/07/1984 39 years	18/02/1955 68 years
Original date of appointment	20/08/2019	16 th June, 2023
Qualifications	BE Mechanical Engineering	M. Tech from IIT Madras and MSC from SV University
Experience & expertise in specific functional area	18 years experience in sales, management, technical support and training	27 Years of experience in the fields of Information Technology, Business strategy, Administration, Corporate advisory services
Shareholding in the Company	Nil	Nil
Remuneration last drawn from company in F.Y. 2022 – 2023	Rs. 51,63,159	Nil
Number of board meetings attended during the year	Attended 4 meetings out of 4 meetings held	Nil since his appointment is after the closure of the financial year 2022 - 2023
Terms & conditions of appointment / re-appointment and remuneration	<ul style="list-style-type: none"> • Re-appointed as a Director liable to retire by rotation. • As per Nomination & Remuneration Policy forming part of Director's Report. 	<ul style="list-style-type: none"> • Appointed as Director in the category of Independent Director not liable to retire by rotation
Relationship with other director/KMP	No Relationship with other Directors / KMP	No Relationship with other Directors / KMP

Name and Designation of the Director	Mr. Karupiah Muthalagappan, Whole Time Director	Mr. Adishesiah Chowdary Jakkampudi, Additional Director in the Category of Independent Director
Directorships held in other companies	Nil	Jama Botanics Private Limited Jago Agro Products Private Limited Nature Quotient Ventures Private Limited Amara Raja Electronics Limited Euphonious Innovations Private Limited Umanita Technologies Private Limited Hvalley Innovations Private Limited AIC-SKU Confederation Lifecykul Sports Private Limited
Members / chairmanship of committees in public limited companies in India	Member of Nomination and Remuneration Committee, Corporate Social Responsibility committee.	Member of Audit and Nomination and Remuneration Committee of the Company

Registered office:
Carrier Technologies India Limited
Unit No. 4B, 2nd Floor, The Centrium,
Lal Bahadur Shastri Marg, Kurla West,
Mumbai- 400070, Maharashtra, India
CIN: U29193MH1981FLC024364
Email Id: gpccsindialegal@carrier.com

By Order of the Board of Directors
For Carrier Technologies India Limited

Sd/-
Samta Jain
Company Secretary
Membership No. ACS A46162

Date : 4th September, 2023
Place : Hyderabad



Directors' Report

Dear Members,

Your directors have immense pleasure in presenting the 41st annual report on the business and operations together with the company's audited financial statements and auditors' report thereon for the financial year 2022 - 2023. The financial highlights for the year under review are given below:

1. Financial summary of the company:

(Rupees in Lakh)

Particulars	2022-23	2021-22
Revenue from operations	55,881	45,491
Other Income	1,740	1,402
Total Revenue	57,621	46,893
Total Expenses	49,365	40,945
Profit / (Loss) before tax	8,256	5,948
Tax expenses	2,290	1,829
Deferred Tax	(64)	(123)
Profit (Loss) for the year	6,030	4,242
Profit (Loss) per equity share (Nominal value per Equity Share Rs.10)	1.97	1.38

2. Management Discussions and Analysis:

Your company continues to address the complete suite of security needs from detection to protection and timely communication through our trained and authorized channel partners vide its key brands namely, Fire Detection and Alarm: Edwards & GST, CCTV & Video Surveillance: Lenel S2, OnGuard & NetBox, Access Control: Lenel & Interlogix, Gas Suppression: Kidde. Some of the key products/ solutions that were launched/upgraded are:

- Gulf Security Technology Co. Ltd. (GST) is a key player in fire and security industry and a trusted provider of comprehensive fire system solutions in India. It is a subsidiary of Carrier (Carrier Global Corporation), a leading global provider of innovative HVAC, refrigeration, fire, security and building automation technologies. GST provides a wide range of fire products and customized fire system solutions tailored to the needs of different industries. With a sales infrastructure that covers many countries and regions and includes a China-wide network of more than 150 sales offices and several logistics centers, GST has become an important part of Carrier's global business. To satisfy the needs of its global customer base, GST has established extensive R&D facilities in Beijing and large manufacturing in Qinhuangdao. It constantly strives to develop innovative new technologies and products. GST to ensure superior product quality, it has advanced manufacturing and inspection equipment and strong capabilities in quality control and process management. GST has earned a range of national and international certificates of conformity to standards such as China's CCC, the international UL, the global LPCB, Europe's CE, and look and has performed well in the troubled covid times and has grown @ 30 % and strengthened its foothold in India.
- Edwards' and Kidde fire alarm coming from the same manufacturing hubs are the flagship fire products in India, it caters to the UL - Enterprise and mid-level markets. The company launched the new EST4 and now celebrating the completion of 150 years presence globally with its customers partners and employees. The offering is premium and innovation is the name of the game for Edwards and always strives for serving the customer quality product at an affordable range meeting the local fire codes and the scalable design expectations. The aggressive growth plan with the WHQ and support has plans to grow SEA and India to offer locally manufactured products. Airsense

has a brand has emerged as a strong competitor with its new launch of Modulaser air aspiration system. The new launch has changed the market dynamics and offers the customer a good variety of modulaser scalable selection and the existing variety of Micra and Stratos options to choose upon to suit the application.

- c. LenelS2 has announced the release of the OnGuard® security management system version 8.0, empowering security teams with enhanced situational awareness by bringing together visualization of data with system status and activity. The Magic Monitor® unified client adds support for OnGuard alarms, video and credentials, while the OnGuard Reporting and Dashboards client transforms data into actionable insights. The browser-based Maps feature brings floor plans and door control to any device. The OnGuard 8.0 system also adds usability improvements and cybersecurity upgrades. LenelS2 also released the NetBox access control software version 5.4 which introduces new tools that streamline system configuration and deployment, making the system easier to install and use. The release also provides Mobile Security User app support for international users as well as security updates.
- d. All these products have been supplied to number of key customers in different verticals protecting people, property and assets against the risk of fire and security.

Your Company has entered into a Master Sub-contracting Agreement dated 8th May, 2014 with Agnice Fire Protection Private Limited (“Agnice”) wherein field operation business was divested on an exclusive basis to carry out the balance works and services on a turnkey basis under each project. There are a total 19 projects identified for the sub-contracting arrangement. The total value involved is Rs.50 Crores (Rupees Fifty Crores Only). Agnice shall execute the project and provide support in their technical closure, AR collection etc. as per the contractual clauses. Further out of 19 projects, 9 projects have been financially closed which includes collection of receivables, account reconciliation with customer(s) and return of Bank Guarantees etc. Further balance 10 projects have been technically closed.

Hyderabad R&D center (“HRDC”) is part of the WHQ R&D and focusses primarily on the Software and Embedded Engineering for almost all the Carrier product lines. This year the company has helped launch over 70+ products globally. In addition, the team from HRDC are now driving the standardization of software methodologies / tools / standards / platforms for all the product lines at Carrier.

Apart from the R&D center, Carrier Corporation has established its largest digital capability center in India, called the Digital Hub India (“DHI”). DHI is a specialized team that aims to drive simplification, efficiency, growth, break silos and unlock hidden value across the organization by driving digital transformation across the organization. DHI is a unique capability center that acts as an extension of the digital headquarter and works on critical areas like Enterprise Cybersecurity, Analytics and Automation, Customer Experience, Shared Services, and Corporate Applications as well as supports the digital transformation of refrigeration, fire and security and HVAC business units.

The other major hubs that got established in the last 2 years is the Carrier Business Solutions (“CBS”) team and it is part of the WHQ CBS Transformation team and aspires to be the trusted partner that fuels Carrier’s growth & market positioning by simplifying how we work. The CBS Operations Team provide ready capabilities and dedicated expertise to continuously drive end-to-end process improvement, tool and technology innovation and performance management.

3. Change in the nature of business, if any:

There are no changes in the nature of business of company during the year under review.

4. Dividend:

In order to cater to working capital requirements of the company, the board of directors did not recommend any dividend on the equity shares of the company.

5. Investor Education And Protection Fund (IEPF):

There is no amount available to be transferred to Investor Education and Protection Fund (IEPF) during the year under review.

6. Reserves:

No amount is transferred to the general reserve during the financial year under review.

7. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

No significant and material orders had been passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

8. The names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year:

No company has become or ceased to be subsidiary, joint venture or associate of your company during the year under review.

9. Details of directors or key managerial personnel who were appointed or have resigned during the year and till the date of this report:

During the financial year under review and till the date of this report the following changes have occurred in the composition of Board of Directors and Key Managerial Personnel of the Company:

Sr. No.	Name of Director	Designation	Date of Appointment	Date of Cessation	Mode of Cessation
1.	Mr. Sanjeev Goel (DIN: 06710444)	Independent Director	N. A.	24 th March, 2023	Consequent to completion of his second term as Independent Director of the Company
2.	Ms. Vasanthi Narayana (DIN: 08319835)	Whole-time Director	N.A.	May 31, 2022	Resignation
3.	Mr. Adwait Chandrashekhar Patil (DIN: 05341704)	Non Executive Director	July 1, 2022	N. A.	N. A.
4.	Mr. J. A. Chowdary (DIN: 01109704)	Independent Director	June 16, 2023	N. A.	N. A.
5.	Uma Varadarajan (PAN: AAIPU0657M)	Chief Financial Officer	N. A.	30th September, 2022	Resignation
6.	Srinivasa Rao Cherukuri (PAN: AEVPC0366C)	Chief Financial Officer	28th November, 2022	N. A.	N. A.
7.	Anurag Gupta (PAN: AXLPG6714B)	Whole Time Company Secretary	N. A.	31st December, 2022	Resignation
8.	Samta Jain (PAN: ATVPJ5862D)	Whole Time Company Secretary	16/06/2023	N. A.	N. A.

Sr. No.	Name of Director	Designation	Date of Appointment	Date of Cessation	Mode of Cessation
9.	Shalini Singh (DIN: 09721685)	Whole-Time Director	30/08/2022	N. A.	N. A.

10. Board and Committee meetings:

During the financial year under review, the company had four meetings of Board of Directors and various committee meetings as per Section 173 of Companies Act, 2013 which are summarized in **Annexure "A"** and forms an integral part of the report. The provisions of Companies Act, 2013 and secretarial standards for meetings of Board of Directors have been tried to be adhered to while considering the time gap between two meetings.

11. Particulars of Employees:

In terms of the provisions of Section 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names top ten employees in terms of remuneration drawn and name and other particulars of employees drawing remuneration in excess of the limits set out in the said rules forms part of this report. Disclosures relating to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. Having regard to the provisions of the second proviso to Section 136(1) of the Act, the annual report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company at gpccindialegal@carrier.com

12. Directors' responsibility statement:

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the company confirms that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- The directors had prepared the annual accounts on a going concern basis;
- The directors had devised proper systems to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

13. Declaration of independence by directors:

Declarations given by independent directors meeting the criteria of independence as provided in section 149 of the Companies Act, 2013 and the relevant rules are received and taken on record by board of the company.

14. Board Evaluation:

In compliance with the Companies Act, 2013, the board has carried out an annual performance evaluation

of its own performance and that of its committees and individual including independent directors of the company for the financial year under review. The independent directors assessed the performance of non-independent directors and the whole-time directors of the company as well as the board as a whole for the year. The manner of performance evaluations was based on parameters including but not limited to knowledge of business/operations of the company, effective participation in board/committee meetings, independence, their value addition/contribution to company's objectives and plans, efficient discharge of their responsibilities, governance, trust & confidentiality and other relevant parameters.

It was further acknowledged that the board, every individual director and committee of the board contributes its best in the overall growth of the organization.

15. **Nomination and Remuneration Policy:**

The board has on the recommendation of the nomination and remuneration committee, framed a policy for selection and appointment of directors, key managerial personnel, senior management and their remuneration including criterion for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3). The policy formulated by nomination and remuneration committee under Section 178(3) is attached as **Annexure "B"** and forms an integral part of the report and is also available on <https://www.carrier.com/building-solutions/en/in/investor>.

16. **Corporate social responsibility:**

The company has constituted a Corporate Social Responsibility (CSR) Committee and has framed a Corporate Social Responsibility policy during the year under review. The company has undertaken activities as per the CSR policy and the details are contained in the Annual report on CSR activities given in **Annexure "C"** forming an integral part of this report and also available on company's website: <https://www.carrier.com/commercial/en/in/investor/>. The Company will continue to support social projects that are consistent with the policy.

The company is committed to the belief that it exists not just to run business and generate profits, but also to fulfill its duties as a responsible corporate citizen. As a responsible corporate citizen, your company recognized its need to deliver value to the society, which is the reason for its existence. Our most important responsibility is to fulfill the expectations of our stakeholders and to continuously improve our social, environmental and economic performance while ensuring the sustainability and operational success of your company.

17. **Extract of the annual return:**

As per the requirements of Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of the annual return for financial year ended 31st March, 2023 is put up on the company's website and can be accessed at <https://www.carrier.com/building-solutions/en/in/investor>.

18. **Audit Committee:**

The composition of audit committee of the board of directors is as follows:

Mr. Prakash Singh Bodla (DIN: 09178187)	... Chairperson
Mr. Sanjiv Goel (DIN: 06710444)*	... Member
Mr. Srinivas Kotni (DIN: 01085277)	... Member
Mr. J. A. Chowdary (DIN: 01109704)**	... Member

*upto 24th March, 2023

** with effect from 16th June, 2023

19. Nomination and Remuneration Committee:

The composition of nomination and remuneration committee of the board of directors is as follows:

Mr. Muthalagappan Karuppiah (DIN: 08539111)	... Chairperson
Mr. Sanjiv Goel (DIN: 06710444)*	... Member
Mr. Srinivas Kotni (DIN: 01085277)	... Member
Mr. Vikram Arthur Fernandes (DIN: 06421340)	... Member
Mr. J. A. Chowdary (DIN: 01109704)**	... Member

*upto 24th March, 2023

** with effect from 16th June, 2023

20. Stakeholder Relationship Committee:

The composition of stakeholder's relationship committee of the board of directors is as follows:

1. Mr. Vikram Arthur Fernandes Prabhu (DIN: 06421340) Chairperson
2. Mr. Adwait Chandrasekhar Patil (DIN: 05341704) Member
3. Mr. Prakash Bodla (DIN: 09178187) Member

21. Corporate Social Responsibility Committee:

The composition of the corporate social responsibility (CSR) committee of the board of directors is as follows:

1. Mr. Prakash Bodla (DIN: 09178187) Chairperson
2. Mr. Srinivas Kotni (DIN: 01085277) Member
3. Mr. Muthalagappan Karuppiah (DIN: 008539111) Member

22. Changes in share capital:

There has been no change in the share capital of the company during the financial year 2022 - 2023.

23. Statutory Auditors:

The members of the company in their 39th Annual General Meeting held on 31st December, 2021 have appointed MSKA & Associates, Chartered Accountants (Firm Registration Number: 105047W) as statutory auditors of the company for a period of 5 years i.e. up to conclusion of 44th annual general meeting of the company subject to ratification of such appointment by members of the company at each ensuing general meeting as may be required under applicable law.

The ministry of corporate affairs vide Companies (Amendment) Act, 2017 dated 7th May, 2018 omitted the requirement of ratification of appointment of statutory auditors at every annual general meeting. Accordingly, no resolution is proposed for ratification of appointment of statutory auditors MSKA & Associates, Chartered Accountants (Firm Registration Number: 105047W) in the ensuing annual general meeting.

24. Secretarial Auditor:

In compliance with the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, DMK Associates company secretary in practice having office at 31/36, Basement, Old Rajinder Nagar, New Delhi-110060 was appointed as secretarial auditor of the company for financial year 2022-23. The report of the secretarial auditor contains one observation mentioned below and is attached herewith as Annexure "D" and forms an integral part of this report.

Ovservation	The Company is required to file the Annual Performance Report (APR) under the SEZ Act within 90 days from the closure of Financial Year, however Company has not filed the APR for the financial year ended March 31, 2023.
Reply by management	Due to some technical issue there was a delay in filing the form. Whereas the Management has assured to file the form at the earliest

25. Auditors' Report:

The auditors' report does not contain any qualification, reservation or adverse remark and the same is self-explanatory. There have been no instances of fraud reported by the statutory auditors under Section 143(12) of Companies Act, 2013 read with rules framed thereunder either to the company or to the central government.

26. Cost records:

Maintenance of cost records as specified by the central government under sub-section (1) of section 148 of the Companies Act, 2013 are not required to be made and maintained by the company. Hence the provisions of relating to Cost Audit are also not applicable to the Company.

27. Frauds reported by the Auditors:

No Frauds were reported by the Auditors either to the Audit Committee or in their reports during the year under review.

28. Deposits:

The company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and no amount of principal or interest was remained unpaid or unclaimed as at the end of the year under review. There has not been any default in repayment of deposits or payment of interest thereon during the year under review.

29. Details in respect of adequacy of internal financial controls with reference to the financial statements:

A strong internal control culture is prevalent in the company. The auditor monitors the compliance with the objective of providing to the Board of Directors an independent and reasonable assurance on the adequacy and effectiveness of the organization's governance processes. In the opinion of the Board of Directors the existing internal control framework is adequate and commensurate to the size and nature of the business of the company.

30. Particulars of loans, guarantees or investments under Section 186:

There were no loans, guarantees or investments made by the company under section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

31. Particulars of contracts or arrangements with related parties:

All the related party transactions that were entered into during the financial year under review were in ordinary course of business and are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013. Omnibus approval is being obtained for all potential related party transactions from the audit committee. The related party transactions are disclosed in notes of the financial statements.

32. Risk Management Policy:

Periodic assessment to identify the risk areas are carried out and management is briefed on the risks in advance to enable the company to control risk through a properly defined plan. The risks are classified as financial risks, operational risks and market risks. The risks are taken into account while preparing the

annual business plan for the year. The board is also periodically informed of the business risks and the actions taken to manage them. The company has adopted the group's risk management policy.

33. Disclosure as required under Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and as per Rule 8 (5) of Companies (Accounts) Amendment Rules, 2018:

The company has complied with provisions relating to the constitution of internal complaint committee under Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. The company has an anti-sexual harassment policy in line with the requirement of the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review no matter has been reported to the internal complaint committee related to sexual harassment.

34. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

- 1. Conservation of Energy:** Operations of the company involved low energy consumption. Adequate measures have been taken to reduce energy consumption wherever possible.
- 2. Technology Absorption:** (a) Particulars of Research and Developments: Your company employs a team of qualified engineers and is constantly working at improvements and development of technologies and processes deployed (b) Particulars of Technology Absorption, Adoption and Innovation: (i) The company gets information on latest technology on equipment/process, marketing, etc., and this has been continuously absorbed and adopted to suit to company's operations; and (ii) Benefits derived as a result of the efforts: Availability of products of latest design and technology, improved product quality and productivity; and (c) Details of Technology – Not Applicable.
- 3. Foreign exchange earnings and Outgo:** The foreign exchange earned in terms of actual inflows and the foreign exchange outgo during the financial year in terms of actual outflows are given below:

(In Lakhs)

S. No	Foreign Exchange Earnings and Outgo	2022-2023	2021-2022
1.	Earnings in foreign exchange	45045	41,275
2.	Expenditure in foreign currency	561	2,324
3.	CIF value of import	7,395	4,231

35. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report:

No material changes and commitments affecting the financial position of the company occurred between the end of the financial year to which these financial statements relate and the date of this report.

36. Environment:

The company is committed to the protection of environment and is not involved in any type of activity hazardous to environment. It strictly adheres to the provisions of environment laws. There are no trade effluents generated by the company which may cause pollution.

37. Secretarial Standards:

The Secretarial Standards issued by the Institute of Company Secretaries of India relating to meetings of Board of Directors (SS-1) and General Meetings (SS-2), respectively have been duly followed by the



company.

38. Vigil Mechanism:

In terms of the provisions of Section 177 of the Companies Act, 2013 your Company has formulated a Whistle Blower Policy as a Vigil Mechanism. This mechanism aims for conducting the affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. All permanent employees of the Company are covered under the policy.

39. Corporate Insolvency Resolution process initiated under The Insolvency And Bankruptcy Code, 2016 (IBC)

No application has been filed for Corporate Insolvency Resolution process, by the company under the IBC before the National Company Law Tribunal (NCLT) during the year under review.

40. The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks:

No loans from Banks or Financial Institutions were under one-time settlement during the year under review. Hence the difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions didn't arise.

41. General:

Your directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review.

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. There was no instance of onetime settlement with any Bank or Financial Institution.

42. Acknowledgements:

Your directors wish to express their gratitude to the company's suppliers, bankers, auditors, customers, central and state government departments and local authorities for their continued guidance, support, help and encouragement they extend to the company.

Your directors also like to place on record their sincere appreciation to business associates and employees at all levels for their unstinting efforts in ensuring all round operational performance. Last but not the least your directors would also like to thank valuable members and other stakeholders for their support and contribution and look forward to your continued support in the future as well.

By order of the Board
For Carrier Technologies India Limited

Date: 4th September, 2023
Place: Hyderabad

Muthalagappan Karuppiah
Whole Time Director
(DIN: 08539111)

Prakash Bodla
Managing Director
(DIN: 09178187)

ANNEXURE TO DIRECTORS' REPORT:

S. No.	Nature of Meeting	Date of Meeting	Strength	Directors'/ Members Present	Name of Directors'/ Members present
1.	Board Meeting	1 st July, 2022	5	5	Mr. Sanjiv Goel (DIN: 06710444) Independent Director Mr. Srinivas Kotni (DIN: 01085277) Independent Director Mr. Prakash Bodla (DIN: 09178187) Managing Director Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340) Non-Executive Director Mr. Muthalagappan Karuppiah (DIN: 08539111) Whole-time Director
		29 th August, 2022	5	5	Mr. Sanjiv Goel (DIN: 06710444) Independent Director Mr. Srinivas Kotni (DIN: 01085277) Independent Director Mr. Prakash Bodla (DIN: 09178187) Managing Director Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340) Non-Executive Director Mr. Muthalagappan Karuppiah (DIN: 08539111) Whole-time Director
		28 th November, 2022	7	6	Mr. Sanjiv Goel (DIN: 06710444) Independent Director Mr. Srinivas Kotni (DIN: 01085277) Independent Director Mr. Prakash Bodla (DIN: 09178187) Managing Director Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340) Non-Executive Director Mr. Muthalagappan Karuppiah (DIN: 08539111) Ms. Shalini Singh (DIN: 097216850) Whole-time Director

S. No.	Nature of Meeting	Date of Meeting	Strength	Directors'/ Members Present	Name of Directors'/ Members present
		21 st March, 2023	7	7	Mr. Sanjiv Goel (DIN: 06710444) Independent Director Mr. Srinivas Kotni (DIN: 01085277) Independent Director Mr. Prakash Bodla (DIN: 09178187) Managing Director Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340) Non-Executive Director Mr. Muthalagappan Karuppiah (DIN: 08539111) Ms. Shalini Singh (DIN: 097216850) Mr. Adwait Chandrasekhar Patil (DIN: 05341704) Whole-time Director
2.	Audit Committee	29 th August, 2022	3	3	Mr. Prakash Bodla (DIN: 09178187) Mr. Sanjiv Goel (DIN: 06710444) Mr. Srinivas Kotni (DIN: 01085277)
		21 st March, 2023	3	3	Mr. Prakash Bodla (DIN: 09178187) Mr. Sanjiv Goel (DIN: 06710444) Mr. Srinivas Kotni (DIN: 01085277)
3.	Nomination & Remuneration Committee	1 st July, 2022	4	4	Mr. Muthalagappan Karuppiah (DIN: 08539111) Mr. Sanjiv Goel (DIN: 06710444) Mr. Srinivas Kotni (DIN: 01085277) Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340)
		29 th August, 2022	4	4	Mr. Muthalagappan Karuppiah (DIN: 08539111) Mr. Sanjiv Goel (DIN: 06710444) Mr. Srinivas Kotni (DIN: 01085277) Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340)
		28 th November, 2022	4	4	Mr. Muthalagappan Karuppiah (DIN: 08539111) Mr. Sanjiv Goel (DIN: 06710444) Mr. Srinivas Kotni (DIN: 01085277) Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340)

S. No.	Nature of Meeting	Date of Meeting	Strength	Directors'/ Members Present	Name of Directors'/ Members present
		21 st March, 2023	4	4	Mr. Muthalagappan Karuppiah (DIN: 08539111) Mr. Sanjiv Goel (DIN: 06710444) Mr. Srinivas Kotni (DIN: 01085277) Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340)
4.	Stakeholder Relationship Committee	21 st March, 2023	3	3	Mr. Adwait Chandrasekhar Patil (DIN: 05341704) Mr. Vikram Arthur Fernandes Prabhu (DIN:06421340) Mr. Prakash Bodla (DIN: 09178187)
5.	Corporate Social Responsibility Committee	29 th August, 2022	3	3	Mr. Prakash Bodla (DIN: 09178187) Mr. Muthalagappan Karuppiah (DIN: 08539111) Mr. Srinivas Kotni (DIN: 01085277)
		21 st March, 2023	3	3	Mr. Prakash Bodla (DIN: 09178187) Mr. Muthalagappan Karuppiah (DIN: 08539111) Mr. Srinivas Kotni (DIN: 01085277)
6.	Independent Directors Committee	21 st March, 2023	2	2	Mr. Sanjiv Goel (DIN: 06710444) Mr. Srinivas Kotni (DIN: 01085277)

By order of the Board
For Carrier Technologies India Limited

Muthalagappan Karuppiah
Whole Time Director
(DIN: 08539111)

Prakash Bodla
Managing Director
(DIN: 09178187)

Date: 4th September, 2023
Place: Hyderabad

NOMINATION AND REMUNERATION POLICY

The Board of Directors of Carrier Technologies India Limited the (“**Company**”) constituted the “Nomination and Remuneration Committee” at its Meeting held on March 31st, 2015 with immediate effect, consisting of three Non-Executive Directors of which not less than one-half are Independent Directors.

1. OBJECTIVE

The Nomination and Remuneration Committee (“Committee”) and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder. The Key Objectives of the Committee would be as under:

- i. To formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. To identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. To recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

2. DEFINITIONS

- i. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- ii. **Board** means Board of Directors of the Company.
- iii. **Directors** mean Directors of the Company.
- iv. **Key Managerial Personnel** means
Chief Executive Officer or the Managing Director or the Manager;
Whole-time Director; Chief Financial Officer;
Company Secretary; and
Such other officer as may be prescribed.
- v. **Senior Management** means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the Functional Heads.

3. ROLE OF THE COMMITTEE

- i. **Matters to be dealt with pursued and recommended to the Board by the Nomination and Remuneration Committee**
 - a. **The Committee shall:**
 - Formulate the criteria for determining qualifications, positive attributes and independence of a director.
 - Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
 - Recommend to the Board, appointment, and removal of Director, KMP and Senior Management Personnel.

ii. Policy for appointment and removal of Directors, KMPs and Senior Management Personnel**a. Appointment criteria and qualifications**

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment.

b. Term / Tenure

- i. **Managing /Whole-time Director:** The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
 - ii. **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- c. **Evaluation:** The Committee shall carry out evaluation of performance of the Directors at regular intervals (yearly).
 - d. **Removal:** Due to reasons, for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
 - e. **Retirement:** The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company.

iii. Policy relating to the Remuneration for the Managing/ Whole-time Director, KMP and Senior Management Personnel**a. General:**

- i. The remuneration / compensation / commission etc. to the Managing / Whole-time Director, KMP and Senior Management Personnel will be as per the Company Policies. The Committee shall recommend the same to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- ii. The remuneration and commission to be paid to the Managing / Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- iii. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing/ Whole-time Director.
- iv. Where any insurance is taken by the Company on behalf of its Managing Director/ Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid



on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

b. Remuneration to Managing / Whole-time Director, KMP and Senior Management Personnel

i. Remuneration:

The Managing / Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as per the Company Policies, as may be approved by the Board on the recommendation of the Committee and subject to members approval and central government approval, to the extent required.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company Policies.

ii. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing / Whole-time Directors in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

iii. Provisions for excess remuneration:

If any Managing /Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

c. Remuneration to Non- Executive / Independent Director:

- i. Sitting Fees: The Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rupees One Lac per meeting of the Board or Committee, or such amount as may be prescribed by the Central Government from time to time.

4. MEMBERSHIP

- i. The Committee shall consist of a minimum 3 non-executive directors, not less than one-half of them being independent.
- ii. Minimum (2) members (in person or through any audio-visual means) shall constitute a quorum for the Committee meeting.
- iii. Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

- i. Chairperson of the Committee shall be appointed by the Board.
- ii. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- iii. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

- i. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- ii. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the company shall act as Secretary of the Committee.

9. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be recorded in minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee Meetings will be tabled at the subsequent Board and Committee meeting.

10. MODIFICATION OF POLICY

The Committee may modify this Policy unilaterally at any time. Modification may be necessary, among other reasons, to maintain compliance with the rules and regulations imposed by the Regulatory authorities.

By order of the Board
For Carrier Technologies India Limited

Muthalagappan Karuppiah
Whole Time Director
(DIN: 08539111)

Prakash Bodla
Managing Director
(DIN: 09178187)

Date: 4th September, 2023
Place: Hyderabad

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY PURSUANT TO RULES 8 & 9 OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2021

1. A brief outline of the company's corporate social responsibility policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the Corporate Social Responsibility (“CSR”) policy and projects on program:

In adherence to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has an approved CSR policy.

In accordance with the primary CSR philosophy of the group and the specified activities under schedule VII of the Companies Act, 2013, the CSR activities of the company cover certain thrust areas such as school adoption program project which is being done in association with the NGO Nirmaan. The program includes holistic development of primary and high schools and would include ensuring basic infrastructure and academic support, community governance of the schools etc.

The corporate social responsibility policy of the company is available on the website of the company <https://www.carrier.com/commercial/en/in/investor/> in the ‘Investors’ section.

2. **The composition of CSR Committee:**

The corporate social responsibility committee comprises of 3 (three) members of the Board, one is non-executive independent director and two are executive directors. The chairman of the committee will be as designated by the Board from among the Committee members.

Sr. No.	Name	Category	Designation	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Prakash Bodla (DIN: 09178187)	Managing Director	Chairperson	2	2
2.	Mr. Srinivas Kotni (DIN: 01085277)	Independent Director	Member	2	2
3.	Mr. Muthalagappan Karuppiah (DIN: 08539111)	Whole Time Director	Member	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company <https://www.carrier.com/commercial/en/in/investor/corporate-social-responsibility/>.**
4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable**
5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1.	-	Nil	Nil

6. Average net profit of the Company for last three financial years:

The average net profit of last three financial years preceding the reporting financial year (i.e., 2019-20, 2020-21 and 2021-22) calculated in accordance with Section 135 of the Companies Act, 2013 is Rs.6,189 lakhs

7. (a) **Two percent of average net profit of the company as per section 135(5): Rs. 123.78 lakhs**
 (b) **Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil**
 (c) **Amount required to be set off for the financial year: Nil**
 (d) **Total CSR obligation for the financial year (7a+7b+7c) = Rs. 123.78 lakhs**
8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135 (5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
103	Not Applicable		Not Applicable		

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

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the Project State, District	Project duration.	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation -Direct (Yes/No).	Mode of Implementation-Through Implem-enting Agency Name & CSR Registration number.
1	School Adoption Program	Education	Yes	ZPHS Faizabad, ZPHS Siripura, ZPHS Neredigunta Telangana, Hyderabad	Multi Year ongoing Project	97.1	97.1	-	Yes	Nirmaan CSR Registration Number: CSR00000146

- (d) **Amount spent in Administrative Overheads – Rs. 4,89,150/-**
 (e) **Amount spent on Impact Assessment, if applicable: Not Applicable**
 (f) **Total amount spent for the Financial Year - (8b+8c+8d+8e) – 97.83 lakhs**
 (g) **Excess amount for set off, if any – Not Applicable**

Sr. No.	Particular	Amount (in Rs. Lakhs)
(i)	Two percent of average net profit of the company as per Section 135(5)	99.42
(ii)	Total amount spent for the Financial Year	103
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.58
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3.58

9 (a) Details of Unspent CSR amount for the preceding three financial years: NIL

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
NIL							

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

Sr. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced	Project duration	Amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
1	Education	School Adoption Program	2022-2023	Multi Year	103	103	103	On Going

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

- Date of creation or acquisition of the capital asset(s): Not Applicable
- Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

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

By order of the Board
For Carrier Technologies India Limited

Date: 4th September, 2023
Place: Hyderabad

Muthalagappan Karupiah
Whole Time Director
(DIN: 08539111)

Prakash Bodla
Managing Director
(DIN: 09178187)



Form No. MR-3 Secretarial Audit Report

Annexure "D"

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

[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,
CARRIER TECHNOLOGIES INDIA LIMITED
CIN: U29193MH1981FLC024364
Unit No. 4B, 2nd Floor, The Centrium,
Lal Bahadur Shastri Marg, Kurla West,
Mumbai-400070, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Carrier Technologies India Limited** (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has during the audit period covering the financial year ended on March 31, 2023 ("**Audit Period**") 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 along with **Annexure-A** attached to this report:-

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder; (**Not applicable to the Company during the Audit Period**)
- (iii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment ("FDI"), Overseas Direct Investments ("ODI") and External Commercial Borrowings ("ECB"); (**No FDI and ECB was taken and No ODI was made by the Company during the Audit Period**)
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'); (Not applicable to the Company during the Audit Period as the company is an Unlisted Company)
- (vi) **OTHER ACTS SPECIFICALLY APPLICABLE TO THE COMPANY AS IDENTIFIED BY THE MANAGEMENT**
 - Special Economic Zone Act, 2005 ("SEZ Act") and rules and orders made thereunder.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2).
- (ii) The Listing Agreements entered into by the Company with the Stock Exchanges. [**Not applicable to the Company during the period as the Company is not listed with any of the stock exchange(s)**]

We have also examined compliance with the applicable clauses of the following:

- (iii) Secretarial Standards issued by The Institute of Company Secretaries of India (SS-1 and SS-2).
- (iv) The Listing Agreements entered into by the Company with BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"), if any. (**Not applicable to the Company during the Audit Period**).

During the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following:

1. The Company is required to file the Annual Performance Report (APR) under the SEZ Act within 90 days from the closure of Financial Year, however Company has not filed the APR for the financial year ended March 31, 2023.

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company is constituted with balance of Executive, Non-Executive Directors, Women and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, due to retirement of one Independent Director of the Company on March 24, 2023, the company has left with only one Independent Director as on March 31, 2023 which has also impacted the constitution of the Audit Committee and Nomination and Remuneration Committee of the Company. The aforesaid vacancy of Independent Director has been filled by the Board in its immediate next Meeting held on June 16, 2023.
2. Adequate notices of at least seven days were given to all the directors to schedule the Board and Committee Meetings along with agenda and detailed notes on agenda in compliance with the provisions of the Act 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 in compliance of the Act.
3. All decisions at Board Meetings and Committee Meetings have been carried out with requisite majority of the members of the Board or committees as the case may be. Further, as informed and verified from minutes, no dissent was given by any director in respect of the resolutions passed in the Board and the Committee Meetings.

Based on the compliance mechanism established by the Company we 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 and guidelines.

We further report that during the audit period the Company has not incurred any specific event / action that can have major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations; guidelines, standards etc.

Date:
Place: New Delhi
UDIN:

**FOR DMK ASSOCIATES
COMPANY SECRETARIES
(MONIKA KOHLI)
FCS,LL.B., B.Com (H), I.P.
PARTNER
CP No. 4936
FCS No. 5480
Peer Review No. 779/2020**



To,
The Members,
CARRIER TECHNOLOGIES INDIA LIMITED
CIN: U29193MH1981FLC024364
Unit No. 4B, 2nd Floor, The Centrium,
Lal Bahadur Shastri Marg, Kurla West,
Mumbai- 400070, Maharashtra, India

Sub: Our report for the Audit Period is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. As per the information provided by the Company, there are no pending cases filed by or against the Company which will have major impact on the Company.

Date: 04.09.2023
Place: New Delhi
UDIN: F005480E000941492

FOR DMK ASSOCIATES
COMPANY SECRETARIES
(MONIKA KOHLI)
FCS,LL.B., B.Com (H),I.P.
PARTNER
CP No. 4936
FCS No. 5480
Peer Review No. 779/2020

INDEPENDENT AUDITOR'S REPORT

To the Members of **Carrier Technologies India Limited** ("formerly Known as UTC Fire & Security India Limited")

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Carrier Technologies India Limited ("formerly Known as UTC Fire & Security India Limited") ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit, 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 Standards are further described in the Auditor's Responsibilities for the Audit of the 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the –Director's report but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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.

Responsibilities of Management and Board of Directors for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates



that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

We give in "**Annexure A**" a detailed description of Auditor's responsibilities for Audit of the Financial Statements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 including daily back-up of books of accounts and other books and papers maintained in electronic mode. However, the servers for the back-up of books of account and other books and papers of the Company maintained in electronic mode are physically located outside India.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 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 C**".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the 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 17 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
 - v. The Company has neither declared nor paid any dividend during the year.
 - vi. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the company only w.e.f. April 1, 2023, reporting under this clause is not applicable.
3. In our opinion, according to information, explanations given to us, the remuneration paid by the Company to its Directors for the year ended March 31, 2023 is within the limits laid prescribed under Section 197 of the Act and the rules thereunder.

Monish Sharma
Partner
Membership No. 505381
UDIN: 23505381BGXUTG5533

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Place: Gurugram
Date: 04.09.2023



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF CARRIER TECHNOLOGIES INDIA LIMITED ("FORMERLY KNOWN AS UTC FIRE & SECURITY INDIA LIMITED")

Auditor's Responsibilities for the Audit of the 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 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 financial statements, including the disclosures, and whether the 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.

**For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W**

**Monish Sharma
Partner
Membership No. 505381
UDIN: 23505381BGXUTG5533**

**Place: Gurugram
Date: 04.09.2023**

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CARRIER TECHNOLOGIES INDIA LIMITED ("FORMERLY KNOWN AS UTC FIRE & SECURITY INDIA LIMITED") FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i. (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and Intangible Asset and relevant details of right-of-use assets.
B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) All the Property, Plant and Equipment and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment including Right of Use assets or intangible assets or both during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii. (a) The inventory except goods in transit, has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage & procedure of such verification is reasonable and appropriate. having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories.
- (b) The Company has not been sanctioned any working capital limits during the year. Accordingly, the requirements under paragraph 3(ii)(b) of the Order are not applicable to the Company.
- iii. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us, the Company has neither, directly or indirectly, granted any loan, or provided guarantee or security to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of Section 185 of the Act nor made investments through more than two layers of investment companies in accordance with the provisions of Section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products or services of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) There are no undisputed amounts payable in respect of Goods and Services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, cess, and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us and examination of records of the Company, details of statutory dues referred to in sub Clause (a) above which have not been deposited as on March 31, 2023 on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (In INR lakhs)	Amount Paid (INR in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Sales tax Act, 1961	Demand against non-submission of various Forms	292	72.43	2003-05	Deputy commissioner Sales tax, Vapi (Gujarat)
Sales tax/ Value added tax Act of Bihar	Demand against non-submission of various Forms	100	151	2005-06 to 2009-10	Commissioner of Commercial Taxes, Bihar
Sales tax/ Value added tax Act of Andhra Pradesh	Demand against non-submission of various Forms	21	5	2007-08 and 2008-09	Sales tax Appellate tribunal, Visakhapatnam)
Goods & Service tax 2017	Disallowance of ITC Credit	38	-	2017-18	Appellate Authority (Maharashtra)
BPMC (Cess on entry of goods) Rules, 1996	Demand against non-submission of various Forms	255	61	2007-08 and 2008-09	Commissioner – Appeals
UP Trade Tax Act, 1948	Demand against redetermination of turnover on best judgement basis	29	-	2007-08 and 2008-09	Commissioner – Appeals

- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) (a) to (c) and sub Clause (e) and (f)) of the Order is not applicable to the Company.
- (b) According to the information and explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.
- x. (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given 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, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- xi. (a) Based on 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 report that no material fraud by the Company nor on the Company has been noticed or reported during the course of our audit.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the Management, there are no whistle-blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are 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 Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered internal audit reports of the Company issued till date, for the period under audit.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of Section 192 of the Act are not applicable to Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(a) of the Order are not applicable to the Company.

- (b) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3 (xvi)(b) of the Order are not applicable to the Company.
 - (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.
 - (d) The Group does not have any CIC as part of its group. Hence the provisions stated in paragraph 3 (xvi) (d) of the order are not applicable to the Company.
- xvii. Based on the overall review of financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3 (xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.
- xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under Clause 3(xxi) of the Order is not applicable.

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W

Monish Sharma
Partner
Membership No. 505381
UDIN: 23505381BGXUTG5533

Place: Gurugram
Date: 04.09.2023

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CARRIER TECHNOLOGIES INDIA LIMITED ("FORMERLY KNOWN AS UTC FIRE & SECURITY INDIA LIMITED")

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Carrier Technologies India Limited ("formerly Known as UTC Fire & Security India Limited") on the Financial Statements for the year ended March 31, 2023]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to financial statements of **Carrier Technologies India Limited** ("formerly Known as UTC Fire & Security India Limited") ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control 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 (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 control 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 control with reference to 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 control 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 M S K A & Associates
Chartered Accountants
ICAI Firm Registration No. 105047W**

**Monish Sharma
Partner
Membership No. 505381
UDIN: 23505381BGXUTG5533**

**Place: Gurugram
Date: 04.09.2023**

FINANCIAL STATEMENTS





CARRIER TECHNOLOGIES INDIA LIMITED
(FORMERLY KNOWN AS "UTC FIRE & SECURITY INDIA LIMITED)

Balance Sheet as at 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	5	3,934	4,136
Right of use Asset	6	7,356	8,953
Intangible assets	7	23	48
Financial assets			
- Other non-current financial assets	8	612	617
Deferred tax asset (net)	29	2,143	2,096
Other non-current assets	9	289	289
Total non-current assets		14,357	16,139
Current assets			
Inventories	10	2,216	1,180
Financial assets			
- Trade receivables	11	13,071	10,612
- Cash and cash equivalents	12	23,819	19,349
- Other current financial assets	13	117	31
Current tax assets (net)		911	562
Other current assets	14	1,791	3,086
Total current assets		41,925	34,820
Total assets		56,282	50,959
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	30,684	30,684
Other equity	16	6,531	89
Total equity		37,215	30,774
Liabilities			
Non-current liabilities			
Financial liabilities			
- Lease liabilities	33	7,134	8,589
Provisions	17	2,083	1,821
Total non-current liabilities		9,217	10,410

	Notes	As at 31 March 2023	As at 31 March 2022
Current liabilities			
Financial liabilities			
- Lease liabilities	33	1,416	1,307
- Trade payables	18		
i) total outstanding dues of micro enterprises and small enterprises		176	48
ii) total outstanding dues of creditors other than micro enterprise and small enterprise		4,509	4,730
- Other financial liabilities	19	523	326
Other current liabilities	20	1,825	1,767
Provisions	17	1,401	1,598
Total current liabilities		9,850	9,776
Total liabilities		19,067	20,186
Total equity and liabilities		56,282	50,959
See accompanying notes to the financial statements	1-51		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors

Carrier Technologies India Limited

(Formerly known as UTC Fire & Security India Limited)

CIN: U29193MH1981FLC024364

Sd/-
Monish Sharma
Partner
Membership
No: 505381

Sd/-
Muthalagappan Karuppiah
Whole-time
Director
DIN: 08539111

Sd/-
Prakash Bodla
Managing Director
DIN: 09178187

Srinivasa Rao Cherukuri
Chief Financial
Officer

Samta Jain
Company Secretary
Membership
No:A46162

Place: Gurugram
Date: 04.09.2023

Place: Banglore
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023



CARRIER TECHNOLOGIES INDIA LIMITED
(FORMERLY KNOWN AS "UTC FIRE & SECURITY INDIA LIMITED)

Statement of Profit and Loss for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Income			
Revenue from operations	21	55,881	45,491
Other income	22	1,740	1,402
Total income		57,621	46,893
Expenses			
Purchase of Stock-in-trade	23	7,956	4,232
Changes in inventories of stock-in-trade	24	(906)	(413)
Employee benefits expense	25	27,560	22,605
Finance costs	26	704	833
Depreciation and amortization expense	27	2,633	2,707
Other expenses	28	11,418	10,981
Total expenses		49,365	40,945
Profit before tax		8,256	5,948
Tax expense			
- Current tax	29	2,290	1,829
- Deferred tax charge / (benefit)	29	(64)	(123)
Total tax expense		2,226	1,706
Profit for the year		6,030	4,242
Other comprehensive income			
Items that will not be reclassified to profit or loss in subsequent years			
Remeasurement of net defined benefit liability gain/(loss)		68	(291)
- Income tax effect on these items		(17)	73
Other comprehensive income/(loss) for the year, net of tax		51	(218)
Total comprehensive income for the year, net of tax		6,081	4,024
Earnings per share			
Nominal value of share INR 10			
Basic earnings per share (INR)	30	1.97	1.38
Diluted earnings per share (INR)	30	1.97	1.38
See accompanying notes to the financial statements	1-51		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors**Carrier Technologies India Limited**

(Formerly known as "UTC Fire & Security India Limited)

CIN: U29193MH1981FLC024364

Sd/-
Monish Sharma
Partner
Membership
No: 505381

Sd/-
Muthalagappan
Karupiah
Whole-time
Director
DIN: 08539111

Sd/-
Prakash Bodla
Managing Director
DIN: 09178187

Srinivasa Rao
Cherukuri
Chief Financial
Officer

Samta Jain
Company Secretary
Membership
No:A46162

Place: Gurugram
Date: 04.09.2023

Place: Banglore
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023



CARRIER TECHNOLOGIES INDIA LIMITED
(FORMERLY KNOWN AS "UTC FIRE & SECURITY INDIA LIMITED)

Statement of cash flows for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from operating activities		
Profit before tax	8,256	5,948
Adjustments for:		
Depreciation and amortization expenses	2,633	2,707
Share based payment expense	361	195
Finance cost	704	833
Interest income	(948)	(471)
Provision for Bad and Doubtful debts written back	(4)	(281)
Gain on sale of fixed assets	-	(10)
Profit on termination of Lease	(13)	-
Provision no longer required written back	(208)	(45)
Operating profit before working capital changes	10,781	8,876
Changes in working capital		
Decrease/(increase) in non-current assets	-	230
(Increase)/ decrease in inventories	(1,036)	(295)
Increase in trade receivables	(2,455)	(2,973)
Decrease in other financial assets	2	285
Increase in other current assets	1,295	(511)
(Decrease)/ Increase in trade payables	(93)	(1,233)
Increase/(Decrease) in other financial liabilities	281	145
Increase/(Decrease) in other current liabilities	58	304
(Decrease)/ Increase in provisions	254	(57)
Cash flow generated from operations	9,087	4,771
Income tax paid	(2,656)	(2,690)
Net cash flows generated from operating activities (A)	6,431	2,081
Cash flow from Investing activities		
Payment for purchase of property, plant and equipment and intangible assets	(950)	(3,295)
Proceeds from sale of property, plant and equipment and intangible assets	78	27
Interest received	864	494
Net cash flow used in investing activities (B)	(8)	(2,774)

	For the year ended 31 March 2023	For the year ended 31 March 2022
Cash flow from Financing activities		
Lease payments	(1,953)	(1,785)
Net cash flow used in financing activities (C)	(1,953)	(1,785)
Net (decrease)/increase in cash and cash equivalents (A+B+C)	4,470	(2,478)
Cash and cash equivalents at the beginning of the year	19,349	21,827
Cash and cash equivalents at the end of the year	23,819	19,349
Cash and cash equivalents comprise (Refer note 12)		
Balances with banks		
On current accounts	936	1,483
Fixed deposits with maturity of less than 3 months	22,883	17,866
Total cash and bank balances at end of the year	23,819	19,349

Note: The above Standalone Cash Flow Statement has been prepared under the indirect method

See accompanying notes to the financial statements 1-51

The accompanying notes are an integral part of the financial statements

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors

Carrier Technologies India Limited

(Formerly known as "UTC Fire & Security India Limited)

CIN: U29193MH1981FLC024364

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Place: Hyderabad
Date: 04.09.2023



CARRIER TECHNOLOGIES INDIA LIMITED
(FORMERLY KNOWN AS "UTC FIRE & SECURITY INDIA LIMITED")

Statement of changes in equity for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

(A) Equity share capital

	As at 31 March 2023		As at 31 March 2022	
	No. of shares	Amount	No. of shares	Amount
Balance at the beginning of reporting period	30,68,42,368	30,684	30,68,42,368	30,684
Add: Change in equity share capital during the year	-	-	-	-
Balance at the end of reporting period	30,68,42,368	30,684	30,68,42,368	30,684

(B) Other equity

Reserve and surplus						
	Share options outstanding account	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Total
Balance as at 1 April 2022	502	5	8,927	454	(9,799)	89
Addition during the year	361	-	-	-	-	361
Profit/(Loss) for the year	-	-	-	-	6,030	6,030
Transfer to retained earnings	(258)	-	-	-	258	-
Other comprehensive income	-	-	-	-	51	51
Balance as at 31 March 2023	605	5	8,927	454	(3,459)	6,531

Reserve and surplus						
	Share options outstanding account	Capital redemption reserve	Securities premium	General reserve	Retained earnings	Total
Balance as at 1 April 2021	517	5	8,927	454	(14,033)	(4,130)
Addition during the year	195	-	-	-	-	195
Profit/(Loss) for the year	-	-	-	-	4,242	4,242
Transfer to retained earnings	(210)	-	-	-	210	-
Other comprehensive income	-	-	-	-	(218)	(218)
Balance as at 31 March 2022	502	5	8,927	454	(9,799)	89

See accompanying notes to the financial statements

1-51

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors**Carrier Technologies India Limited**

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CARRIER TECHNOLOGIES INDIA LIMITED
(FORMERLY KNOWN AS "UTC FIRE & SECURITY INDIA LIMITED)

Notes to the financial statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

1 Corporate Information

Carrier Technologies India Limited (Formerly Known As "Utc & Fire Security India Limited) ("the Company") is a public Company incorporated on 6th June 1981, primarily engaged in the business of erection, installation and maintenance of fire protection and security systems, trading of products in relation to Fire and Security and research and development services to its group companies in the area of information technology related support services for the Fire and Security business.

The Company has been incorporated under the provisions of Indian Companies Act, and is domiciled in India. The registered office of the Company is located at Unit No. 4B, 2nd Floor, The Centrium, Lal Bahadur Shastri Marg, Kurla West, Mumbai, Maharashtra, India.

2 Significant accounting policies

Significant accounting policies adopted by the company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 and presentation requirement of division II of Schedule 3 to the Act.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items

- a. Other financial assets and liabilities - measured at amortised cost.
- b. Net defined benefit (asset)/ liability - measured at fair value of plan assets less present value of defined benefit obligations.

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

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a

periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment (PPE)

An item of PPE is recognised as an asset, if and only if, it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably.

PPE are initially recognised at cost. The initial cost of PPE comprises its purchase price (including non-refundable duties and taxes but excluding any trade discounts and rebates), and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Each component of an item of PPE that has a cost that is significant in relation to the total cost of the item is depreciated separately if the component is consumed in a different manner or over a different time period to the rest of the asset. Further, the cost of self-constructed assets includes the borrowing costs that are directly attributable to the acquisition or construction of qualifying assets.

The cost of item of property, plant and equipment includes the initial estimate of costs of dismantling and removing the item and restoring the site on which it is located.

Subsequent to initial recognition, all items of PPE are stated at cost less accumulated depreciation and any impairment losses. When an item of PPE is replaced, then its carrying amount is derecognised from the Balance Sheet and cost of the new item of PPE is recognised. Further, in case the replaced part was not being depreciated separately, the cost of the replacement is used as an indication to determine the cost of the replaced part at the time it was acquired or constructed.

Property, plant and equipment which are not ready for intended use by management as on the date of balance sheet are disclosed as capital work-in progress.

Depreciation methods, estimated useful lives

Depreciation is provided on pro-rata basis on the straight-line method over the estimated useful lives of the property, plant and equipment which are specified under Schedule II to the Companies Act, 2013 and are tabulated as below. These lives are also reflective of the management's estimate of the useful lives of the Company's property, plant & equipment.

Property, plant and equipment	Useful Life (Years)
Furniture and Fixtures	10
Office Equipment	5
Computers	3

In case of certain office equipment which are depreciated over a period of 5 years and assets individually costing INR 5,000 or less, which are depreciated 100 % in the year of acquisition.

Leasehold Improvements are amortized on a straight-line basis at the lower of period of lease and estimated useful life.

Depreciation is calculated on a pro-rata basis for assets purchased/sold during the year.

The appropriateness of useful lives and depreciation method is reviewed by the management in each financial year.

2.3 Other Intangible Assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

The Company amortized intangible assets over their estimated useful lives using the straight line method. The estimated useful lives of intangible assets are as follows:

Intangible assets	Useful Life (Years)
Computer Software	5

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Foreign Currency Transactions

(a) Functional and presentation currency

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

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/(Losses) arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and 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.

2.5 Fair value measurement

The Company measures financial instruments 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:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Company's management determines the policies and procedures for fair value measurement such as derivative instrument.

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

- Level 1 — The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1

- Level 2 —The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3 —If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

2.6 Revenue Recognition

Sale of Goods

Revenue from sale of goods is recognised when control of the products being sold is transferred to the customer, being when the products are delivered and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of formal customer acceptance depending on customer terms.

Supply and Construction of Fire Protection Systems

Revenue in respect of Supply and Construction of Fire Protection Systems is recognised over a period of time using the input method (equivalent to percentage-of-completion method; POCM) of accounting with contract costs incurred determining the degree of completion of the performance obligation. However, provisions are made for anticipated losses (if any) for contracts to be completed in future.

Research and Development

Revenue from Research and Development services is recognised as the related services are rendered in accordance with the terms of contract.

Commission Income

Commission income is recognised on accrual basis as and when the related services are rendered.

Service Charges

Service charges from related parties are recognised on the basis of mutually agreed terms for shared services used by the related parties.

Other Income

Interest Income is recognised on a basis of effective interest method as set out in Ind AS 109, Financial Instruments, and where no significant uncertainty as to measurability or collectability exists.

2.7 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the year end date. 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 realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the year and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

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.

Deferred tax assets are recognised 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.

The Company recognises the deferred tax asset in the light of existence of probability of future taxable profits.

Current and deferred tax is recognized in 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.

2.8 Leases

As a lessee

The Company's lease asset classes primarily consist of land and buildings taken on lease. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- (i) fixed payments (including in-substance fixed payments), less any lease incentives receivable
- (ii) variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- (iii) amounts expected to be payable by the company under residual value guarantees
- (iv) the exercise price of a purchase option if the company is reasonably certain to exercise that option, and
- (v) payments of penalties for terminating the lease, if the lease term reflects the company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by company, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security

The company uses the average interest rate of the short term borrowings taken for working capital requirements as the incremental borrowing rate

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

2.9 Inventories

Inventories are valued at the lower of cost or net realisable value. Cost is computed on a weighted average basis.

Cost of raw materials, stock in trade and stores and spares includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

2.10 Impairment of non-financial assets

The Company assesses at each year end whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such indication exists, the Company estimates the asset's recoverable amount and the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognized in Statement of Profit and Loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through Statement of Profit and Loss.

The recoverable amount of an asset or cash-generating unit (as defined below) is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

2.11 Provisions and contingent liabilities

Provisions are recognized when there is a present 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

The Company records a provision for decommissioning costs. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

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

Provision for liabilities towards warranty cost is made based on Management estimates, technical evaluation and past experience.

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, cash in banks and short-term deposits.

2.13 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.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are measured at amortized cost.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are measured at amortized cost and FVOCI.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since 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 subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs 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 year end.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at amortized cost.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) 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 recognized 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.

2.14 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) Other long-term employee benefit obligations

Compensated Absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term

employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognized in the statement of profit and loss in the year in which they arise.

Post employment obligations

The Company operates the following post -employment schemes :

- (i) defined contribution plans such as provident fund
- (ii) defined benefit plans such as gratuity

Defined contribution plan

Provident Fund: Contribution towards provident fund is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

Defined benefit plans

The Company has defined benefit plan namely gratuity, with Life Insurance Corporation of India. The present value of obligations under such defined benefit plans are determined based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, are based on the market yields on government securities as at the balance sheet date, having maturity period approximating to the terms of related obligations.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income and are never reclassified to profit or loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the profit or loss as past service cost.

(C) Share based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in other equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcome

2.15 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. During the year there were no qualifying assets.

Other borrowing costs are expensed in the period in which they are incurred

2.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.17 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments:

In accordance with Ind AS 108– Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components.

Results of the operating segments are reviewed regularly by the board of directors which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

2.18 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs as per requirement of Schedule III of the Act, unless otherwise stated and where the amount is less than a lakh, that has been represented by "0".

3. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

3.1 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Defined benefit plans (gratuity benefits and leave encashment)

The cost of the defined benefit plans such as gratuity and leave encashment are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each year end.

The principal assumptions are the discount and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. For details refer note 31.

(b) Impairment of financial assets

The Company assesses on forwarding looking basis, the expected credit loss associated with its assets carried at amortized cost. The impairment methodology applied depends on whether there has been significant increase in credit risk.

(c) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

4. Recent Accounting Pronouncements

MCA notifies new accounting standards or amendments to the existing accounting standards. There is no such notification which would have been applicable from 1st April, 2021.

MCA issued notifications dated 24th March 2021 to amend Schedule III to the companies act,2013 to enhance the disclosures required to be made by the company in its financial statements .These amendments are applicable to the company for the financial year starting 1st April 2021.

5 Property, plant and equipment

	Gross carrying amount (Deemed cost)				Accumulated Depreciation				Net block	
	As at 1 April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the year	Deductions/ Adjustments	As at 31 March 2023	As at 31 March 2023	As at 31 March 2022
Owned assets										
Leasehold Improvement	3,121	15	-	3,136	1,375	272	-	1,647	1,489	1,746
Furniture and Fixtures	1,160	-	-	1,160	230	173	-	403	757	930
Office Equipment	986	515	-	1,501	245	306	-	551	950	741
Computers	1,364	336	-	1,700	645	317	-	962	738	719
Total	6,631	866	-	7,497	2,495	1,068	-	3,563	3,934	4,136

	Gross carrying amount (Deemed cost)				Accumulated Depreciation				Net block	
	As at 1 April 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2022	As at 1 April 2021	For the year	Deductions/ Adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
Owned assets										
Leasehold Improvement	1,325	1,796	-	3,121	956	419	-	1,375	1,746	369
Furniture and Fixtures	507	653	-	1,160	135	95	-	230	930	372
Office Equipment	488	533	35	986	116	149	20	245	741	372
Computers	965	399	-	1,364	197	448	-	645	719	768
Total	3,285	3,381	35	6,631	1,404	1,111	20	2,495	4,136	1,881

5.1 Deemed Cost

All items of property, plant and equipment are stated either at historical cost i.e. cost of acquisition or at deemed cost as on the date of transition to Ind AS less accumulated depreciation, impairment loss, if any. Further, there is no revaluation of Property, plant and equipment during the year.

6 Right-of-use Assets*

	Gross carrying amount			Accumulated Depreciation			Net block	
	As at 1 April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the year	As at 31 March 2023	As at 31 March 2022
Buildings	12,690	-	65	12,625	3,737	1,532	5,269	8,953
Laptop and Computers	-	-	-	-	-	-	-	-
	12,690	-	65	12,625	3,737	1,532	5,269	8,953

	Gross carrying amount			Accumulated Depreciation			Net block	
	As at 1 April 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2022	As at 1 April 2021	For the year	As at 31 March 2022	As at 31 March 2021
Buildings	6,950	6,259	519	12,690	2,183	1,554	3,737	4,767
Laptop and Computers	1,762	-	1,762	-	301	381	-	1,461
	8,712	6,259	2,281	12,690	2,484	1,935	3,737	6,228

*Refer to note 33

7 Intangible assets

	Gross carrying amount (Deemed cost)			Accumulated Depreciation			Net block	
	As at 1 April 2022	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2023	As at 1 April 2022	For the year	As at 31 March 2023	As at 31 March 2022
Computer Software	140	-	-	140	92	25	117	48
Total	140	-	-	140	92	25	117	48

	Gross carrying amount (Deemed cost)			Accumulated Depreciation			Net block	
	As at 1 April 2021	Additions/ Adjustments	Deductions/ Adjustments	As at 31 March 2022	As at 1 April 2021	For the year	As at 31 March 2022	As at 31 March 2021
Computer Software	86	54	-	140	50	42	92	36
Total	86	54	-	140	50	42	92	36

7.1 Deemed Cost

All items of intangible assets are stated either at historical cost i.e. cost of acquisition or at deemed cost as on the date of transition to Ind AS less accumulated depreciation.

There is no revaluation of intangible assets during the year.

8. Other non-current financial assets

	As at 31 March 2023	As at 31 March 2022
Deposits with banks held as Margin Money	0	21
Security Deposit at amortised cost	612	596
	<u>612</u>	<u>617</u>

9. Other non current assets

	As at 31 March 2023	As at 31 March 2022
Deposits paid under protest (Refer Note 40)	289	289
	<u>289</u>	<u>289</u>

10. Inventories*

	As at 31 March 2023	As at 31 March 2022
Stock in Trade (At lower of cost and net realizable value)	2,409	1,503
Less: Provision for inventory obsolescence	(193)	(323)
	<u>2,216</u>	<u>1,180</u>

*includes goods in transit (traded goods) as at 31 March 2023 INR 1,255 Lakhs (31 March 2022 INR 580 Lakhs)

11. Trade receivable*

	As at 31 March 2023	As at 31 March 2022
Unsecured		
-Considered good	13,071	10,612
- Considered doubtful	1,637	1,641
Less : Provision for bad and doubtful debts	(1,637)	(1,641)
	<u>13,071</u>	<u>10,612</u>

* Refer Note 35 for trade receivables to related parties.

(includes INR 335 lakhs (March 31, 2022 INR 335 lakhs) net of provision, held as retention money by the customers.

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other persons. Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 30-90 days.)

11.1 Current financial assets - Trade receivables
As at March 31, 2023

Particulars	Current							
	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	4,986	8,079	-	-	6	-	13,071
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	1,634	1,634
(iv) Disputed Trade Receivables –considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	(1,634)	(1,634)
Total	-	4,986	8,079	-	-	6	-	13,071

As at March 31, 2022

Particulars	Current							
	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	1,523	8,378	535	173	3	-	10,612
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	1,641	1,641
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-	-	-

Particulars	Current							
	Unbilled Dues	Not Due	Outstanding for following periods from due date of Receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	-	-	-	-	-	-	(1,641)	(1,641)
Total	-	1,523	8,378	535	173	3	-	10,612

12. Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Balances with banks:		
in current accounts	936	1,483
Fixed deposits with original maturity of less than 3 months	22,883	17,866
	<u>23,819</u>	<u>19,349</u>

13. Other current financial assets

	As at 31 March 2023	As at 31 March 2022
Interest accrued on fixed deposits	111	27
Forward Contract receivable	6	4
	<u>117</u>	<u>31</u>

14. Other current assets

	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Contract assets	-	1,827
Advance to Suppliers	1,047	734
Balance with Government authorities	701	362
Prepaid Expenses	30	159
Advance to employees	10	1
Others	3	3
Unsecured, considered doubtful		
Balance with Government authorities	81	87
Less: Impairment Allowance	(81)	(87)
	<u>1,791</u>	<u>3,086</u>

15 Share capital
(A) Equity shares

	As at 31 March 2023	As at 31 March 2022
Authorized		
308,000,000 (31 March 2022: 308,000,000) Equity Shares of Rs. 10 each.	30,800	30,800
	30,800	30,800
Issued, subscribed and paid up		
306,842,368 (31 March 2022: 306,842,368) Equity Shares of Rs. 10 each fully paid up.	30,684	30,684
Total	30,684	30,684

(i) Reconciliation of equity shares outstanding at the beginning and at the end of the year

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Outstanding at the beginning of the year	30,68,42,368	30,684	30,68,42,368	30,684
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	30,68,42,368	30,684	30,68,42,368	30,684

(ii) Rights, preferences and restrictions attached to shares

The Company has one class of shares referred to as 'Equity Shares' having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share and has equal rights. In the event of liquidation of the Company, the equity shareholders are entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed. The Company has not distributed any dividend during the current year and previous year.

(iii) Shares held by holding Company

	As at 31 March 2023	As at 31 March 2022
Kidde International Ltd, U.K. - Holding Company	30,63,13,606	30,63,13,606

The Ultimate holding Company is Carrier Global Corporation, U.S.A.

(iv) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company
Name of the shareholder

	As at 31 March 2023		As at 31 March 2022	
	Number of shares	% of holding in the class	Number of shares	% of holding in the class
Kidde International Ltd, U.K. - Holding Company	30,63,13,606	99.83%	30,63,13,606	99.83%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

- (vi) No class of shares have been issued as bonus shares or for consideration other than cash by the Company during the period of five years immediately preceding the current year end.
- (vii) No class of shares have been bought back by the Company during the period of five years immediately preceding the current year end.
- (viii) The Company does not hold any convertible securities optionally or otherwise into equity.
- (ix) No shares are reserved for issue under option and contracts/commitments for sale of share or disinvestment purpose.

16 Other equity

	As at 31 March 2023	As at 31 March 2022
Share options outstanding account	605	502
General Reserve	454	454
Capital Redemption Reserve	5	5
Securities Premium Account	8,927	8,927
Surplus/(deficit) in the Statement of Profit and Loss	(3,460)	(9,799)
	6,531	89

(A) Share options outstanding account

Balance at the beginning of the year	502	517
Add: Employee stock option expense (refer note 32)	361	195
Less: Transferred to retained earnings	(258)	(210)
	605	502

The employee stock options reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 32 for details of these plans.

(B) Capital Redemption Reserve

Opening balance	5	5
Add: Movement during the year	-	-
Closing balance	5	5

(C) Securities premium (SP)

Opening balance	8,927	8,927
Add : Securities premium credited on share issue	-	-
Closing balance	8,927	8,927

(D) General reserve (GR)

Opening balance	454	454
Add: Movement during the year	-	-
Closing balance	454	454

(E) Surplus/(deficit) in the Statement of Profit and Loss

Opening balance	(9,799)	(14,033)
Add: Net profit for the current year	6,030	4,242
Add: Transfer from Share options outstanding account	258	210
Re-measurement (gains)/ losses on defined benefit plans (net of tax)	51	(218)
Closing balance	(3,460)	(9,799)
Total other equity	6,531	90

Nature and purpose of reserves
(A) Share options outstanding account

Share options outstanding account is used to record the impact of employee stock options scheme. Refer note 32 for further details of these plans.

(B) General reserve

This reserve represents appropriation of profits after dividends from retained earnings. The same can be utilised by the company only in accordance with the specific requirements of Companies Act, 2013.

(C) Surplus/(deficit) in the Statement of Profit and Loss:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserves.

17 Provisions

	Long term		Short term	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits				
Provision for gratuity (funded) (Refer note 31)	670	545	-	-
Provision for compensated absences (unfunded)	786	668	215	164
Provisions for Warranty (refer note b below)	-	-	6	32
Provision for for Foreseeable Lossess on Projects (refer note c below)	-	-	277	294
Provision for Litigation (refer note a below)	-	-	903	1,108
Provision for Decommissioning Cost (refer note d below)	627	608	-	-
Total Provisions	2,083	1,821	1,401	1,598

Movement of provisions

Particulars	As at 31 March 2022	Addition during the year	Reversed during the year	Utilised during the year	As at 31 March 2023
Provision for Litigation (refer note a below)	1,108	-	-	205	903
Provision for for Foreseeable Lossess on Projects (refer note c below)	294	-	17	-	277
Provisions for Warranty (refer note b below)	32	12	38	-	6
Provision for Decommissioning Cost (refer note d below)	608	19	-	-	627
Total	2,042	31	55	205	1,813

Particulars	As at 31 March 2021	Addition during the year	Reversed during the year	Utilised during the year	As at 31 March 2022
Provision for Litigation (refer note a below)	1,124	-	-	16	1,108
Provision for for Foreseeable Lossess on Projects (refer note c below)	294	-	-	-	294
Provisions for Warranty (refer note b below)	37	-	5	-	32
Provision for Decommissioning Cost (refer note d below)	423	185	-	-	608
Total	1,878	185	5	16	2,042

- a. Provision for Litigations/disputes in respect of Direct and Indirect Tax matters represents estimates made for probable liabilities arising out of pending disputes/ litigations /claims with various authorities. The timing of the 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 timing of cash outflow.
- b. Warranty covers the expenses related to repairing and maintenance activities of security products sold as per the terms of the contract entered into by the Company with its Customers. Future Cash Flows in respect of the same is expected to occur over the period of warranty.
- c. Provision for foreseeable losses is created for the projects where foreseeable estimated cost exceeds contract price.
- d. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit and loss as a finance cost.

18 Trade payables

	As at 31 March 2023	As at 31 March 2022
Total outstanding dues of micro enterprises and small enterprises	176	48
Total outstanding dues of creditors other than micro enterprises and small enterprises*	4,509	4,730
Total trade payables	4,685	4,778

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Amount remaining unpaid to any supplier at the end of each accounting year:		
Principal	176	48
Interest	6	1
Total	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) 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 the MSMED Act.	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	6	1
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

* Refer Note 35 for trade payables to related parties.

18.1 Trade payables aging schedule
As at March 31, 2023

Particulars	Current						Total
	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	176	-	-	-	176
(ii) Disputed dues – MSME							
(iii) Others	679	1,097	2,111	622	(0)	-	4,509
(iv) Disputed dues - Others							
Total	679	1,097	2,287	622	(0)	-	4,685

As at March 31, 2022

Particulars	Current						Total
	Unbilled Dues	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	47	1	-	-	-	48
(ii) Disputed dues – MSME							-
(iii) Others	2,111	1,152	1,377	1	0	88	4,730
(iv) Disputed dues - Others							
Total	2,111	1,199	1,378	1	0	88	4,778

19 Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Capital Creditors	467	187
Employee Liabilities	56	139
	523	326

20 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Contract liabilities	619	619
Statutory due payable	846	734
Advance from customer	360	412
Others	-	1
Total other current liabilities	1,825	1,766

21 Revenue from operations

	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contracts with customers		
-Sale of goods#	9,277	5,079
-Commission income	1,498	1,193
-Sale of services	45,106	39,219
	55,881	45,491
Other operating revenue	-	-
Total revenue from operations	55,881	45,491

including contract revenue of INR Nil lakhs (Previous year INR 9 lakhs)

Disclosure pursuant to Indian Accounting Standard - 115 'Revenue from contracts with customer':

- (i) Out of the total revenue recognised under Ind AS 115 during the period, INR Nil Lakhs (2022: INR 9 lakhs) is recognised over a period of time and INR 55,881 lakhs (2022: INR 45,482 Lakhs) is recognised at a point in time.

(ii) Reconciliation between revenue recognized and contract price:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Contract Price	55,881	45,491
Less: Reductions towards variable consideration components	-	-
Revenue from contract with customers	<u>55,881</u>	<u>45,491</u>

(iii) Remaining performance obligations: The aggregate amount of transaction price allocated to remaining performance obligations and expected conversion of the same into revenue is as follows -

	Unexecuted Order Value	Expected Conversion in Revenue	
		Up to 1 year	More than 1 year
Transaction price allocated to the remaining performance obligation:			
2023	619	619	-
2022	619	619	-

(iv) Revenue recognised during the year from opening balance of contract liabilities amounts to INR Nil (March 31, 2021: INR 5 Lakhs).

(v) There is no revenue recognised during the year from the performance obligation that is satisfied in previous year (arising out of contract modifications).

(vi) Information regarding geographical disaggregation of revenue has been included in segment information (Refer note 34).

22 Other income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Rental income	-	29
Interest income		
-on fixed deposits	948	471
-security deposit at amortised cost	43	41
Service Charges	-	45
Provisions/Liabilities no longer required written back	208	8
Provisions for warranty written back	26	5
Provision for Bad and Doubtful debts written back	4	281
Profit on termination of Lease	13	-
Exchange gain on foreign exchange fluctuation	485	507
Gain on sale of Property, plant and equipment	-	10
Miscellaneous income	13	5
Total other income	<u>1,740</u>	<u>1,402</u>

23 Purchase of Stock-in-trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Purchase of stock in trade	7,956	4,232
	7,956	4,232
Details of Purchase of stock in trade		
Detectors	4,138	1,717
Devices	1,725	1,131
Panels	1,221	545
Accessories and Others	872	839
	7,956	4,232

24 Changes in inventories of stock-in-trade

	For the year ended 31 March 2023	For the year ended 31 March 2022
Inventories at the beginning of the year		
Stock-in-trade	1,503	1,090
Less: Inventories at the end of the year		
Stock-in-trade	2,409	1,503
	(906)	(413)
Net decrease/ (increase)	(906)	(413)
Details of inventories of stock in trade		
Detectors	960	739
Devices	806	487
Panels	201	114
Accessories and Others	442	163
	2,409	1,503

25 Employee benefits expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, bonus and other allowances	25,142	20,817
Contribution to Provident Fund	1,193	958
Gratuity (Refer note 31)	383	408
Share based payments (Refer note 32)	361	195
Staff welfare expenses	481	227
Total employee benefits expense	27,560	22,605

26 Finance costs

	For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on lease liabilities (refer note 33)	685	774
Finance charges on Decommision liability	19	59
Total finance costs	704	833

27 Depreciation and amortization expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
Depreciation on property, plant and equipment	1,077	1,111
Depreciation of right-of-use assets (refer note 33)	1,531	1,554
Amortisation of intangible assets	25	42
Total depreciation and amortisation expense	2,633	2,707

28 Other expenses

	For the year ended 31 March 2023	For the year ended 31 March 2022
Subcontract and Site expenses	-	10
Electricity and water	194	127
Cost of Service	61	49
Consumption of stores and spare parts	610	804
Rates and Taxes	57	291
Rent	128	547
Repairs and maintenance - others	986	569
IT Support charges and software expenses	89	690
Travel and conveyance	960	58
CSR Expenditure (Refer note 46)	103	98
Office expenses	270	151
Audit Fees*	21	19
Recruitment and Training	123	129
Insurance Charges	832	612
Communication, broadband and internet expenses	11	161
Legal and professional charges	6,340	4,278
Bad Debts	6	309
Business Support services	252	1,837
Advance written off	-	0
Miscellaneous expenses	375	242
Total other expenses	11,418	10,981

*Note : The following is the break-up of Auditors remuneration (exclusive of Goods & Service)

	For the year ended 31 March 2022	For the year ended 31 March 2021
As auditor:		
Statutory audit	19	17
Tax audit	2	2
Total	21	19

29 Income Tax and Deferred Tax

(A) Deferred tax relates to the following:

	As at 31 March 2022	(Charged)/ credited to PL	Charged to OCI	As at 31 March 2023
Deferred tax assets on				
- property, plant and equipment	633	82	-	715
- On provision for employee benefits	346	91	(17)	420
- allowances on payment basis	1,042	(105)	-	937
- others	75	(4)	-	71
Deferred tax asset	2,096	64	(17)	2,143

	As at 31 March 2021	(Charged)/ credited to PL	Charged to OCI	As at 31 March 2022
Deferred tax assets on				
- property, plant and equipment	406	227	-	633
- On provision for employee benefits	340	(67)	73	346
- allowances on payment basis	1,064	(22)	-	1,042
- others	89	(14)	-	75
	1,899	124	73	2,096

(B) Recognition of deferred tax asset to the extent of deferred tax liability

	As 31 March 2023	As 31 March 2022
Deferred tax asset	2,143	2,096
Deferred tax liabilities	-	-
Deferred tax assets/ (liabilities), net	2,143	2,096

(C) Income tax expense

	For the year ended 31 March 2023	For the year ended 31 March 2022
- Current tax taxes	2,290	1,829
- taxation relating to earlier years	-	-
- Deferred tax (charge)/income	(64)	(123)
Income tax expense reported in the statement of profit or loss	2,226	1,706

(D) Income tax expense charged to OCI

	For the year ended 31 March 2023	For the year ended 31 March 2022
on remeasurements of defined benefit plans	(17)	73
Income tax charged to OCI	(17)	73

(E) Reconciliation of tax charge

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit before tax	8,256	5,948
Income tax expense at tax rates applicable	25.16%	25.16%
Tax on profit at statutory tax rate	2,077	1,497
Tax effects of:		
- Item not deductible for tax	117	96
- Others	49	40
- taxation relating to earlier years	-	-
Income tax expense / (income)	2,243	1,633

30 Earnings per share

The following reflects the income and share data used in the basic and diluted EPS computations:

	For the year ended 31 March 2023	For the year ended 31 March 2022
Profit attributable to equity holders	6,030	4,244
Weighted average number of equity shares for basic EPS	3,068	3,068
Basic earning per share (INR)	1.97	1.38
Diluted earning per share (INR)	1.97	1.38

31 Employee benefits
(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss –

	For the year ended 31 March 2023	For the year ended 31 March 2022
Employers' Contribution to Provident Fund (Refer note 25)	1,193	958

(B) Defined benefit plans
Gratuity payable to employees
i) Actuarial assumptions

	For the year ended 31 March 2023	For the year ended 31 March 2022
Discount rate (per annum)	7.50%	6.85%
Rate of increase in Salary	8.70%	9.00%
Rate of Return on Plan Assets (Per annum)	6.60%	7.00%
Retirement Age	60 Years	60 Years
Mortality Table	IALM 2012-14	IALM 2012-14

Attrition rate:

Age (years)	Rates (p.a.)	Rates (p.a.)
21-30	21.00%	21.00%
31-40	16.00%	16.00%
41-50	12.00%	12.00%
51-59	13.00%	13.00%

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

ii) Changes in the present value of defined benefit obligation

	Employee's gratuity fund	
	As at 31 March 2023	As at 31 March 2022
Present value of obligation at the beginning of the year	1,535	1,467
Interest cost	99	89
Past service cost	-	-
Current service cost	349	366
Settlements	-	-
Benefits paid	(175)	(104)
Actuarial (gain)/ loss on obligations	(69)	(283)
Present value of obligation at the end of the year	1,739	1,535

iii) Fair value of plan assets

	As at 31 March 2023	As at 31 March 2022
Balance at the beginning of the year	990	756
Expected return on plan assets	65	47
Actuarial Gains/ (Losses)	(1)	8
Contribution by the Company	191	283
Benefits paid	(175)	(104)
Asset distributed on settlement	-	-
Total	1,070	990

iv) Percentage allocation of plan assets

	As at 31 March 2023	As at 31 March 2022
Life Insurance Corporation of India (100%)	1,070	990

v) Liability/(asset) recognised at Balance Sheet date

	As at 31 March 2023	As at 31 March 2022
Present Value of Defined Benefit Obligation	1,739	1,535
Less: Fair Value of Plan Assets	(1,070)	(990)
Amounts recognised as liability/(asset)	669	545
Non-Current	669	545
Current	-	-

vi) Actual return on plan assets

	As at 31 March 2023	As at 31 March 2022
Actual return on Plan Assets	64	55

vii) Expense recognized in the Statement of Profit and Loss

	For the year ended 31 March 2023	For the year ended 31 March 2022
Current service cost	349	366
Past service cost	-	-
Interest cost	34	42
Total expenses recognized in the Statement Profit and Loss	383	408

viii) Amounts recognised in Other Comprehensive Income

	For the year ended 31 March 2023	For the year ended 31 March 2022
Actuarial (gain)/loss from demographic assumptions	-	(102)
Actuarial (gain)/loss from financial assumptions	(144)	(70)
Actuarial (gain)/loss arising from experience adjustments	75	(111)
Actuarial return on plan asset less interest on plan assets	1	(8)
	(68)	(291)

ix) Expected contribution in next fiscal year

	As at 31 March 2023	As at 31 March 2022
Gratuity fund	100	100

x) Weighted average duration of defined benefit obligation (in years)

	As at 31 March 2023	As at 31 March 2022
Gratuity fund	6.89	7.22

xi) Other Disclosures

	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Present value of obligation at the end of the year	1,739	1,535	1,467	905	770
Fair value of plan Assets at the end of the year	(1,070)	(990)	(756)	(555)	(410)
(Surplus)/ Deficit	670	545	711	350	360
Experience Adjustments:					
On Plan Liabilities - (Gain)/Loss	75	(111)	48	42	43
On Plan Assets - Gain/(Loss)	1	(8)	(3)	(5)	(6)



xii) Sensitivity analysis

Below is the sensitivity analysis determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period while holding all other assumptions constant.

Impact on closing defined benefit obligation

	As at 31 March 2023	As at 31 March 2022
Discount rate		
Increase by 0.50%	1,682	1,481
Decrease by 0.50%	1,800	1,592
Expected rate of increase in compensation level of covered employees		
Increase by 0.50%	1,788	1,580
Decrease by 0.50%	1,692	1,491

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

Risk Analysis

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefits plans and management estimation of the impact of these risks are as follows:

Investment Risk

The Gratuity plan is funded with Life Insurance Corporation of India (LIC) and the Company does not have any liberty to manage the fund provided to LIC.

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

Interest Risk

A decrease in the interest rate on plan assets will increase the plan liability.

Longevity Risk/ Life Expectancy

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary Growth Risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

32 Employee Stock Option Scheme (ESOP)

- A. The Company employees are entitled to various stock options under Carrier Global Corporation, USA, the Ultimate Parent Company's Long-Term Incentive Plan (LTIP), as amended and restated effective February

5, 2016 (the “LTIP”). The stock options provided to employees of the Company is subject to the terms and conditions of the LTIP. Under the LTIP and predecessor long-term incentive plans, the exercise price of awards is set on the grant date and may not be less than the fair market value per share on that date. Generally, stock appreciation rights and stock options have a term of ten years and a minimum three-year vesting period. In the event of retirement, awards held for more than one year may become vested and exercisable subject to certain terms and conditions. LTIP awards with performance based vesting generally have a minimum three-year vesting period and vest based on performance against pre-established metrics. In the event of retirement, vesting for awards held more than one year does not accelerate but may vest as scheduled based on actual performance relative to target metrics.

The Company measures the cost of all share-based payments, including stock options, at fair value on grant date, on the basis of information available from parent company.

The key terms and conditions related to various stock options under LTIP is as follows:-

Type of options granted	Vesting condition	Contractual life	Settlement
Restricted stock units (RSU's)	3 years service condition	Equal to vesting period/ 10 years	Settlement to be done by delivery of one common stock of Carrier Global Corporation, USA.
Performance stock units (PSU's)	3 years service condition	10 years	Settlement is done by delivery common stock of Carrier Global Corporation, USA.
Stock Appreciation Rights (SAR's)	3 years service condition	10 years	Settlement is done by delivery common stock of Carrier Global Corporation, USA and no cash is being paid to employees. The number of common stock issued represents the amount of appreciation in options granted to employee.

B. Measurement of fair values

The parent company estimates the fair value of RSU option award, PSU option award and SAR option award on the date of grant using a binomial lattice model. The following table indicates the assumptions used in estimating fair value for the years ended March 31, 2022 and March 31, 2021. Lattice-based option models incorporate ranges of assumptions for inputs; those ranges are as follows:

	31-Mar-23	31-Mar-22
Expected volatility	30.8%-31.3%	31.6%-34.1%
Expected term (in years)	6.1	6.6
Expected dividend yield	1.50%	1.50%
Risk-free rate	1.7%-3.00%	0.7%-1.4%

Expected volatilities are based on the returns of Carrier Global Corporation, USA stock, including implied volatilities from traded options on Carrier Global Corporation, USA stock for the binomial lattice model. Historical data is used to estimate equity award exercise and employee termination behavior within the valuation model. The risk-free rate is based on the term structure of interest rates at the time of equity award grant.

The weighted average grant date fair value of stock options granted during 2022-23 as estimated by parent company is as follows:



RSU's - Rs. 3,706 USD equivalent -\$ 46.13
 PSU's - Rs. 3,706 USD equivalent -\$ 46.14
 SAR's - Rs. 857 USD equivalent -\$ 10.6

C. Reconciliation of outstanding share options

A summary of the transactions under all long-term incentive plans for the year ended is as follows:-

RSU's stock options	31-Mar-23	31-Mar-22
Outstanding at the beginning of the year	3,945	10,924
Granted during the year	2,263	635
Exercised during the year	2,417	7,641
Forefieted/cancelled during the year		-
Restructure	26	27
Outstanding at the end of the year	3,817	3,945
Exercisable at the end of the year	-	-

The options outstanding as at 31 March 2023 have a weighted average remaining contractual life of 9.15 years (31 March 2022 : 8.40 years)

The weighted average share price at the date of exercise for shares options exercised in 2022-23 was INR 3,767, USD equivalent \$ 46.89 (2021-22: INR 3,416, USD equivalent \$45.84).

PSU's stock options	31-Mar-23	31-Mar-22
	Number of options	Number of options
Outstanding at the beginning of the year	3,535	5,331
Granted during the year	2,275	1,565
Exercised during the year	-	3,361
Forefieted/cancelled during the year	-	-
Restructure	-	-
Outstanding at the end of the year	5,810	3,535
Exercisable at the end of the year	-	-

The options outstanding as at 31 March 2023 have a weighted average remaining contractual life of 8.89 years (31 March 2022: 9.29 years)

The weighted average share price at the date of exercise for shares options exercised in 2022-23 was INR Nil, USD equivalent \$ Nil (2021-22: INR 3,416, USD equivalent \$45.84).

SAR's	31-Mar-23		31-Mar-22	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding at the beginning of the year	69,480	5	63,800	6
Granted during the year	5,135	11	5,680	48
Exercised during the year	28,505	9	-	-
Forefieted/cancelled during the year	-	-	-	-
Restructure	-	-	-	-
Outstanding at the end of the year	46,110	11	69,480	5

The options outstanding as at 31 March 2023 have a weighted average remaining contractual life of 7.26 years (31 March 2022 : 5.62 years)

The weighted average share price at the date of exercise for shares options exercised in 2022-23 was INR 718 , USD equivalent \$ 8.94 (2021-22: INR Nil , USD equivalent \$ Nil)

D. Expense recognised in statement of profit and loss, refer note no 25.

33 Disclosure required by Ind AS 116

The Company recognised a lease liability measured at the present value of the remaining lease payments discounted using the lessee's incremental borrowing rate and Right-of-Use (ROU) asset equal to the lease liability. The Company do not apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

(A)(ia) Changes in the carrying value of Right-of-use Assets.

Particulars	Total
Balance as at 1 April 2021	10,507
Additions	-
Deletion	-
Depreciation	1,554
Balance as at 31 March 2022	8,953
Additions	-
Deletion (net)	65
Depreciation	1,531
Balance as at 31 March 2023	7,357

(ib) Changes in the Lease liabilities

Particulars	Total
Balance as at 1 April 2021	10,849
Addition in the lease liabilities	-
Additions pertaining to finance cost	774
Deletion on termination of lease	-
Lease Payments	1,727
Balance as at 31 March 2022	9,896
Addition in the lease liabilities	-
Additions pertaining to finance cost	685
Deletion on termination of lease	78
Lease Payments	1,953
Balance as at 31 March 2023	8,550

(ii) Break-up of current and non-current lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current Lease Liabilities	7,134	8,589
Current Lease Liabilities	1,416	1,307

(iii) Maturity analysis of lease liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Less than one year	1,416	1,307
One to five years	5,799	5,626
More than five years	1,335	2,963
Total	8,550	9,896

(iv) Amounts recognised in statement of Profit and Loss account

Particulars	As 31 March 2022	As 31 March 2021
Interest on Lease Liabilities	685	774
Rent Expense	128	547
Total	813	1,321

(v) Amounts recognised in statement of Cash Flows

Particulars	As at 31 March 2023	As at 31 March 2022
Total Cash outflow for leases	1,953	1,727

34 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available.

The Company's board of directors have been identified as the Chief Operating Decision Makers (CODM) since they are responsible for all major decisions in respect of allocation of resources and assessment of the performance on the basis of the internal reports/ information provided by functional heads.

A Primary Segment

Business segment has been considered as primary segment for disclosure. In accordance with the requirements of Accounting Standard – 108 "Operating Segment", the Company has determined its business segment as "Fire Protection and Security" and "Research and Development". Fire Protection and Security business segment consists of supplying, installation and commissioning of Fire and Protection systems and selling products of group Company in relation to Fire and Security. Research and Development business segment consists of information technology related support services in relation to Fire and Security business.

Assets/ Liabilities have been accounted for based on the basis of their relationship to the operating activities of the segment. Assets and Liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "Unallocated Assets" and "Unallocated Liability".

Revenue and expenses have been accounted for based on their relationship to the operating activities of the segment. Revenue which relates to the Company as a whole and is not allocable to segments on a reasonable basis has been included under "Interest Income" and "Rental Income". Expenses which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "Interest Expense".

	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Fire and Security	Research and Development	Total	Fire and Security	Research and Development	Total
1 Revenue from operations	10,836	45,045	55,881	6,449	39,042	45,491
2 Segment Result [Profit/(Loss)]	2,247	5,722	7,969	1,060	5,180	6,240
Unallocable expenses			287			(292)
Profit before tax			8,256			5,948
Current tax			2,290			1,829
Deferred tax			-64			(123)
Tax related to earlier years			-			-
Net Profit after tax (A)			6,030			4,242
3 Capital Employed						
Segment Assets	6,767	22,643	29,410	4,831	24,117	28,948
Add : Unallocated Assets			26,872			22,011
Total Assets			56,282			50,959
Segment Liabilities	5,314	13,754	19,067	4,933	15,253	20,186
Add : Unallocated Liabilities			-			-
Total Liabilities			19,067			20,186
Capital Expenditure			866			3,381
4 Depreciation expense	44	2,589	2,633	87	2,620	2,707
5 Non Cash Expenditure			4			28

B Secondary Segment

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from external customers	10,836	45,045	55,881	6,449	39,042	45,491
Carrying amount of Segment Assets	45,741	10,541	56,282	42,861	8,097	50,959
Capital Expenditure during the year	866	-	866	3,381	-	3,381



35 Related party transaction

Nature of Transaction/ Name of the Related party	Ultimate Holding Company	Enterprises under common control	Key Management Personnel	Total
Sales and Services				
Carrier Airconditioning & Refrigeration Limited, India	-	528	-	528
	(-)	(439)	(-)	(439)
Chubb Alba Control Systems Limited, India	-	-	-	-
	(-)	(45)	(-)	(45)
Others	-	-	-	-
	(-)	(68)	(-)	(68)
Total- Current Year	-	528	-	528
Previous Year	(-)	(552)	(-)	(552)
Research And Development Income				
Carrier Fire & Security Americas Corp	-	5,659	-	5,659
	(-)	(6,503)	(-)	(6,503)
Carrier Corporation, U.S.A	-	25,065	-	25,065
	(-)	(19,757)	(-)	(19,757)
Others	-	16,328	-	16,328
	(-)	(12,782)	(-)	(12,782)
Total- Current Year	-	47,052	-	47,052
Previous Year	(-)	(39,042)	(-)	(39,042)
Purchases of Stock in Trade				
Gulf Security Technology Corp Ltd, China	-	5,305	-	5,305
	(-)	(2,615)	(-)	(2,615)
Kidde Fire Protection Limited	-	140	-	140
	(-)	(406)	(-)	(406)
Walter Kidde Portable Equipment	-	1,196	-	1,196
	(-)	(208)	(-)	(208)
Others	-	116	-	116
	(-)	(180)	(-)	(180)
Total- Current Year	-	6,757	-	6,757
Previous Year	(-)	(3,409)	(-)	(3,409)
Other Expenses				
Carrier Airconditioning & Refrigeration Limited, India	-	493	-	493
	(-)	(402)	(-)	(402)
Carrier Corporation, U.S.A	-	305	-	305
	(-)	(1,991)	(-)	(1,991)
Others	-	96	-	96
	(-)	(165)	(-)	(165)
Total- Current Year	-	894	-	894
Previous Year	(-)	(2,558)	(-)	(2,558)
Commission Income				
Carrier Fire & Security Singapore Ltd.	-	1,826	-	1,826
	(-)	(1,408)	(-)	(1,408)
Total- Current Year	-	1,826	-	1,826
Previous Year	(-)	(1,408)	(-)	(1,408)

Nature of Transaction/ Name of the Related party	Ultimate Holding Company	Enterprises under common control	Key Management Personnel	Total
Rent Expense				
Carrier Airconditioning & Refrigeration Limited , India	-	38	-	38
	(-)	(55)	(-)	(55)
Others	-	-	-	-
	(-)	(1)	(-)	(1)
Total- Current Year	-	38	-	38
Previous Year	(-)	(56)	(-)	(56)
Reimbrusment of Expenses from Group Companies				
Detector Electronics Corporation, Singapore	-	48	-	48
	(-)	(59)	(-)	(59)
Carrier Airconditioning & Refrigeration Limited, India	-	10	-	10
	(-)	(-)	(-)	-
Kidde Fenwal Inc.	-	315	-	315
	(-)	(376)	(-)	(376)
Carrier Corporation, U.S.A.	-	63	-	63
	(-)	(1,223)	(-)	(1,223)
Others	-	111	-	111
	(-)	(371)	(-)	(371)
Total- Current Year	-	547	-	547
Previous Year	(-)	(2,029)	(-)	(2,029)
Rent Income				
Carrier Airconditioning & Refrigeration Limited , India		-		-
	(-)	(-)	(-)	(-)
Chubb Alba Control Systems Limited, India		-		-
	(-)	(-)	(-)	(-)
Carrier Race Technologies Private Limited, India		-		-
	(-)	(-)	(-)	(-)
Total- Current Year	-	-	-	-
Previous Year	(-)	(-)	(-)	(-)
Reimbursements of Expenses to group companies				
Carrier Airconditioning & Refrigeration Limited , India	-	-	-	-
	(-)	(25)	(-)	(25)
Automated Logic Corporation	-	-	-	-
	(-)	(52)	(-)	(52)
Carrier Transicold	-	-	-	-
	(-)	(55)	(-)	(55)
UT Electronic Controls	-	-	-	-
	(-)	(76)	(-)	(76)
Carrier Fire & Security Americas Corp	-	-	-	-
	(-)	(230)	(-)	(230)

Nature of Transaction/ Name of the Related party	Ultimate Holding Company	Enterprises under common control	Key Management Personnel	Total
Others		-		-
	(-)	(38)	(-)	(38)
Total- Current Year	-	-	-	-
Previous Year	(-)	(476)	(-)	(476)
Remuneration				
Mr. Muthalagappan Karuppiah	-	-	50	50
	(-)	(-)	(39)	(39)
Ms. Uma Varadarajan	-	-	34	34
	(-)	(-)	(74)	(74)
Mr. Prakash Bodla	-	-	651	651
	(-)	(-)	(765)	(765)
Mrs. Shalini Singh	-	-	64	64
	(-)	(-)	(-)	(-)
Mr. Srinivasa Rao Cherukuri	-	-	47	47
	(-)	(-)	(-)	(-)
Mrs. Vasanthi Narayana#	-	-	61	61
	(-)	(-)	(104)	(104)
Total- Current Year	-	-	907	907
Previous Year	(-)	(-)	(982)	(982)

Nature of Transaction/ Name of the Related party	Ultimate Holding Company	Enterprises under common control	Key Management Personnel	Total
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Related party balances as at March 31, 2023 and March 31, 2022

Accounts Receivables

Accounts Receivables

Carrier Singapore Pte Ltd.	March 31, 2023	-	5	-	5
	March 31, 2022	(-)	(16)	(-)	(16)
Carrier Fire & Security Americas Corp	March 31, 2023	-	1,087	-	1,087
	March 31, 2022	(-)	(646)	(-)	(646)
Sensitech	March 31, 2023	-	241	-	241
	March 31, 2022	(-)	(1,063)	(-)	(1,063)
Carrier Corporation, U.S.A	March 31, 2023	-	4,520	-	4,520
	March 31, 2022	(-)	(3,781)	(-)	(3,781)
Others	March 31, 2023	-	3,713	-	3,713
	March 31, 2022	(-)	(3,317)	(-)	(3,317)
Total	March 31, 2023	-	9,566	-	9,566
Total	March 31, 2022	(-)	(8,823)	(-)	(8,823)

Accounts Payables

Carrier Airconditioning & Refrigeration Limited, India	March 31, 2023	-	50	-	50
	March 31, 2022	(-)	(192)	(-)	(192)

Nature of Transaction/ Name of the Related party		Ultimate Holding Company	Enterprises under common control	Key Management Personnel	Total
Gulf Security Technology Corp Ltd	March 31, 2023	-	1,225	-	1,225
	March 31, 2022	(-)	(902)	(-)	(902)
Carrier Corporation, U.S.A	March 31, 2023	-	68	-	68
	March 31, 2022	(-)	(796)	(-)	(796)
Walter Kidde Portable Equipment	March 31, 2023	-	1,249	-	1,249
	March 31, 2022	(-)	(63)	(-)	(63)
Others	March 31, 2023	-	293	-	293
	March 31, 2022	(-)	(339)	(-)	(339)
Total	March 31, 2023	-	2,885	-	2,885
Total	March 31, 2022	(-)	(2,292)	(-)	(2,292)
Guarantee outstanding					
Carrier Corporation, U.S.A	March 31, 2023	19,891	-	-	19,891
	March 31, 2022	(19,891)	-	-	(19,891)
Total	March 31, 2023	19,891	-	-	19,891
Total	March 31, 2022	(19,891)	(-)	(-)	(19,891)
Unbilled Revenue					
Carrier Fire & Security Americas Corp	March 31, 2023	-	-	-	-
	March 31, 2022	(-)	(-)	(-)	(-)
Carrier Fire & Security Polska Sp Z O O	March 31, 2023	-	-	-	-
	March 31, 2022	(-)	(149)	(-)	(-)
Carrier Corporation, U.S.A	March 31, 2023	-	-	-	-
	March 31, 2022	(-)	(1,195)	(-)	(1,195)

Related Party Disclosure

Related Party Disclosure as required by Indian Accounting Standard 18, "Related Party Disclosure" are given below :

- I Ultimate Holding Company
Carrier Global Corporation, USA (w.e.f April 3, 2020)
United Technologies Corporation, USA (till April 2, 2020)
- II Holding Company
Kidde International Limited, U.K.
- III Enterprises under common control *
Automated Logic Corporation
Autronica Fire and Security As, Norway
BIS Systems & Controller Engineering
Carrier Airconditioning & Refrigeration Limited, India
Carrier Airconditioning & Refrigeration Limited, India
Carrier A/C Sales & Service
Carrier Asia Limited
Carrier Corporation, U.S.A



Carrier Race Technologies Private Limited, India
Carrier Transicold
Chemtron Fire Systems
Chubb Alba Control Systems Limited, India
Detector Electronics Corporation, Singapore
EMS Limited
Fireye, Inc.
FS Prod Dist Polska
Guangdong Shengjie Fire Protection
Gulf Security Technology Corp Ltd, China
Kidde Danmark A/S
Kidde Deutschland GmbH
Kidde Fenwal Inc.
Kidde Fire Protection Limited
Walter kidde portable equipment
Lenel Systems International, Inc
OTIS Elevator Co. USA
Otis Elevator Company (India) Limited, India
OTIS Global Services Center Private Limited
Onity Inc
Sensitech
UT Electronic Controls
Carrier Fire & Security Polska Sp Z O O
Carrier Fire & Security Americas Corp
Carrier Fire & Security B.V
Carrier FS Hong Kong Ltd
Carrier Fire & Security Management,China
Carrier Singapore Pte Ltd.
Carrier Fire & Security- Spain
Carrier Fire & Security, Finland
Carrier Fire & Security-Mec-Australia
Carrier Fire & Security Trading Co Ltd
Walter Kidde

IV **Key Management Personnel**

Mr. Muthalagappan Karuppiah	Whole time Director
Ms. Shalini Singh	Whole time Director (w.e.f 30th Aug' 2022)
Mr. Prakash Bodla	Managing Director
Mr. Srinivasa Rao Cherukuri	Chief Financial Officer (w.e.f 28th Nov' 2022)
Mrs. Vasanthi Narayana	Whole time Director (Till 31st May' 2022)
Ms. Uma Varadarajan	Chief Financial Officer (Till 30th Sep' 2022)

The list of parties above have been limited to the entities with whom transactions have taken place during the year/previous year or balances are outstanding as at the year end/previous year.

36 Fair value measurements

The fair value of other current financial assets, cash and cash equivalents, trade receivables, trade payables, short-term borrowings and other financial liabilities approximate the carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security and term deposits are not significantly different from the carrying amount.

Financial assets that are neither past due nor impaired include cash and cash equivalents, security deposits and other financial assets.

Financial instrument by category

	As at 31 March 2023			As at 31 March 2022		
	FVPL	FVOCI	Amortized cost	FVPL	FVOCI	Amortized cost
Financial assets						
Trade receivables	-	-	13,071	-	-	10,612
Cash and cash equivalents	-	-	23,819	-	-	19,349
Other financial assets	-	-	729	-	-	648
Total financial assets	-	-	37,619	-	-	30,609
Financial liabilities						
Trade payables	-	-	4,685	-	-	4,778
Other financial liabilities	-	-	523	-	-	326
Lease liabilities	-	-	8,550	-	-	9,896
	-	-	13,758	-	-	15,000

37 Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard.

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. These instruments are included in level 1.
- Level 2 - The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

No financial assets/liabilities have been valued using level 1 and level 2 fair value measurements.

Assets and liabilities which are measured at amortized cost for which fair values are disclosed

As at 31 March 2023	Level 1	Level 2	Level 3	Total
Financial assets				
Trade receivables	-	-	13,071	13,071
Cash and cash equivalents	-	-	23,819	23,819
Other financial assets	-	-	729	729
Total financial assets	-	-	37,619	37,619
Financial liabilities				
Trade payables	-	-	4,685	4,685
Other financial liabilities	-	-	523	523
Lease liabilities	-	-	8,550	8,550
Total financial liabilities	-	-	13,758	13,758

Assets and liabilities which are measured at amortized cost for which fair values are disclosed

As at 31 March 2022	Level 1	Level 2	Level 3	Total
Financial assets				
Trade receivables	-	-	10,612	10,612
Cash and cash equivalents	-	-	19,349	19,349
Other financial assets	-	-	648	648
Total financial assets	-	-	30,609	30,609
Financial liabilities				
Trade payables	-	-	4,778	4,778
Other financial liabilities	-	-	326	326
Lease liabilities	-	-	9,896	9,896
Total financial liabilities	-	-	15,000	15,000

Valuation Processes

The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) including board of directors. Discussions of valuation processes and results are held between the CFO, and the valuation team every month. The Company takes the help of independent valuers for valuation purposes.

Fair Value of financial assets and liabilities measured at amortized cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.

38 Financial risk management objectives and policies

The Company's activities expose it to a variety of financial risks: credit risk liquidity risk and market risk (foreign exchange risk).

The Company's management under the directions of the board of directors implements financial risk management policies across the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, to monitor risks and adherence to limits in order to minimize the financial impact of such risks. The risk management

policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

i. 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. The carrying amount of financial assets represent the maximum credit risk exposure. The Company has credit policies in place and the exposures to these credit risks are monitored on an ongoing basis.

To cater to the credit risk for balances with banks/financial institutions, only high rated banks/institutions are accepted.

The Company has given security deposits to vendors for securing services from them and rental deposits. The risk of default is appropriately analysed and accounted for.

In respect of credit exposures from trade receivables, the Company has policies in place to ensure that sales on credit without collateral are made principally to dealers and corporate companies with an appropriate credit history.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. It recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition. Credit risk arising from trade receivables is managed in accordance with the Company's established policy with regard to credit limits, control and approval procedures. The Company provides for expected credit losses on trade receivables based on a simplified approach as per Ind AS 109. Under this approach, expected credit losses are computed basis the probability of defaults over the lifetime of the asset. This allowance is measured taking into account credit profile of the customer, geographical spread, trade channels, past experience of defaults, estimates for future uncertainties etc.

Reconciliation of loss allowance provision

	As at 31 March 2023	As at 31 March 2022
Opening balance	1,641	1,921
Change/(reversal) in allowance during the year (net)	(4)	(280)
Closing balance	1,637	1,641

The impairment provisions for trade receivable disclosed above are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

ii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's liquidity risk management includes maintaining sufficient cash, ensuring the availability of funds through committed/undrawn credit facilities and ensuring cash flow from operating activities. The Company seeks to increase income by maintaining high quality standards resulting into higher sales, while reducing the related costs and by controlling operating expenses.

The Company monitors the level of expected cash inflows on trade receivables and loans together with expected cash outflows on trade payables and other financial liabilities. In addition to this, the Company maintains the following line of credit to meet the short term funding requirement:



Consequently, the Company believes its revenue, along with proceeds from financing activities will continue to provide the necessary funds to cover its short term and long term liquidity needs.

(a) Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

As at 31 March 2023	Contractual cash flows			
	Carrying amount	Total	Less than 1 year	More than 1 year
Non-derivative financial liabilities				
Lease liabilities (current & non current)	8,550	8,550	1,416	7,134
Trade payables	4,685	4,685	4,685	-
Other current financial liabilities	523	523	523	-
	13,758	13,758	6,624	7,134

As at 31 March 2022	Contractual cash flows			
	Carrying amount	Total	Less than 1 year	More than 1 year
Non-derivative financial liabilities				
Lease liabilities (current & non current)	9,896	9,896	1,307	8,589
Trade payables	4,778	4,778	4,778	-
Other current financial liabilities	326	326	326	-
	15,000	15,000	6,411	8,589

iii. Market Risk

The Company is exposed to market risk primarily relating to the risk of changes in market prices, such as foreign exchange rates, that will affect the Company's expense or the value of its holdings of financial instruments.

Currency Risk

The Company's exposure to foreign currency risk is on account of payables of expenditure in currencies other than the functional currency of the Company.

Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

	Currency	As at 31 March 2023		As at 31 March 2022	
		FC (in lacs)	INR	FC (in lacs)	INR
Trade payables	DKK	3	30	-	-
(Gross of forward exchange contracts)	GBP	0	9	0	24
	USD	35	2,547	21	1,569
Trade receivables (Includes unbilled revenue)	USD	133	10,541	121	9,006

	Currency	As at 31 March 2023		As at 31 March 2022	
		FC (in lacs)	INR	FC (in lacs)	INR
Forward exchange contracts	USD	50	4,128	-	-
-		50	4,128	-	-

Sensitivity analysis

A reasonably possible strengthening/weakening of the Indian Rupee against foreign currency at 31st March would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR

As at 31 March 2023	Profit or (loss), net of tax	
	Strengthening	Weakening
10% movement		
Foreign Currency	595	(595)
	595	(595)

Effect in INR

As at 31 March 2022	Profit or (loss), net of tax	
	Strengthening	Weakening
10% movement		
Foreign Currency	555	(555)
	555	(555)

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

39 Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital and all equity reserves attributable to the equity holders of the company. The primary objectives of the Company's capital management are to safeguard the Company's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years end March 31, 2023.

There is no financial covenants which needs to be maintained under the term of borrowing facilities. The capital gearing ratio is as follows.

	As at 31 March 2023	As at 31 March 2022
Total liabilities	19,067	20,186
Less: cash and cash equivalents	(23,819)	(19,349)
Adjusted net debt	(4,752)	837
Total equity	37,215	30,774
Adjusted net debt to equity ratio	(0.13)	0.03

40 a) Contingent liabilities and contingent assets

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made. Contingent assets are neither recorded nor disclosed in the financial statements.

	As at 31 March 2023	As at 31 March 2022
Contingent Liabilities to the extent not provided for		
a) Demands raised by Sales Tax authorities against which the Company has filed appeals	38	1,066
b) Demands raised by Income Tax authorities against which the Company has filed appeals	-	777
c) Claims against the company not acknowledged as debt	84	84
d) Liquidated Damages to the customers*	760	760
	882	2,687

The amount shown in the items (a) to (d) represent the best possible estimates arrived at on the basis of available information. The uncertainties and possible reimbursements are dependent on outcome of the different legal processes which have been invoked by the Company or the claimants as the case may be and therefore cannot be predicted accurately. The Company engages competent advisors to protect its interest and has been advised that it has strong legal positions against such disputes.

*In respect of the contracts entered by the Company, if the Company fails to complete the commitments under the contract, penalty in the form of liquidated damages may be charged by the Customer. However, considering ongoing transactions with the customers the management does not consider all leviable amounts under the customer contracts as probable.

- 41 The Company has considered the possible effects that may result from COVID-19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. Based on the current year performance and estimates arrived at using internal and external sources of information, the Company does not expect any material impact on such carrying values. Based on the projected cash flows for the next one year the management is confident of liquidating its liabilities as and when they fall due and the Going concern assumption used for preparation of these financial statements is appropriate.
- 42 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

43 The Company has established a comprehensive system on maintenance of information and documents required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for transactions entered into with the associated enterprises during the financial year and expects such records to be in existence latest by the due date as required under law. The Management is of the opinion that its transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements particularly on the amount of income tax expense and that of provision of taxation.

44 The Company has been contesting many outstanding cases for various Assessment years under Income Tax Act, 1961. During the year 2020, the Government of India has launched amnesty scheme popularly known as Vivad se Vishwas ("VSV") and provided an opportunity to settle age old litigations.

The Company identified potential benefits under this VSV Scheme and decided to settle pending litigations for certain assessment years. VSV related proceedings have been initiated during the previous year and are under process. The expected additional income tax liability for the cases being settled under VSV Scheme amounting to INR 294 Lakhs has been provided for in the books of account in 2020-2021.

In addition to above, the major portion of carried forward business losses got offset against the adjustments proposed by the income tax authorities resulting into additional income tax expense related to previous year amounting to INR 1,126 Lakhs in 2021-22 and reversal of deferred tax assets on these carried forward business losses amounting to INR 963 Lakhs in 2020-21. These amounts have also been recorded in the books of account.

The entire proceeding under the amnesty scheme has been completed now and all six litigation pertaining to AY 2009-10 to 2014-15 has been successfully closed.

45 The Company has foreign currency payables to various parties aggregating to INR 276 lakhs (March 31, 2022 INR 56 lakhs) as of March 31, 2023 and foreign currency receivables from various parties aggregating to INR 10 lakhs (March 31, 2022 INR 595 lakhs) which are outstanding for more than respective stipulated time period as of March 31, 2023. Out of the above balance, the Company has subsequently received INR Nil lakhs against the foreign currency receivables till date and subsequently paid Nil INR lakhs against the foreign currency payables till date. The Company has filed application with the Authorized dealer seeking permission for extension of time period for receipt of trade receivables and write back of trade payables.

46 Expenditure towards corporate social responsibility

During the year, the Company has spent INR 103 lakhs (2021-22: INR 98 lakhs) towards various schemes of Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013.

The details are:

	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross amount required to be spent by the Company	103	98
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	103	98

- i. The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.
- ii. The Company does not have any ongoing projects as at 31 March 2023.

47 Key Financial Ratios

Sr No.	Particulars	Formula	Ratio as on	Ratio as on	Variation	Reason for Variance
			31-Mar-23	31-Mar-22		
(a)	Current Ratio	Current Ratio (Current Assets / Current Liabilities)	4.3	3.6	19%	-
(b)	Return on Equity Ratio	Return on Equity Ratio (Profit after tax less pref. Dividend x 100 / Shareholder's Equity)	20%	14%	42%	Driven by better sales growth vs PY contributing to higher bottom line growth.
(c)	Inventory Turnover Ratio	Inventory Turnover Ratio (Cost of Goods Sold / Average Inventory)	3.6	2.8	29%	Driven by increase in material in transit for FY 2022-23 in anticipation of better sales forecasts.
(d)	Trade Receivables Turnover Ratio	Trade Receivables Turnover Ratio (Net Credit Sales / Average Trade Receivables)	4.1	4.2	-2%	-
(e)	Trade Payables Turnover Ratio	Trade Payables Turnover Ratio (Net Credit Purchases / Average Trade Payables)	1.7	0.7	126%	Driven by increase in material in transit for FY 2022-23 in anticipation of better sales forecasts.
(f)	Net Capital Turnover Ratio	Net Capital Turnover Ratio (Revenue / Average Working Capital)	2.0	1.9	2%	-
(g)	Net Profit Ratio	Net Profit Ratio (Net Profit / Net Sales)	11%	9%	16%	-
(h)	Return on Capital Employed	Return on Capital Employed (EBIT / Capital Employed)	24%	22%	9%	-

Sr No.	Particulars	Formula	Ratio as on	Ratio as on	Variation	Reason for Variance
			31-Mar-23	31-Mar-22		
(i)	Return on Investment	Return on Investment (Net Profit / Net Investment)	16%	14%	18%	-
(j)	Operating Profit Margin	Return on Investment (EBIT/ Revenue from Operations)	16%	15%	8%	-
(k)	Return on Net Worth	Return on Net Worth (Total Comprehensive Income / Net Worth)	16%	13%	25%	Driven by better sales growth vs PY contributing to higher bottom line growth.

48 Other Statutory Informations

- i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- ii) The Company do not have any transactions with companies struck off.
- iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



- 49 Due to the inadequacy of profits in the previous year, the remuneration, duly approved by the Board, paid to the Directors of the Company for the year ended 31 March 2022 has exceeded the limits applicable under section 197 of the Act, read with Schedule V thereto, by Rs. 157 Lakhs. The Company had passed a special resolution with approval of shareholders in last Annual General Meeting.
- 50 Effective January 1, 2021 the name of the Company is changed from UTC & Fire Security India Limited to Carrier Technologies India Limited.
- 51 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

For M S K A & Associates

Chartered Accountants

Firm Registration No.:105047W

For and on behalf of the Board of Directors

Carrier Technologies India Limited

(Formerly known as "UTC Fire & Security India Limited)

CIN: U29193MH1981FLC024364

Sd/-
Monish Sharma
Partner
Membership
No: 505381

Sd/-
Muthalagappan
Karupiah
Whole-time
Director
DIN: 08539111

Sd/-
Prakash Bodla
Managing Director
DIN: 09178187

Srinivasa Rao
Cherukuri
Chief Financial
Officer

Samta Jain
Company Secretary
Membership
No:A46162

Place: Gurugram
Date: 04.09.2023

Place: Bangalore
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023

Place: Hyderabad
Date: 04.09.2023



CARRIER TECHNOLOGIES INDIA LIMITED

(Formerly known as UTC Fire & Security India Limited)

CIN: U29193MH1981FLC024364

Registered office: Unit No. 4B, 2nd Floor, The Centrium,
Lal Bahadur Shastri Marg, Kurla West, Mumbai- 400070, Maharashtra, India

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Website: <https://www.carrier.com/commercial/en/in/> **Email Id:** gpccsindialegal@carrier.com