




SIEMENS



Partnering India: Integrated solutions  
for a sustainable future.

Annual Report 2014

[www.siemens.co.in](http://www.siemens.co.in)

► **On Cover:** Siemens Ltd. reinforced its commitment to partner India's National Grid Agenda by supplying Capacitive Voltage Transformer for 1200kV National Test Station at Bina (M.P.)



Siemens' Integral Plant Maintenance solutions offer benefits for the automotive industry, such as enabling 95% equipment availability at Tata Motors' Pantnagar unit.



The world's longest automation track installed by Siemens at Thyrocare Technologies is boosting the availability of in-vitro diagnostic testing services.



Siemens is powering hope by creating a sustainable community in Amle, a tribal hamlet in Maharashtra.



The Sanjeevan Mobile clinic provides accessible, affordable healthcare to underserved population across the country.



Siemens Scholarship Program uses the lever of skill development to empower economically-disadvantaged engineering students.

## Contents

Board of Directors	2
Financial Highlights	4
Chairman's Statement	5
Notice	7
Directors' Report	21
Annexure I - Conservation of Energy, etc.	24
Annexure II - Management's Discussion and Analysis	26
Annexure III - Corporate Governance Report	29
Annexure IV - General Shareholder Information	44
Business Responsibility Report - Overview	51
Auditor's Report	53
Financial Statements	56
Attendance Slip and Proxy Form	103

## Board of Directors

Mr. Deepak S. Parekh	Chairman
Mr. Darius C. Shroff	Director
Mr. Yezdi H. Malegam	Director
Mr. Narendra J. Jhaveri	Director
Mr. Keki B. Dadiseth	Director
Mr. Pradip V. Nayak	Director
Mr. Joe Kaeser	Director
Dr. Roland Busch	Special Director (Nominee of Siemens AG)
Ms. Mariel von Drathen	Director
Mr. Johannes Apitzsch	Director
Mr. Sunil Mathur	Managing Director and Chief Executive Officer
Mr. Christian Rummel	Executive Director and Chief Financial Officer (with effect from 1 <sup>st</sup> February, 2014)

## Committees of Directors

Audit Committee	Nomination and Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
Mr. Yezdi H. Malegam - Chairman Mr. Deepak S. Parekh Mr. Keki B. Dadiseth Mr. Johannes Apitzsch	Mr. Narendra J. Jhaveri - Chairman Mr. Darius C. Shroff Mr. Deepak S. Parekh Mr. Pradip V. Nayak Mr. Joe Kaeser Ms. Mariel von Drathen	Mr. Darius C. Shroff - Chairman Mr. Pradip V. Nayak Mr. Sunil Mathur	Mr. Deepak S. Parekh - Chairman Mr. Sunil Mathur Mr. Christian Rummel Ms. Mariel von Drathen
Risk Management Committee	Share Transfer Committee	Corporate Governance Committee	
Mr. Yezdi H. Malegam - Chairman Mr. Deepak S. Parekh Mr. Keki B. Dadiseth Mr. Johannes Apitzsch	Mr. Sunil Mathur - Chairman Mr. Christian Rummel	Mr. Keki B. Dadiseth - Chairman Mr. Deepak S. Parekh Mr. Yezdi H. Malegam Mr. Darius C. Shroff Mr. Joe Kaeser Mr. Sunil Mathur Dr. Roland Busch Mr. Johannes Apitzsch	

## Company Secretary

Ketan Thaker

Registered and Corporate Office:	Registrar and Share Transfer Agent:
<p>Siemens Limited 130, Pandurang Budhkar Marg, Worli, Mumbai – 400 018 Phone: +91 (22) 3967 7000 Fax: +91 (22) 3967 7500 CIN: L28920MH1957PLC010839 Website: <a href="http://www.siemens.co.in">www.siemens.co.in</a></p> <p><b>Investor Relations Team:</b> Contact Person: Mr. Anuj Sharma E-mail: <a href="mailto:Corporate-Secretariat.in@siemens.com">Corporate-Secretariat.in@siemens.com</a> Phone: +91 (22) 3967 7000 Fax: +91 (22) 3967 7562</p>	<p>TSR Darashaw Limited 6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Nr. Famous Studio, Mahalaxmi, Mumbai – 400 011 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (22) 6656 8484 Extn :- 411 / 412 / 413 Fax: +91 (22) 6656 8494 Email: <a href="mailto:csg-unit@tsrdarashaw.com">csg-unit@tsrdarashaw.com</a> Website: <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a></p>

### Details of 57<sup>th</sup> Annual General Meeting

**Day and Date** : Friday, 30<sup>th</sup> January, 2015

**Time** : 3.00 p.m.

**Venue** : Yashwantrao Chavan Pratishthan Auditorium,  
Y. B. Chavan Centre,  
General Jagannathrao Bhonsle Marg,  
Nariman Point,  
Mumbai – 400 021

## Financial Highlights - Siemens Limited

(₹ in Million)

	2013-14	2012-13	2011-12	2010-11	2009-10
<b>Orders received</b>	103,238	109,573	102,351	122,886	124,305
<b>Income, Profit and Dividend</b>					
Total Income (including exceptional income)	111,492	114,196	129,774	121,336	94,777
Profit Before Depreciation, Interest and Tax	10,809	4,877	7,489	14,398	13,708
Depreciation	2,291	2,502	2,010	1,522	1,015
Interest	82	189	270	127	106
Profit Before Tax	8,436	2,186	5,209	12,749	12,587
Tax	2,404	246	1,777	4,295	4,315
Profit After Tax	6,032	1,940	3,432	8,454	8,272
Dividend - %	300	250	300	300	250
Dividend - ₹ Per Share	6	5	6	6	5
<b>Share Capital, Assets and Book Value</b>					
Share Capital	712	712	681	681	674
Share capital suspense account	-	-	23	-	-
Reserves & Surplus	43,044	39,591	38,922	37,481	34,103
Net Worth (Shareholders' Fund)	43,756	40,303	39,626	38,162	34,778
Loans	-	-	-	-	2
Total Capital Employed	43,756	40,303	39,626	38,162	34,780
Capital Represented by:					
Fixed Assets	13,965	14,678	14,972	13,486	9,805
Investments	-	-	-	-	3,885
Net Current Assets & Other Assets	29,791	25,626	24,654	24,676	21,090
Net Assets	43,756	40,303	39,626	38,162	34,780
Book Value - ₹	122.87	113.17	112.56	112.14	103.15
<b>Returns</b>					
On Total Income (PBT) - %	7.57	1.91	4.01	10.51	13.28
On Capital Employed (PBIT) - %	19.47	5.89	13.83	33.74	36.50
On Shareholders Fund (PAT) - %	13.79	4.81	8.66	22.15	23.79
Per Share (PAT) - ₹	16.94	5.45	9.75	24.95	24.53

# Chairman's Statement

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Dear Shareholders,

Financial year 2013-14 was yet another challenging year for the Indian economy. In addition to being an election year, the investment scenario continued to be affected by factors such as delays in approvals for large infrastructure projects, higher capital costs and non-availability of raw material. While business sentiment improved as a result of a stable Government coming to power at the Centre, it is yet to materialize into new orders.

Siemens Ltd. operates in the business segments of Infrastructure, Power, Manufacturing and Healthcare. Along with the rest of the industry, the Company's performance too was impacted by the uncertain macro-economic conditions prevailing in the country. While New Orders and Sales were lower in financial year 2013-14 compared with the previous financial year, the Company considerably improved its profitability. This was largely due to its sustained focus on optimizing internal cost and productivity measures.

## Performance highlights

For the financial year ended 30<sup>th</sup> September, 2014, the Company received New Orders valued at ₹ 103,238 million, a 6 per cent decrease over ₹ 109,573 million in the financial year ended 30<sup>th</sup> September, 2013. Sales (excluding Other Operating Revenues) were down by 6 per cent to ₹ 104,483 million, compared with ₹ 111,452 million in the previous year.

The Order Backlog as of 30<sup>th</sup> September, 2014 stood at ₹ 121,022 million – a decline of 6 per cent compared with ₹ 129,264 million in the previous year. Profits from Operations stood at ₹ 3,652 million, significantly higher by 114% compared with ₹ 1,705 million in financial year 2012-13.

For the year ended 30<sup>th</sup> September, 2014, the Company's Profit Before Tax (including Exceptional Income) stood at ₹ 8,436 million, up by 286 per cent compared with ₹ 2,186 million in the previous year. The Profit After Tax for the year was ₹ 6,032 million, up by 211 per cent compared with ₹ 1,940 million in the previous year.

The Board of Directors has recommended a Dividend of ₹ 6 per equity share of face value of ₹ 2 per share for the financial year ended 30<sup>th</sup> September, 2014. The Company had paid a Dividend of ₹ 5 per equity share during the previous financial year.

## Performance analysis

The Company's performance during the financial year 2013-14 was at par with the market, considering the challenging macro-economic environment.

Among the highlights of the financial year 2013-14, the Energy Sector received orders for approximately ₹ 2280 million from Reliance Industries Limited for supply of four SST 600 Steam Turbogenerator units for its Jamnagar Refinery. The Sector also received a crucial turnkey order from Power Grid Corporation of India Limited worth approximately ₹ 4110 million.

The Healthcare Sector, which witnessed growth in Sales of 28 per cent, won the Imaging Company of the Year Award at the 2014 Frost & Sullivan India Healthcare Awards. The Sector installed the world's longest lab automation track at Thyrocare, Mumbai, and also installed modern healthcare equipment such as ultrasound system with wireless transducers and 128 slice CT scanners in Tier II cities - Coimbatore and Surat.

As part of its continuous initiative to enhance the technical skills of the industry's work force, the Industry Sector signed Memoranda of Understanding with Rashtriya Ispat Nigam Ltd. and Government Tool Room & Training Centre. It also launched a first-of-its-kind Technology and Application Center, which allows machine tool manufacturers and users to get a hands-on experience of the latest CNC technologies and solutions from Siemens and its partners. The Sector, which was the first India-based manufacturer to launch motors certified for International Efficiency rating IE3, won global recognition for its 1LA2 series of Low Voltage IE3 induction motors – the Super-Efficient Equipment Appliance Deployment (SEAD) Global Efficiency Medal.

The Infrastructure & Cities Sector continued its contribution to the nation's urban infrastructure as the Siemens-powered Rapid Metro Rail Gurgaon began its passenger operations. The six-kilometre metro line connects Gurgaon to the Delhi Metro rail network through an inter-change station at Sikandarpur. The Sector also received repeat orders worth around ₹ 743 million from Diesel Locomotive Works, Varanasi, for Traction Motors. The Company has been a

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preferred supplier of equipment for the Indian Railways for over six decades now. The Sector further enhanced the installation base for its Smart Grid solutions after winning orders from power distribution companies in Uttar Pradesh. These projects are part of the Government's Restructured Accelerated Power Development and Reforms (R-APDRP) programme.

### **Corporate Citizenship**

Skilled workforce is a crucial factor in the development of India as a manufacturing hub and this aspect has been reinforced recently by the Government through the 'Make in India' programme. As a responsible Corporate Citizen, Siemens Ltd. has endeavored to support and promote technical education through its Scholarship programme.

As part of this programme, the first batch of meritorious Scholars from Engineering Colleges in Maharashtra, Goa and Gujarat were provided a holistic development plan in addition to financial support. In financial year 2013-14, the programme was launched in over 100 Government Engineering Colleges across India.

In addition, with an aim to produce skilled, employable technicians, the Company has also initiated measures to upgrade Government Industrial Training Institutes (ITIs).

The Company already has two other ongoing Corporate Citizenship projects in the form of Siemens Sanjeevan Mobile Clinics and Project Asha. These projects have contributed to the creation of sustainable communities, enhancing living conditions and providing primary healthcare support.

### **People excellence**

To remain competitive in compensation and rewards offered, continual efforts were made to make compensation and benefits flexible, tax-friendly and market-linked. New and enhanced policies and employee schemes were launched. In addition, the Company sustained its growth and development initiatives, while also focusing on recruiting the right talent.

As of 30<sup>th</sup> September, 2014, the Company's employee strength was 10,933 as compared to 11,469 as of 30<sup>th</sup> September, 2013.

During the financial year 2013-14, the Company initiated measures to optimize capacity and resource utilization across locations to counter the lack of market demand.

The Company continues to have a cordial relationship with its unions.

### **The road ahead – the outlook for Siemens Ltd.**

During the financial year 2013-14, the Company realigned itself as part of the global Vision 2020 strategy. As of 1<sup>st</sup> October, 2014, the Company has eliminated Sectors and has bundled business into eight Divisions: Power and Gas, Power Generation Services, Energy Management, Mobility, Building Technologies, Digital Factory, Process Industries & Drives and Healthcare. The new organization with a flatter structure is aimed at increasing proximity to customers.

Overall, the macro-economic situation is still challenging and concrete policy measures announced during the financial year 2013-14 will take time to reflect in business. The Company has taken measures to increase its competitiveness and strengthen its capabilities.

On the basis of these strengths, the Company expects profitable and sustainable growth in the future. It is however important that financial and regulatory reforms continue to take effect. Concrete measures must be taken to facilitate the completion of large infrastructure projects that have been stalled, while encouraging new projects.

In conclusion, I would like to sincerely thank our customers, the Board, Management, Unions and most importantly, the dedicated employees for their consistent support and commitment to Siemens Ltd. during another challenging year.



Deepak Parekh  
Chairman



# Notice

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NOTICE is hereby given that the 57<sup>th</sup> Annual General Meeting of the Members of the Company will be held at Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai 400 021, on Friday, 30<sup>th</sup> January, 2015, at 3.00 p.m. to transact the following businesses:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Financial Statements for the year ended 30<sup>th</sup> September, 2014, together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Joe Kaeser (DIN 00867264), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass, with or without modifications, the following Resolution as an **Ordinary Resolution:**  
**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or amendments or re-enactments thereof for the time being in force), Messrs. S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E), be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of 4 (four) years from the conclusion of this Annual General Meeting (subject to ratification of such appointment by the Members at every Annual General Meeting) till the conclusion of the 61<sup>st</sup> Annual General Meeting of the Company, in place of Messrs. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W), the retiring Auditors of the Company, on such remuneration as may be decided by the Board of Directors of the Company from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

## **SPECIAL BUSINESS:**

To consider and if thought fit, to pass with or without modifications, the following Resolutions:

5. **Appointment of Mr. Deepak S. Parekh (DIN: 00009078) as an Independent Director of the Company**

### **As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed there under and Clause 49 of the Listing Agreement entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Deepak S. Parekh (DIN: 00009078), Director of the Company, in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from the date of this Annual General Meeting of the Company."

6. **Appointment of Mr. Yezdi H. Malegam (DIN: 00092017) as an Independent Director of the Company**

### **As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed there under and Clause 49 of the Listing Agreement entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Yezdi H. Malegam (DIN: 00092017), Director of the Company, who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from the date of this Annual General Meeting of the Company."

7. **Appointment of Mr. Darius C. Shroff (DIN: 00170680) as an Independent Director of the Company**

### **As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed there under and Clause 49 of the Listing Agreement entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Darius C. Shroff (DIN: 00170680), Director of the Company, who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from the date of this Annual General Meeting of the Company."

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**8. Appointment of Mr. Narendra J. Jhaveri (DIN: 00198912) as an Independent Director of the Company**

**As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed there under and Clause 49 of the Listing Agreement entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Narendra J. Jhaveri (DIN: 00198912), Director of the Company, in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from the date of this Annual General Meeting of the Company."

**9. Appointment of Mr. Keki B. Dadiseth (DIN: 00052165) as an Independent Director of the Company**

**As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed there under and Clause 49 of the Listing Agreement entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Keki B. Dadiseth (DIN: 00052165), Director of the Company and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from the date of this Annual General Meeting of the Company."

**10. Appointment of Mr. Pradip V. Nayak (DIN: 00032403) as an Independent Director of the Company**

**As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules framed there under and Clause 49 of the Listing Agreement (including any statutory modifications or amendments or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Mr. Pradip V. Nayak (DIN: 00032403), Director of the Company, in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a period of five consecutive years from the date of this Annual General Meeting of the Company."

**11. Appointment of Mr. Christian Rummel (DIN: 01992982) as a Director of the Company**

**As an Ordinary Resolution:**

**"RESOLVED THAT** Mr. Christian Rummel (DIN: 01992982) who was appointed as an Additional Director of the Company with effect from 1<sup>st</sup> February, 2014 by the Board of Directors and who holds office upto the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 ("the Act") and Article 104(b) of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

**12. Appointment of Mr. Christian Rummel (DIN: 01992982) as Executive Director and Chief Financial Officer of the Company and payment of remuneration to him**

**As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule V to the Act and the Rules framed there under, (including any statutory modifications or amendments or re-enactment thereof for the time being in force) and subject to the approval of Central Government, and such other approvals / permissions, if and as may be required, the Members of the Company hereby accord their approval for the appointment of Mr. Christian Rummel (DIN: 01992982) as the Executive Director and Chief Financial Officer of the Company with effect from 1<sup>st</sup> February, 2014 to 31<sup>st</sup> January, 2018 on the terms and conditions including those relating to remuneration as set out under the Statement setting out the material facts annexed to this Notice dated 25<sup>th</sup> November, 2014 for Item Nos. 11 to 14.

**RESOLVED FURTHER THAT** the Board of Directors ("Board") / Nomination and Remuneration Committee of Directors ("NRC") of the Company be and is hereby authorised to alter and vary the terms and conditions of the said appointment including authority from time to time to determine the amount of salary, Performance Linked Incentive and commission as also the type and amount of perquisites, other benefits and allowances payable to Mr. Christian Rummel in such manner as may be agreed to between the Board / NRC and Mr. Christian Rummel, subject to the limits prescribed under Section 197 and Schedule V to the Act (including any amendment, modification, variation or re-enactment thereof) and to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required in regard to the said appointment as it may in its sole and absolute discretion deem fit, to give effect to this resolution."

**13. Revision in remuneration of Mr. Christian Rummel (DIN: 01992982), Executive Director and Chief Financial Officer of the Company**

**As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act"), if any, read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other Rules framed there under (including any statutory modification(s) or re-enactment or amendments thereof for the time being in force), and subject to the approval of the Central Government, if required, the Members of the Company hereby accord their approval for the revision in the remuneration of Mr. Christian Rummel (DIN: 01992982), the Executive Director and Chief Financial Officer of the Company, with effect from 1<sup>st</sup> January, 2015 as set out under the Statement setting out the material facts annexed to this Notice dated 25<sup>th</sup> November, 2014 for Item Nos. 11 to 14.

**RESOLVED FURTHER THAT** the Board of Directors ("Board") / Nomination and Remuneration Committee of Directors ("NRC") of the Company be and is hereby authorised to alter and vary the terms and conditions including authority from time to time to determine the amount of salary, Performance Linked Incentive and commission as also the type and amount of perquisites, other benefits and allowances payable to Mr. Christian Rummel in such manner as may be agreed to between the Board / NRC and Mr. Christian Rummel, subject to the limits prescribed under Section 197 and Schedule V to the Act (including any amendment, modification, variation or re-enactment thereof) and to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required in this regard as it may in its sole and absolute discretion deem fit, to give effect to this resolution."

**14. Revision in remuneration of Mr. Sunil Mathur (DIN: 02261944), Managing Director and Chief Executive Officer of the Company**

**As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act"), if any, read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other Rules framed there under (including any statutory modification(s) or re-enactment or amendments thereof for the time being in force), and subject to the approval of the Central Government, if required, the Members of the Company hereby accord their approval for the revision in the remuneration of Mr. Sunil Mathur (DIN: 02261944), Managing Director and Chief Executive Officer of the Company, with effect from 1<sup>st</sup> January, 2015 as set out under the Statement setting out the material facts annexed to this Notice dated 25<sup>th</sup> November, 2014 for Item Nos. 11 to 14.

**RESOLVED FURTHER THAT** the Board of Directors ("Board") / Nomination and Remuneration Committee of Directors ("NRC") the Company be and is hereby authorised to alter and vary the terms and conditions including authority from time to time to determine the amount of salary, Performance Linked Incentive and commission as also the type and amount of perquisites, other benefits and allowances payable to Mr. Sunil Mathur in such manner as may be agreed to between the Board / NRC and Mr. Sunil Mathur, subject to the limits prescribed under Section 197 and Schedule V to the Act (including any amendment, modification, variation or re-enactment thereof) and to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required in this regard as it may in its sole and absolute discretion deem fit, to give effect to this resolution."

**15. Payment of Commission to Non-Executive Directors of the Company**

**As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Sections 197, 198 and other applicable provisions of the Companies Act, 2013 ("the Act"), if any, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Clause 49 of Listing agreement entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactments thereof for the time being in force) and Article 113 of the Articles of Association of the Company, the consent of the Members of the Company be and is hereby accorded to the payment of commission, in addition to sitting fees and reimbursement of expenses incurred for attending the meetings of the Board of Directors of the Company and its committees thereof and, at a rate not exceeding 1% (one percent) per annum or such other percentage as may be specified by the Act from time to time in this regard, of the net profits of the Company for the financial year ending 30<sup>th</sup> September, 2015 and thereafter for all subsequent financial years (computed in the manner provided in Section 198 of the Act or as may be prescribed by the Act or Rules framed there under from time to time), but subject to such ceiling, if any, per annum, as the Board or its Committee may from time to time fix in that behalf and the same to be divided amongst them in such manner as the Board or its Committee may, from time to time, determine.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

**16. Payment of remuneration to the Cost Auditors of the Company for FY 2014-15**

**As an Ordinary Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or amendments or re-enactments thereof for the time being in force), Messrs R. Nanabhoy & Co. (having Firm's Registration No. 7464), Cost Accountants, appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending on 30<sup>th</sup> September, 2015, be paid a remuneration of ₹ 15,00,000 (Rupees Fifteen Lakh only) per annum plus applicable service tax and out of pocket expenses that may be incurred during the course of audit.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**17. Approval of transactions with Siemens Aktiengesellschaft, Germany, Holding company of the Company**

**As a Special Resolution:**

**"RESOLVED THAT** pursuant to the provisions of Clause 49 (VII) of the Listing Agreement, entered into with the Stock Exchanges (including any statutory modifications or amendments or re-enactments thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded to the Board of Directors (including its Committee thereof), to enter into material contracts / arrangements / transactions in the normal course of business with Siemens Aktiengesellschaft, Germany ("Siemens AG"), a 'Related Party' as defined under Section 2(76) of the Companies Act, 2013 and Clause 49(VII) of the Listing Agreement, as set out under the Statement setting out the material facts annexed to this Notice dated 25<sup>th</sup> November, 2014 for Item No. 17, on such terms and conditions as may be mutually agreed upon between the Company and Siemens AG.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized to do all such acts, deeds, matters and things, and to finalize the terms and conditions as may be considered necessary, expedient or desirable, in order to give effect to this Resolution."

By Order of the Board of Directors

For **Siemens Limited**



**Ketan Thaker**  
**Company Secretary**

**Registered Office:**

130, Pandurang Budhkar Marg  
Worli, Mumbai - 400 018  
CIN: L28920MH1957PLC010839

Mumbai

Tuesday, 25<sup>th</sup> November, 2014

**Notes:**

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM" or "Meeting") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable, issued on behalf of the nominating organisation. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
- b) The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 ("the Act"), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.

- c) Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the AGM.
- d) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- e) Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
- f) Profiles of the Directors seeking appointment / re-appointment, as required in terms of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are annexed to this Notice.
- g) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 16<sup>th</sup> January, 2015 to Friday, 30<sup>th</sup> January, 2015 (both days inclusive).
- h) The Dividend, as recommended by the Board of Directors, if declared at the 57<sup>th</sup> AGM, will be paid on Friday, 6<sup>th</sup> February, 2015, to those Members who hold shares in physical form and whose name appears on the Company's Register of Members as holders of Equity Shares on Friday, 30<sup>th</sup> January, 2015 and in respect of shares held in electronic form, to the Beneficial Owners of the shares as at the close of business hours on Thursday, 15<sup>th</sup> January, 2015, as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

**i) Unclaimed / Unpaid Dividend:**

Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956, the dividend which remains unclaimed / unpaid for a period of seven years from the date of transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. Accordingly, the unclaimed interim and final dividend declared by the erstwhile Siemens Healthcare Diagnostics Ltd. (since amalgamated with the Company) as also that declared by the Company for Financial Year 2005-06 was transferred to IEPF. The unclaimed dividend for the Financial Year 2006-07 and all subsequent years must be claimed as early as possible failing which it would be transferred to IEPF as per the (tentative) dates mentioned herein below. In terms of Section 205C of the Companies Act, 1956, no claim shall lie against the Company after the said transfer.

It is in the shareholders' interest to claim any uncashed dividends and for future, opt for Electronic Clearing Service, so that dividends paid by the Company are credited to the investor's account on time.

Financial Year	Tentative date for transfer to IEPF	Financial Year	Tentative date for transfer to IEPF
<b>2006 – 07</b>		<b>2009-10</b>	
Dividend	8 <sup>th</sup> March, 2015	Dividend	7 <sup>th</sup> March, 2018
*Dividend	29 <sup>th</sup> April, 2015	*Dividend	4 <sup>th</sup> March, 2018
<b>2007 – 08</b>		<b>2010-11</b>	
Dividend	7 <sup>th</sup> March, 2016	Dividend	8 <sup>th</sup> March, 2019
*Dividend	4 <sup>th</sup> April, 2016	<b>2011-12</b>	
<b>2008-09</b>		Dividend	8 <sup>th</sup> March, 2020
Dividend	6 <sup>th</sup> March, 2017	<b>2012-13</b>	
*Dividend	5 <sup>th</sup> March, 2017	Dividend	8 <sup>th</sup> March, 2021

\* Declared by the erstwhile Siemens Healthcare Diagnostics Ltd. (since amalgamated with the Company).

Members are requested to contact TSR Darashaw Limited. (TSRDL), the Registrar and Share Transfer Agent of the Company for claiming the dividend for the aforesaid years.

The details of the unclaimed dividends of the aforesaid years are available on the Company's website at [www.siemens.co.in](http://www.siemens.co.in) and Ministry of corporate affairs at [www.mca.gov.in](http://www.mca.gov.in)

- j) SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission / transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialised form or to TSRDL in case of holdings in physical form, mentioning your correct reference folio number.

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- k) As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
- l) Members holding shares in dematerialised 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, etc., to their DP only. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and TSRDL to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to TSRDL.
- m) Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact TSRDL for assistance in this regard.
- n) Members holding shares in more than one folio in the same name(s) are requested to send the details of their folios alongwith the share certificates so as to enable the Company to consolidate their holdings into one folio.
- o) The Annual Report 2013-14 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.siemens.co.in](http://www.siemens.co.in) and also on the website of the respective Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)
- p) Members desirous of getting any information about the Accounts of the Company are requested to write to the Company atleast seven days in advance of the Meeting, so that the information can be kept ready at the Meeting.
- q) All documents referred to in the accompanying Notice and Statement setting out material facts are open for inspection at the Registered Office of the Company on all working days between 10.00 a.m. and 12 noon up to the date of the 57<sup>th</sup> AGM.
- r) **Green Initiative**

The Ministry of Corporate Affairs has allowed paperless compliances by companies through electronic mode by providing the same under the Act and rules framed there under. The Members can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Members who have not registered their e-mail address with the Company can now register the same by submitting duly filled-in 'E-Communication Registration Form' enclosed at the end of this report (also available on the Company's website [www.siemens.co.in](http://www.siemens.co.in)), with TSRDL, / Investors' relations team of the Company. The Members holding shares in electronic form are requested to register their e-mail addresses with their DP only.

Even after registering for E-communication, the Members are entitled to receive such communication in physical form, upon request.

In accordance with the provisions of Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Report of the Company for the Financial Year 2013-14 and this Notice, inter-alia, indicating the process and manner of e- voting alongwith Attendance Slip and proxy form are being sent by e-mail, unless any Member has requested for a physical copy of the same, to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories.

In case you wish to get a physical copy of the Annual Report, you may send your request to [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) mentioning your Folio / DP ID & Client ID.

Members who have not yet registered their e-mail address are requested to register the same directly with their DP, in case shares are held in electronic form or with the Company/ TSRDL, by quoting their folio number(s) in case the shares are held in physical form.

s) **Voting Options:**

(1) **E-voting:** In compliance with the provisions of Section 108 of Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and the provisions of Clause 35B of the Listing Agreement entered into with the Stock Exchanges, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice.

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**The instructions for e-voting are as under:**

**A. In case of Members receiving Notice by E-mail:**

In case of Members receiving E-mail from NSDL (For Members whose e-mail addresses have been registered with the Company / Depositories):

- (i) Open e-mail and open the attached PDF file "siemens.e-voting.pdf" giving your DP ID / Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as default password which contains your "User ID" and "Password for e-voting".
- (ii) Open internet browser by typing the URL : <http://www.evoting.nsd.com>.
- (iii) Click on "Shareholder - Login".
- (iv) Insert your User ID and password as initial password as mentioned in step (i) above and Login. In case you are already registered with NSDL, you can use your existing User ID and password for casting your vote.
- (v) "Password Change" menu appears. Change the password with the new password of your choice with minimum 8 digits / characters or combination thereof. Please note your new password. We strongly recommend that you do not share your new password and take utmost care to keep your password confidential.
- (vi) Home page of "e-voting" opens. Click on "e-voting-Active Voting Cycles".
- (vii) Select "EVEN" (E-Voting Event Number) of Siemens Limited for casting your votes in favour of or against the resolutions. For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolutions or till the end of voting period i.e. upto close of working hours on **24<sup>th</sup> January, 2015**, whichever is earlier.
- (viii) Now you are ready for "e-voting" as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Upon confirmation, the message, "Vote cast successfully" will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote.
- (x) Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at [pnparkh@tsrdarashaw.com](mailto:pnparkh@tsrdarashaw.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

Please note that:

- Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
- Your login ID and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the Member.
- It is strongly recommended that you do not share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting User Manual for Shareholders available at the "Downloads" section of [www.evoting.nsd.com](http://www.evoting.nsd.com) or call NSDL on 022-24994600.

**B. In case of Members receiving physical copy of Notice**

In case a Member receives physical copy of the Notice of AGM:

- (i) E-Voting Event Number (EVEN), User ID and Password is provided in the Ballot Form.
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (x) above, to cast your vote by electronic means.

**(2) In case of voting by using Ballot Forms:**

- (i) In terms of Clause 35B of the Listing Agreement, the Company, in order to enable its Members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a Ballot Form along with Annual Report.
- (ii) A Member desiring to exercise voting by using Ballot Form shall complete the enclosed Ballot Form with assent (**FOR**) or dissent (**AGAINST**) and send it to the Scrutinizer, Mr. P. N. Parikh of Messrs Parikh Parekh and Associates, Practicing Company Secretaries, duly appointed by the Board of Directors of the Company, in the enclosed postage prepaid self-addressed envelope. Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted at the Registered Office of the Company.
- (iii) Please convey your assent in Column "FOR" and dissent in the column "AGAINST" by placing a tick (✓) mark in the appropriate column in the Ballot Form only. The assent / dissent received in any other form / manner will not be considered.
- (iv) Duly completed and signed Ballot Forms shall reach the Scrutinizer before the close of working hours on **24<sup>th</sup> January, 2015 (6.00 p.m. IST)**. The Ballot Forms received after the said date shall be strictly treated as if the reply from the Member has not been received.
- (v) Unsigned / incomplete Ballot Forms will be rejected. Scrutinizer's decision on validity of the Ballot Form shall be final.
- (vi) A Member may request duplicate Ballot Form, if so required, by writing to the Company at its Registered Office or by sending an email on [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) by mentioning their Folio No. / DP ID and Client ID. However, the duly filled in duplicate Ballot Form should reach the scrutinizer not later than the close of working hours on **24<sup>th</sup> January, 2015 (6.00 p.m. IST)**.
- (vii) A Member can opt for only single mode of voting i.e. either through e-voting or by Ballot Form. If a Member casts votes by both modes then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

**(3) Voting at AGM:** The Members who have not casted their vote either electronically or through Ballot Form, can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue.

**Other Instructions:**

- (i) The e-voting period commences on **Thursday, 22<sup>nd</sup> January, 2015 (9.00 a.m. IST)** and ends on **Saturday, 24<sup>th</sup> January, 2015 (6.00 p.m. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 12<sup>th</sup> December, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she / it shall not be allowed to change it subsequently.
  - (ii) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on 12<sup>th</sup> December, 2014.
  - (iii) Mr. P. N. Parikh of Messrs Parikh Parekh and Associates, Practicing Company Secretaries, (Membership No. FCS 327), has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
  - (iv) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
  - (v) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.siemens.co.in](http://www.siemens.co.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the 57<sup>th</sup> AGM of the Company on 30<sup>th</sup> January, 2015 and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.
- t) **Special Note:** Messrs. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W), retiring auditors have, vide their letter dated 21<sup>st</sup> November, 2014, expressed their unwillingness to be re-appointed as Statutory Auditors of the Company and it is proposed to appoint Messrs. S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E), as Statutory Auditors of the Company who have given their consent, vide their letter dated 24<sup>th</sup> November, 2014, to be appointed as Statutory Auditors and have confirmed that their appointment, if made, would be in compliance with the provisions of Sections 139 and 141 of the Act and Rules framed there under as applicable. Messrs S R B C & Co. LLP and Messrs S.R. Batliboi & Associates LLP, belongs to the same network of audit firms. The Board recommends their appointment as Statutory Auditors of the Company.



## STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013

### Item Nos. 5 to 10

As per the provisions of Section 149(4) of the Companies Act, 2013 (the "Act") and Clause 49 of Listing Agreement entered into with the Stock Exchanges ("Clause 49"), every listed company shall have at least 1/3<sup>rd</sup> of its total number of directors as independent directors and Section 149(6) of the Act and Clause 49 II B (1) of Listing Agreement, lays down the criteria for independence.

Mr. Deepak S. Parekh, Mr. Yezdi H. Malegam, Mr. Darius C. Shroff, Mr. Narendra J. Jhaveri, Mr. Keki B. Dadiseth and Mr. Pradip V. Nayak, Directors of the Company, have furnished declarations to the Company under Section 149(7) of the Act, confirming that they meet the criteria prescribed for independent directors under Section 149(6) of the Act as well as Clause 49.

In the opinion of the Board, these individuals are persons of integrity, possess the relevant expertise and experience, fulfill the conditions specified in the Act and the Rules framed there under and Clause 49 and are independent of the management of the Company.

In terms of Section 149(11) of the Act, an independent director can hold office for two terms of up to 5 consecutive years each on the board of the company. Whereas, explanation to Section 149(10) and (11) further provides that any tenure of an independent director before commencement of the Act shall not be reckoned while calculating maximum terms of office of Independent Directors under the Act.

Accordingly, it is proposed to appoint Mr. Deepak S. Parekh, Mr. Yezdi H. Malegam, Mr. Darius C. Shroff, Mr. Narendra J. Jhaveri, Mr. Keki B. Dadiseth and Mr. Pradip V. Nayak, as Independent Directors of the Company for a period of 5 (Five) consecutive years with effect from the date of this Annual General Meeting, as set out at Item Nos. 5 to 10 of this Notice. Notices, as required under Section 160 of the Act, have been received from certain Members proposing the candidature of the said Directors as Independent Directors of the Company.

Upon the approval of the Members of the Company on the said resolutions, the appointment shall be formalized by way of issuance of the letter of appointment by the Company to the said Independent Directors.

Brief profiles of the said Directors, in terms of Clause 49 of the Listing Agreement are provided at the end of this Notice.

The Board accordingly recommends the resolutions at Item Nos. 5 to 10 of this Notice for the approval of the Members.

None of the said Directors are related to any of the Director of the Company.

None of the Directors or Key Managerial Personnel of the Company other than those mentioned in the respective resolutions and their relatives are in any way concerned or interested, financially or otherwise, in the resolutions at Item Nos. 5 to 10 of this Notice.

### Item Nos. 11 to 14:

- (a) The Board of Directors appointed Mr. Christian Rummel (DIN: 01992982) as an Additional Director of the Company with effect from 1<sup>st</sup> February, 2014. Pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and Article 104 (b) of the Articles of Association of the Company, Mr. Rummel holds office of Director upto the date of this Annual General Meeting but is eligible for appointment as a Director. The Company has received a notice pursuant to the Section 160 of the Act, from a Member signifying her intention to propose the appointment of Mr. Rummel as a Director of the Company.

Mr. Rummel, 45, is a graduate in Business Management and has been working with Siemens for over 25 years and has held various senior level positions with the House of Siemens globally. Prior to assuming the current role at the Company, Mr. Rummel was the Senior Vice President & Chief Financial Officer (Molecular Imaging) of Siemens Medical Solutions USA, Inc.

Brief Profile of Mr. Rummel in terms of Clause 49 of the Listing Agreement, is provided at the end of this Notice.

The Board of Directors is confident that his vast knowledge and varied experience will be of great value to the Company and hence recommends the Resolution at Item No. 11 of this Notice for your approval.

- (b) The Board of Directors of the Company, at its meeting held on 30<sup>th</sup> January, 2014, appointed Mr. Rummel as Executive Director and Chief Financial Officer of the Company for a period of four years with effect from 1<sup>st</sup> February, 2014 pursuant to the provisions of the Companies Act, 1956 / the Act, as then applicable, subject to approval of Members of the Company and the Central Government under Section 269 of the Companies Act, 1956 and other applicable provisions, if any.

The Nomination and Remuneration Committee of Directors of the Company ("NRC") (then known as the Remuneration Committee), at its meeting held on 30<sup>th</sup> January, 2014, approved the terms and conditions including remuneration of Mr. Rummel as Executive Director and Chief Financial Officer of the Company.

An abstract of the terms and conditions of appointment including remuneration of Mr. Rummel, pursuant to then applicable Section 302 of the Companies Act, 1956 was circulated to the Members of the Company.

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- (c) At present, the salary package of Mr. Sunil Mathur, Managing Director and Chief Executive Officer is ₹ 21,46,859 per month. The salary package of Mr. Rummel from the date of his joining till 31<sup>st</sup> December, 2014 is ₹ 14,91,658 per month. Salary package includes Basic salary and other Allowances.
- (d) Further, in appreciation of the dedicated efforts and having regard to the increased responsibilities for further improving the performance of the Company in this competitive market and also the amount of remuneration being paid to managerial personnel occupying similar positions in the industry and with the objective of ensuring that whole-time directors are remunerated adequately, NRC at its Meeting held on 25<sup>th</sup> November, 2014, recommended the salary package of Mr. Mathur in the range of ₹ 20,00,000 per month to ₹ 40,00,000 per month and that of Mr. Rummel in the range of ₹ 15,00,000 per month to ₹ 30,00,000 per month, with effect from 1<sup>st</sup> January, 2015.
- (e) In addition to the above-mentioned salary packages, they shall also be entitled to Perquisites and Allowances like Rent-free semi-furnished accommodation / House Rent Allowance / Stay in a hotel; Domiciliary Medical Reimbursement, Hospitalisation Expenses, Leave; Leave Travel Concession; Home Leave; Club Fees; Long Service Award; Company maintained two cars with a single driver; Communication facility (Personal long distance calls will be borne by them), as per the Rules of the Company and such other perquisites and allowances as may be approved by the Board of Directors or NRC from time to time. Retirement benefits as per the laws applicable from time to time.
- The perquisites and allowances shall be valued as per the Income Tax Rules, wherever applicable. In the absence of any such Rules, they shall be evaluated at actual cost.
- (f) Other benefits to each of them include Children's Education Expenses, Holiday passage for children studying outside India / family staying abroad, Reimbursement of expenses incurred on joining duty and returning to home country after completion of tenure, Group Life Insurance Policy, participation in the equity based compensation programs of Siemens Aktiengesellschaft, Germany / Siemens Limited, as applicable from time to time, Siemens Global guidelines on currency loss protection (if applicable), as per the Rules of the Company and such other benefits as may be approved by the Board of Directors and / or NRC from time to time.
- (g) They shall also be entitled to remuneration by way of Performance Linked Incentive based on the specific goals mutually set and approved by the Board of Directors / NRC, from time to time.
- (h) They shall also be entitled to remuneration by way of Commission, as may be decided by the Board of Directors / NRC from time to time. The net profits shall be computed in the manner as set out under Section 198 of the Act and the Rules framed there under.
- (i) Severance fees shall be payable to each of them as per the Rules of the Company.
- (j) Notwithstanding anything hereinabove, where in any financial year during the currency of their tenure as Executive Director and Chief Financial Officer and Managing Director and Chief Executive Officer, as applicable, the Company has no profits or its profits are inadequate, the Company will pay the salary package as then applicable, Perquisites and Allowances, Benefits and Severance fees, as Minimum Remuneration to them.
- (k) No Sitting Fee shall be paid to them for attending the Meetings of the Board of Directors or any Committee thereof.

Pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Act read with Schedule V to the Act and the Rules made there under, the approval of Members is sought on the resolutions set out at Item Nos. 12 to 14 of the this Notice.

In accordance with the said resolutions, within the aforesaid limits, the amount of salary package, perquisites and allowances, benefits, performance linked incentive and commission payable to them (including the types and amount of each type of perquisites, benefits and other allowances) will be decided by the Board of Directors or NRC, at such time or times, as it may deem fit, in its sole and absolute discretion.

The Board of Directors recommends resolutions set out at Item Nos. 11 to 14 of this Notice for your approval.

Mr. Rummel and Mr. Mathur are not related to any of the Director of the Company.

None of the Directors, Key Managerial Personnel or their relatives except Mr. Christian Rummel and Mr. Sunil Mathur and their relatives, are interested, financially or otherwise, in the respective Resolutions set out at Item Nos. 11 to 14 of this Notice.

#### **Item No. 15**

The Members of the Company had at their 52<sup>nd</sup> Annual General Meeting held on 29<sup>th</sup> January, 2010 approved the payment of commission to the Directors of the Company (other than Managing Director, Executive Directors and Whole-time Directors) not exceeding in the aggregate 1% (One Percent) per annum of net profits of the Company to be computed in accordance with Section 198, 349 and 350 of the Companies Act, 1956, for each of the 5 (Five) financial years commencing from 1<sup>st</sup> October 2009.

Accordingly, the validity of the above mentioned resolution expired on 30<sup>th</sup> September, 2014.

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In terms of Section 197 of the Companies Act, 2013 ("the Act"), the approval of the Members is not required for the payment of commission to the non-executive directors up to 1% of the net profits of the Company.

However, as per the provisions of Clause 49 (II) (c) of the Listing Agreement entered into with the Stock Exchanges (as may be in force from time to time) relating to Non-executive Directors' compensation and disclosures, all fees / compensation, payable to non-executive directors requires prior approval of the Members by means of an ordinary resolution.

Under the Act, directors have been entrusted with new responsibilities. Keeping in view the enhanced role, responsibilities and duties of directors and in appreciation of their contribution and services they have rendered / will be rendering to the Company, it is proposed to seek fresh approval of the Members of the Company as required under the Listing Agreement by way of an Ordinary resolution for the payment of commission for all subsequent financial years commencing from 1<sup>st</sup> October, 2014 as set out at Item No. 15 of this Notice.

The Board of Directors recommends Item No. 15 of the Notice for your approval.

All non-executive Directors (except Mr. Joe Kaeser, Dr. Roland Busch, Mr. Johannes Apitzsch and Ms. Mariel von Drathen as they have opted not to accept any sitting fees or commission) and their relatives are deemed to be interested in the resolution set out at Item No. 15 of this Notice, to the extent of the remuneration that may be received by each of them.

None of the Whole-time Directors (i.e. Managing Director and Executive Director) or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the said resolution.

**Item No. 16:**

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Messrs. R. Nanabhoy & Co, Cost Accountants (Firm's Registration No. 7464), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 30<sup>th</sup> September, 2015.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 16 of the Notice for ratification of the remuneration amounting to ₹ 15,00,000/- per annum plus applicable service tax and out of pocket expenses payable to the Cost Auditors for the financial year ending on 30<sup>th</sup> September, 2015.

The Board accordingly recommends the resolution at Item No. 16 of this Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 16 of this Notice.

**Item No. 17:**

The Company is a flagship listed company of Siemens Aktiengesellschaft, Germany ("Siemens AG") in India. Siemens AG along with its subsidiary holds 75% equity stake in the Company.

Siemens AG is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for more than 165 years and is active in more than 200 countries, focusing on the areas of electrification, automation and digitalization. It's one of the world's largest producers of energy-efficient, resource-saving technologies, leader in offshore wind turbine construction, a leading supplier of combined cycle turbines for power generation, a major provider of power transmission solutions and a pioneer in infrastructure solutions as well as automation, drive and software solutions for industry as also a leading provider of medical imaging equipment – such as computed tomography and magnetic resonance imaging systems – and a leader in laboratory diagnostics as well as clinical IT.

The Company operates in the core business segments of Industry, Energy, Healthcare and Infrastructure and Cities through its business divisions viz. Power and Gas, Power Generation Services, Energy Management, Building Technologies, Mobility, Digital Factory, Process Industries and Drives and Healthcare. The Company has 23 manufacturing plants and a nation-wide sales and service network.

The Company being part of the Siemens conglomerate, has exclusive / sole rights to carry out the Group's business within territories like India, Bangladesh, Sri Lanka, Bhutan, Maldives, Nepal and Burma and accordingly, has access to Group's synergies, state of art products and technologies, competencies and "Siemens" brand name which are very critical and essential to carry out its business operations more efficiently in an increasingly globalised and competitive scenario.

Siemens AG is a Holding company of the Company and is a "Related Party" as per definition under Section 2(76) of the Companies Act, 2013 and Clause 49 of the Listing Agreement entered into with the stock exchanges ("Clause 49").

In terms of said provisions of Clause 49, based on past trend, the transactions as described hereunder are likely to exceed 10% of the annual turnover of the Company as per the last audited financial statements of the Company and may exceed the materiality threshold as prescribed under Clause 49. Thus, in terms of Clause 49, these transactions would require the approval of the Members by way of a Special Resolution.

The particulars of the contracts / arrangements / transactions are as under:

Particulars	Information
Name of Related Party	Siemens AG
Nature of relationship	Holding company of the Company
Name of Director(s) or Key Managerial Personnel who is related, if any	None except Mr. Joe Kaeser, Dr. Roland Busch, Mr. Johannes Apitzsch and Ms. Mariel von Drathen, being representatives of Siemens AG on the Board of the Company.
Nature and particulars of transactions with Siemens AG ("RPTs")	Sale of Goods; Services rendered; Commission received; Purchase of goods; Services received; Rent received; Interest Expense / Income; Recoveries; Purchase of equipments; Reimbursement of expenses; Bank Guarantee charges; Sale of equipments These transactions are in the ordinary course of business and are conducted on an arm's length basis.
Material terms of the contracts / arrangements / Transactions	Terms and Conditions for transaction in ordinary course of business and arm's length <ul style="list-style-type: none"> <li>▪ Delivery of Materials - Mainly FOB in a small percentage CIF</li> <li>▪ Payment terms - 30 days (after the end of the month) average 45 days</li> <li>▪ Indirect Taxes as applicable</li> <li>▪ Currency - Euro / USD</li> </ul>
Duration of these RPTs have been continued from the past	These transactions have been undertaken since inception of the Company from time to time depending on needs of business.
The value of each type of RPTs in last 2 years	This information forms part of the Notes to the Audited Financial Statements for FY 2014.
Estimated Monetary value of such RPTs	The Company adopts October to September as its financial year. Accordingly, the current financial year FY 2014-15 has just begun for the Company. Considering the business phenomenon being dynamic and given the fact that the Company is seeking the approval of the Members in midst of the current financial year, the Company expects the level of transactions with Siemens AG to be above the Materiality threshold as prescribed under Clause 49.
Whether the transactions have been approved by the Audit Committee	Yes. The proposed RPTs are in accordance with the Related Party Transactions Policy of the Company.
Any other information relevant or important for the Members to make a decision on the proposed transaction	None

The proposed RPTs are necessary, normal and incidental to business as also play a significant role in the Company's business operations and accordingly the Board recommends the Special Resolution set forth in Item No. 17 of the Notice for the approval of the Members in terms of Clause 49 VII (E) of the Listing Agreement.

None of the Directors or Key Managerial Personnel of the Company except Mr. Joe Kaeser, Dr. Roland Busch, Mr. Johannes Apitzsch and Ms. Mariel von Drathen (being representatives of Siemens AG on the Board of the Company) and their relatives are concerned or interested, financially or otherwise, in this Resolution.

By Order of the Board of Directors

For **Siemens Limited**



**Ketan Thaker**  
Company Secretary

**Registered Office:**  
130, Pandurang Budhkar Marg,  
Worli, Mumbai - 400 018  
CIN: L28920MH1957PLC010839

Mumbai  
Tuesday, 25<sup>th</sup> November, 2014

**Profile of the Directors being appointed / re-appointed as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges**

Particulars	Mr. Deepak S. Parekh	Mr. Yezdi Malegam	Mr. Darius Shroff
<b>Date of Birth</b>	18 <sup>th</sup> October, 1944	24 <sup>th</sup> September, 1933	8 <sup>th</sup> August, 1944
<b>Date of Appointment</b>	7 <sup>th</sup> November, 2003	1 <sup>st</sup> April, 1998	20 <sup>th</sup> February, 1997
<b>Qualification</b>	B.Com. Fellow Member of The Institute of Chartered Accountants of India as well as of England and Wales	B.Com. Fellow Member of The Institute of Chartered Accountants of India as well as of England and Wales	B.A (Hons), LL.B, Solicitor (Member of The Incorporated Law Society, Mumbai) & Advocate (High Court Bombay)
<b>Expertise in specific functional areas</b>	Strategic Business Management, Finance & Banking and Mergers & Acquisition	Accounting, Finance and Corporate & Securities Laws	Corporate and Commercial Laws; Labour and Industrial Laws
<b>Directorships held in other Public companies in India</b>	<ol style="list-style-type: none"> <li>Housing Development Finance Corporation Ltd.</li> <li>GlaxoSmithKline Pharmaceuticals Ltd.</li> <li>HDFC Asset Management Company Ltd.</li> <li>HDFC Ergo General Insurance Company Ltd.</li> <li>HDFC Standard Life Insurance Company Ltd.</li> <li>Mahindra &amp; Mahindra Ltd.</li> <li>The Indian Hotels Company Ltd.</li> <li>Network18 Media &amp; Investment Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>National Stock Exchange of India Ltd.</li> <li>Firstsource Solutions Ltd.</li> <li>Western India Plywoods Ltd.</li> <li>Clariant Chemicals (India) Ltd.</li> </ol>	<ol style="list-style-type: none"> <li>Ingersoll-Rand (India) Limited</li> <li>GMM Pfaudler Limited</li> <li>Kulkarni Power Tools Ltd.</li> <li>Unifrax India Limited</li> </ol>
<b>Membership of Committees held in other Public companies in India</b>	<u>Audit Committee</u> <ol style="list-style-type: none"> <li>The Indian Hotels Company Ltd. - Member</li> <li>GlaxoSmithKline Pharmaceuticals Ltd. - Member</li> <li>Mahindra &amp; Mahindra Ltd. - Chairman</li> </ol> <u>Investor Grievances Committee</u> <ol style="list-style-type: none"> <li>GlaxoSmithKline Pharmaceuticals Ltd. - Chairman</li> </ol>	<u>Audit Committee</u> <ol style="list-style-type: none"> <li>National Stock Exchange of India Ltd. - Chairman</li> <li>Firstsource Solutions Ltd. - Chairman</li> <li>Clariant Chemicals (India) Ltd. - Member</li> <li>Western India Plywoods Ltd. - Member</li> </ol>	<u>Audit Committee</u> <ol style="list-style-type: none"> <li>Ingersoll-Rand (India) Limited - Member</li> <li>GMM Pfaudler Limited - Member</li> </ol> <u>Investor Grievances Committee</u> <ol style="list-style-type: none"> <li>Ingersoll-Rand (India) Limited - Chairman</li> <li>GMM Pfaudler Limited - Member</li> </ol> <u>Nomination and Remuneration Committee</u> <ol style="list-style-type: none"> <li>Ingersoll-Rand (India) Limited - Member</li> <li>GMM Pfaudler Limited - Member</li> </ol> <u>Risk Management Committee</u> <ol style="list-style-type: none"> <li>Ingersoll-Rand (India) Limited - Member</li> </ol>
<b>No. of Equity shares held in the Company</b>	9,000	8,000	9,000

Particulars	Mr. Narendra Jhaveri	Mr. Keki B. Dadisetth	Mr. Pradip V. Nayak
Date of Birth	9 <sup>th</sup> August, 1935	20 <sup>th</sup> December, 1945	6 <sup>th</sup> September, 1943
Date of Appointment	9 <sup>th</sup> November, 2000	27 <sup>th</sup> January, 2006	27 <sup>th</sup> January, 2006
Qualification	Masters Degree in Economics from Gujarat University M.Sc. in Economics from The London School of Economics	B.Com. Fellow Member of The Institute of Chartered Accountants - England and Wales	A degree in Economics and Politics from the University of York, England. He also read Law at Gray's Inn, London
Expertise in specific functional areas	Economics and Corporate Finance	Finance, Business Management and Mergers & Acquisitions	Human Resource and Corporate Communications
Directorships held in other Public companies in India	1) Afcons Infrastructure Limited 2) Pidilite Industries Limited 3) Hindalco Industries Limited 4) Edelweiss Financial Services Limited 5) Edelweiss Securities Limited 6) Cadila Pharmaceuticals Limited	1. Britannia Industries Ltd. 2. ICICI Prudential Life Insurance Co. Ltd. 3. Piramal Enterprise Limited 4. ICICI Prudential Trust Limited 5. The Indian Hotels Company Ltd. 6. Godrej Properties Ltd. 7. JM Financial Limited 8. JM Financial Services Ltd. 9. PIEM Hotels Ltd.	1. GlaxoSmithKline Pharmaceuticals Ltd.
Membership of Committees held in other Public companies in India	<u>Audit Committee</u> 1. Afcons Infrastructure Limited - Chairman 2. Pidilite Industries Limited - Member 3. Hindalco Industries Limited - Member 4. Edelweiss Financial Services Limited - Chairman 5. Cadila Pharmaceuticals Limited - Chairman	<u>Audit Committee</u> 1. Britannia Industries Ltd. - Member 2. Godrej Properties Ltd. - Chairman 3. ICICI Prudential Life Insurance Co. Ltd. - Chairman 4. Piramal Enterprise Ltd. - Member 5. The Indian Hotels Company Ltd. - Chairman 6. JM Financial Services Ltd. - Member 7. PIEM Hotels Ltd. - Member <u>Corporate Social Responsibility Committee</u> 1. Britannia Industries Ltd. - Member 2. JM Financial Services Ltd. - Member 3. JM Financial Ltd. - Member <u>Nomination &amp; Remuneration Committee</u> 1. Britannia Industries Ltd. - Chairman 2. Godrej Properties Ltd. - Member 3. Piramal Enterprise Ltd. - Member 4. The Indian Hotels Company Ltd. - Chairman 5. JM Financial Services Ltd. - Member <u>Stakeholders Relationship Committee</u> 1. The Indian Hotels Company Ltd. - Member	<u>Audit Committee</u> 1. GlaxoSmithKline Pharmaceuticals Ltd. - Member <u>Remuneration Committee</u> 1. GlaxoSmithKline Pharmaceuticals Ltd. - Member
No. of Equity shares held in the Company	5,000	Nil	Nil

Particulars	Mr. Joe Kaeser	Mr. Christian Rummel
Date of Birth	23 <sup>rd</sup> June, 1957	17 <sup>th</sup> April, 1969
Date of Appointment	1 <sup>st</sup> October, 2006	1 <sup>st</sup> February, 2014
Qualification	Studied Business Administration Dipl. - Betriebswirt	Graduate in Business Management
Expertise in specific functional areas	Corporate Finance and Business Management	Corporate Finance & Business Administration
Directorships held in other Public companies in India	Nil	Nil
Membership of Committees held in other Public companies in India	N.A.	N.A.
No. of Equity shares held in the Company	Nil	Nil

# Directors' Report

Dear Members,

The Directors have pleasure in presenting the 57<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 30<sup>th</sup> September, 2014.

The Ministry of Corporate Affairs vide Circular No. 08/2014 dated 4<sup>th</sup> April, 2014 clarified that the financial statements and the documents required to be attached thereto, the auditor's and directors' report in respect of the financial year under reference shall continue to be governed by the relevant provisions of the Companies Act, 1956, schedules and rules made there under.

The Company has accordingly prepared Balance Sheet, Statement of Profit and Loss, the schedules and notes thereto and the Directors' Report in accordance with the relevant provisions of the Companies Act, 1956, schedules and rules made there under.

## 1. Financial Performance

₹ in Million

	2013-14	2012-13
Turnover	1,06,626	1,13,526
Less: Expenses	1,02,974	1,11,822
Profit from operations before other income and finance costs	3,652	1,705
Add: Other income	1039	345
Less: Finance costs	82	189
Profit before exceptional items and tax	4,609	1,861
Add: Exceptional items	3,827	325
Profit before tax	8,436	2,186
Less: Tax	2,404	246
Profit for the year	6,032	1,940
Balance in the Statement of Profit and Loss brought forward	5,906	6,110
Addition in the Statement of Profit and Loss due to the amalgamation of companies	-	134
Amount available for appropriation	11,938	8,184
Appropriations:		
Transfer to general reserve	-	194
Proposed dividend	2,137	1,781
Tax on proposed dividend	427	303
Balance in the Statement of Profit and Loss carried forward	9,374	5,906

## 2. Operations

The Turnover of the Company decreased by approximately 6% and stood at ₹ 106,626 million as compared to ₹ 113,526 million in the previous year. The Company's Profit from Operations for the year ended 30<sup>th</sup> September, 2014 was ₹ 3,652 million as compared to ₹ 1,705 million in the corresponding period of the previous year.

The Profit after Tax was ₹ 6,032 million, compared to ₹ 1,940 million during 2012-13.

In line with Siemens Global strategic re-alignment, the Company's businesses have with effect from 1<sup>st</sup> October, 2014 been classified into eight new 'Divisions' namely Power and Gas, Power Generation Services, Energy Management, Building Technologies, Mobility, Process Industries & Drives, Digital Factory and Healthcare.

## 3. Dividend

The Board of Directors recommends a dividend of ₹ 6 per Equity Share of ₹ 2 each. This dividend is subject to the approval of the Members at the forthcoming Annual General Meeting. In the previous year, the Company paid a dividend of ₹ 5 per Equity Share of ₹ 2 each.

## 4. Divestment

### Sale and transfer of Metals Technologies business of the Company

The Company's parent company, Siemens Aktiengesellschaft, Germany ("SAG") has: (a) entered into an agreement with Mitsubishi-Hitachi Metals Machinery, Inc. ("MHMM") and Mitsubishi Heavy Industries ("MHI") for setting up a Joint Venture ("JV Co.") to operate in the business of metallurgical industry as a complete provider of plant, products and services for the iron, steel and aluminum industry ("MT Business"); and (b) pursuant to the aforementioned agreement the parties to such Agreement have agreed to transfer their existing MT Businesses including the MT Business of the Siemens group worldwide (including the MT Business of Siemens Limited) to the JV Co. According to the agreement, MHMM will hold a 51% and SAG a 49% stake in the JV Co.

The Board of Directors of the Company at its meeting held on 3<sup>rd</sup> June, 2014 approved in principle the sale and transfer of the Metals Technologies business of the Company to a designated entity subject to such terms and conditions as may be decided later on.

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The Company accordingly vide its notice dated 8<sup>th</sup> November, 2014 has proposed the sale and transfer of its Metals Technologies business to a subsidiary (which is being incorporated) of Siemens VAI Metals Technologies GmbH, Germany, with effect from the close of business hours on 31<sup>st</sup> December, 2014 for a consideration of ₹ 10,232.7 million. The voting upon the said resolution is currently underway and shall end on 12<sup>th</sup> December, 2014 and thereafter the results would be announced.

#### **5. Subsidiary company**

The Board of Directors at its meeting held on 30<sup>th</sup> January, 2014 approved, subject to the necessary approvals, the acquisition of 100% equity shares of Siemens Rail Automation Pvt. Ltd. (SRAPL) from Siemens International Holding BV, Netherlands (99.99%) and Siemens AG (0.01%) for a consideration of ₹ 550 million. SRAPL is engaged in the business of manufacture, supply, design, installation and commissioning of Railway Signaling equipments consisting of trackside and on board equipment.

Post acquisition, SRAPL became a wholly owned subsidiary of the Company with effect from 1<sup>st</sup> October, 2014.

#### **6. Foreign Exchange Earnings and Expenditure**

Details of foreign exchange earnings and expenditure have been given under the Notes to the Accounts.

#### **7. Conservation of Energy and Technology Absorption**

Information in terms of Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is given as **Annexure I** to this Report.

#### **8. Corporate Governance**

A detailed review of the operations, performance and future outlook of the Company and its businesses is given in the Management's Discussion and Analysis, which forms part of this Report as **Annexure II**.

Your Company observes high standards of corporate governance in all areas of its functioning with strong emphasis on transparency, integrity and accountability. As required by Clause 49 VI of the Listing Agreement, a detailed report on Corporate Governance alongwith the Auditor's Certificate thereon forms part of this Report as **Annexure III**.

General Shareholder Information forms part of this Report as **Annexure IV**.

#### **9. Business Responsibility Report**

Pursuant to Clause 55 of the Listing agreement entered into with the Stock Exchanges, your Company is required to include as part of the Annual Report, Business Responsibility Report (BRR) which provides a suggested framework of a BRR, describing initiatives taken by the company from an environmental, social and governance perspective.

As a Green Initiative, the full BRR for the year 2014 has been hosted on the Company's website, which can be accessed at [http://www.siemens.co.in/en/index/investor/annual\\_report.htm](http://www.siemens.co.in/en/index/investor/annual_report.htm) and [http://www.siemens.co.in/en/about\\_us/index/sustainability.htm](http://www.siemens.co.in/en/about_us/index/sustainability.htm)

Any Member interested in obtaining a copy of BRR may write to the Company Secretary of the Company.

#### **10. Employees**

Your Directors place on record their deep appreciation of the contribution made by the employees of the Company at all levels.

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended, forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, this Report and Financial Statement are being sent to all the Members of the Company, excluding the Statement of Particulars of Employees. Any Member interested in obtaining a copy of the said Statement may write to the Company Secretary of the Company.

#### **11. Directors' Responsibility Statement**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
- b. appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30<sup>th</sup> September, 2014 and of the profit of the Company for the year ended on that date;
- c. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. the annual accounts have been prepared on a going concern basis.



## 12. Directors

Mr. Christian Rummel has been appointed as an Additional Director as well as Executive Director and Chief Financial Officer of the Company with effect from 1<sup>st</sup> February, 2014. The terms and conditions of his appointment, including his remuneration, are subject to the approval of Members and Central Government. As per provisions of Section 161 of the Companies Act, 2013 and Article 104(b) of the Articles of Association of the Company, Mr. Rummel holds office upto the date of the forthcoming 57<sup>th</sup> Annual General Meeting and is eligible for appointment. Notice under Section 160 of the Companies Act, 2013 has been received from a member signifying her intention to propose the appointment of Mr. Rummel as Director of the Company.

At the ensuing Annual General Meeting, Mr. Joe Kaeser, Mr. Yezdi Malegam and Mr. Darius Shroff retire by rotation and being eligible, offer themselves for re-appointment.

Pursuant to Companies Act, 2013 and Clause 49 of the Listing Agreement, Mr. Deepak S. Parekh, Mr. Yezdi Malegam, Mr. Darius Shroff, Mr. Narendra Jhaveri, Mr. Keki Dadiseth and Mr. Pradip Nayak are proposed to be appointed as Independent Directors for a period of 5 years from the date of the Annual General Meeting i.e. 30<sup>th</sup> January, 2015 and shall not be liable to retire by rotation.

The above appointments and re-appointments form part of the Notice of the 57<sup>th</sup> Annual General Meeting and the respective Resolutions are recommended for your approval.

Profiles of these Directors, as required under Clause 49 of the Listing Agreement, are given in the Notice of the 57<sup>th</sup> Annual General Meeting.

## 13. Auditors

The present Auditors of the Company, Messrs S.R. Batliboi & Associates LLP, Chartered Accountants, have expressed their unwillingness to be re-appointed as Auditors of the Company upon their retirement at the forthcoming Annual General Meeting. The Board of Directors, on recommendation of the Audit Committee, recommends the appointment of Messrs S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E), as the Statutory Auditors of the Company from the conclusion of 57<sup>th</sup> Annual General Meeting (subject to ratification by the Members every year in the Annual General Meeting) until the conclusion of 61<sup>st</sup> Annual General Meeting of the Company. A certificate from them has been received to the effect that their appointment as Statutory Auditors of the Company, if made, would be according to the terms and conditions prescribed under Sections 139 and 141 of the Companies Act, 2013 and rules framed thereunder. Messrs S R B C & Co. LLP and Messrs S. R. Batliboi & Associates LLP belong to the same network of audit firms.

## 14. Fixed deposits

Your Company has not accepted any fixed deposits and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

## 15. Cost Auditors

The Board of Directors, on recommendation of the Audit Committee, has appointed Messrs R. Nanabhoy & Co., Cost Accountants, as Cost Auditors of the Company, for the Financial Year 2014-15, for conducting the audit of the cost records maintained by the Company for the various products as mandated by the Central Government, pursuant to its order dated 30<sup>th</sup> June, 2014 and any amendments thereof, subject to the approval of the Members on the remuneration to be paid to the Cost Auditor. A certificate from them has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under of Section 141 of the Companies Act, 2013 and rules framed thereunder. The Company had filed the Cost Audit Report for FY 2012-13 on 6<sup>th</sup> March, 2014, which is within the time limit prescribed under the Companies (Cost Audit Report) Rules, 2011.

## 16. Acknowledgements

The Board of Directors take this opportunity to thank Siemens AG - the parent company, customers, members, suppliers, bankers, business partners / associates and Central and State Governments for their consistent support and co-operation to the Company.

On behalf of the Board of Directors

For **Siemens Ltd.**



**Deepak S. Parekh**  
Chairman

Mumbai  
Tuesday, 25<sup>th</sup> November, 2014

## Annexure I to the Directors' Report

# Conservation of Energy, etc. u/s 217(1)(e)

Additional Information in terms of Section 217(1)(e) of the Companies Act, 1956, dealing with Conservation of Energy, Research & Development and Technology Absorption & Innovation.

### A. Conservation of Energy

#### 1. Measures taken:

- Installation of Energy efficient appliances.
- Maintaining Power factor (PF) up to 0.997 (unity).
- Recharge 2 nos. wells for rain water conservation to increase water table.
- Reduction in water consumption.
- Replacement of fluorescent tube lights with LED lights.
- Tree Plantation ~1200 nos.
- Commissioning of energy efficient servo drive injection molding machine.
- Provision of Automatic PF controller to keep PF near unity.
- Hot press chiller, shifting of main machine control panel, Switch off AHU unit at Break hours, reduction in number of chillers required in VPI and switching on Cooling water Pump only while Vacuum pump is running.

#### 2. Additional investments and proposals, if any being implemented for reduction of consumption of energy:

- Conduct energy audit and implement measures based on feasibility.
- Replacement of other AHU motors with energy efficient motors.
- Replacement of curing oven (135KW) and Fan heating oven (21KW).

#### 3. Impact of Measures undertaken:

- Optimization of energy consumption.
- Savings in energy and fuel cost.
- Environment Protection.
- Received PF incentive from MSEB.

### B. Research and Development (R&D)

#### 1. Specific areas in which R&D was carried out:

- Realization of new improved capacitor duty contactor type 3TS (up to 50Kvar) incorporating Patented design.
- Development of electronic modules including embedded software for Auxiliary Converters.
- Development of IE2 and IE3 energy efficient motors as per global platform.
- Development of Double Fed Induction Generators for Indian market.
- Development of 690V Medium Voltage design motors.
- Development of Marine Duty Motors for Indian market.
- Design up-gradation of products for CB & DS.

#### 2. Benefits derived as a result of the above R&D:

- Cost effective product.
- Enhancement of local product development competency.
- Energy efficient products.
- Improved value proposition of products in line with market requirements.
- Opportunity to tap new market and also maintain market share for this product.
- Entrance in new market segment in India to supply high quality & reliable marine motors.
- Serve Windmill generation market.
- Improved quality.
- Enhancement of product portfolio.
- Reduced time to market the product.
- In-house competency for higher capacity motors.
- Enhancement of safety features of the product while fully complying with the latest standards.
- Supply of high efficiency sustainable motors with optimized designs meeting with additional industrial application like Roller-table and tunnel exhaust motors, etc.

## Conservation of Energy, etc. u/s 217(1)(e)

**3. Future Plan of action:**

- Development and localization of global platform products aimed at providing advantages and features presently available in European designs.
- Introduction of Advanced CAE tools.

**4. Expenditure on R&D:**

- Capital Expenditure: 86 million.
- Revenue Expenditure: 43 million.
- Total Expenditure: 129 million.
- Total R&D expenditure as percentage of total turnover: 0.12%.

**C. Technology Absorption & Innovation**

**1. Efforts undertaken:**

- Total 3 Design Patents were applied this year.
- Introduction of  $\mu$ -scan equipment for confirming surface properties of magnets, an accurate method to validate grinding process and planarity.
- Introduction of laser based measurement for dynamic measurements of parameters during routine testing of capacitor duty contactors.
- Application of vacuum for the moulds during moulding process for quality improvement.
- Establishment of Medium voltage strip winding technologies for voltage rating 1.1 kV to 13 kV.
- Establishment of die casting technologies for rotors with aluminum weight up to 75 kg.
- Establishment of aluminum die cast rotors technology with ventilated cooling holes.
- Advanced motor test center for testing of Motors & Generators for rating up to 3MW.
- Lean manufacturing process across manufacturing & office processes.

**2. Benefits derived from the above:**

- Reliability of operation, increase in speed and consistent quality enabling localization with global standard.
- Reduced dependence on imported technology.
- Environment friendly process, reduction in hazardous waste.
- Reduction of cost in product thus improving product competitiveness.
- Cost optimization and improved delivery lead times.
- Better output to weight ratio.
- Lean manufacturing adoption has transformed manufacturing landscape. SFM practice at Motors factory was adjudged as best practice in Siemens world.
- Reliable and consistent readings during testing of capacitor duty contactors.
- Improved quality of plastic components due to complete corner filling, better surface finish, control on flow lines.

**3. Imported Technology:**

Technology Imported	Year of Import	Has the technology has been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action
Complete $\mu$ -scan equipment	2012	Yes	Not Applicable

On behalf of the Board of Directors

For **Siemens Ltd.**



**Deepak S. Parekh**  
Chairman

Mumbai

Tuesday, 25<sup>th</sup> November, 2014

# Annexure II to the Directors' Report

## Management's Discussion & Analysis

### General performance review

Over the financial year 2014, India's macro-economic scenario remained stagnant. According to the Centre for Monitoring Indian Economy, the growth rate of the nation's Gross Domestic Product (GDP) was at around 5.03 per cent in 2014 (October 2013 to September 2014) compared to the growth rate of around 4.65 per cent in 2013 (October 2012 to September 2013).

Factors contributing to the low rate of growth in previous years continued in the financial year 2013-14 as well. While interest rates in general remained high resulting in subdued demand and investments, delayed decision-making due to the uncertain political and economic conditions further stalled major infrastructure and power projects.

With the National Elections having resulted in a resounding majority to a single political party in May 2014, public sentiment has since substantially improved and there is considerable hope that the new Government will start creating an environment conducive to investment. Initial steps taken by the Government have been positive, however it will take some time before projects put on hold in the past will be cleared and will start contributing to the economy. It will also take some time before interest rates are reduced and fresh capacities are set up.

Nevertheless, the Management of Siemens Ltd. is optimistic that once these reforms start concretising into action on the ground, the opportunities for Siemens in the areas of Energy Generation, Transmission & Distribution, Smart Cities, Mobility Solutions and Factory Automation under the "Make in India" initiative should increase substantially.

Overall though, currently, the macro-economic situation is still challenging and concrete policy measures are yet to impact business. Siemens Ltd.'s results during financial year 2013-14 were also affected due to these factors. New Orders were down by 6% at ₹ 103,238 million in financial year 2013-14, compared with ₹ 109,573 million in financial year 2012-13. Sales (excluding Other Operating Revenues) were down by 6% to ₹ 104,483 million, compared with ₹ 111,452 million in financial year 2012-13, while Profit after Tax (PAT) was up by 211% at ₹ 6,032 million compared with ₹ 1,940 million in financial year 2012-13. This was largely due to exceptional items of ₹ 3,827 million in financial year 2013-14 as against ₹ 325 million in financial year 2012-13.

### Energy Sector

The Energy Sector continued to face issues related to land acquisition, power tariffs and fuel linkages. During the financial year 2013-14, the market for power equipment was characterized by sharply reduced demand, overcapacities and consequently lower prices. While customers delayed capital expenditure in ongoing projects, new orders in power generation, transmission and distribution were slow.

For financial year 2013-14, the New Orders were up by 19% to ₹ 37,159 million primarily in the Energy Transmission segment. Sales (excluding Other Operating Revenues) fell by 17% to ₹ 32,832 million due to reduced Order

Backlog, while Profit from Operations was ₹ 1,186 million showing an improvement over the previous year figure of ₹ 465 million.

### Outlook

With the commitment expressed by the new Government at the Centre, it is expected that a number of issues which were delaying projects in the past would get addressed. Recent announcements by the government in this regard are a positive sign for the Power sector, and this is expected to drive further investments in Power Generation, Transmission and Distribution. The Energy Sector has been gearing up to meet this challenging market situation by focusing on improving the cost position and strengthening the Sector's competitive edge.

### Healthcare Sector

The market for healthcare equipment and services witnessed a healthy pace of growth in the financial year 2013-14. The growth was largely due to Private expansion into Tier II/III cities including Corporates through their Green field projects and Brown field acquisitions. An additional factor influencing growth was the push for Public-Private Partnership projects through State Governments. The foreign exchange rate also remained relatively stable during the financial year.

Among the highlights of the financial year 2013-14, the Healthcare Sector won the Imaging Company of the Year Award at the 2014 Frost & Sullivan India Healthcare Awards. The Sector installed the India's longest lab automation track at Thyrocare, Mumbai.

In spite of the challenging macro-economic conditions, for financial year 2013-14, the New Orders were up by 17% to ₹ 14,467 million, Sales (excluding Other Operating Revenues) grew by 28% to ₹ 14,295 million, while Profit from Operations was ₹ 428 million compared to ₹ 311 million in the previous year.

### Outlook

With the pace of economic growth expected to be back on track, healthcare investments too are expected to increase across the government, corporate and retail segments. Growth is projected to continue in Tier II and Tier III cities.

### Industry Sector

In financial year 2013-14, the Industry Sector witnessed delays in finalization and implementation of projects mainly due to liquidity issues and higher interest rates, which further increased the cost of capital. Demand from Original Equipment Manufacturers (OEMs), a critical sales channel for the Industry Sector, remained low due to high inventory levels with OEMs at the beginning of the financial year. While segments such as Food & Beverage, Pharmaceuticals and Chemicals showed signs of recovery in business, Mining, Power and Steel remained dormant due to restrictions in mining of coal and iron ore as well as rising debts. Projects in the Automotive industry were kept on hold due to sluggish vehicle sales.

During the financial year 2013-14, the 1LA2 series of Low Voltage IE3 induction motors produced by the Industry Sector won the Super-Efficient Equipment Appliance Deployment

# Annexure II to the Directors' Report

## Management's Discussion & Analysis

(SEAD) Global Efficiency Medal. The SEAD initiative is an international collaboration of 16 countries and an initiative encourages the transition to a clean energy economy across the world.

As part of its continuous initiative to enhance the technical skills of the industry's work force, the Sector signed Memoranda of Understanding with Rashtriya Ispat Nigam Ltd. and Government Tool Room & Training Centre. It also launched a first-of-its-kind Technology & Application Center (TAC). This center allows machine tool manufacturers and users to get a hands-on experience of the latest CNC technologies and solutions from Siemens and its partners.

For financial year 2013-14, the New Orders were down by 13% to ₹ 29,972 million, Sales (excluding Other Operating Revenues) fell by 4% to ₹ 35,772 million, while Profit from Operations was at ₹ 1,053 million compared to ₹ 239 million in the previous year.

### Outlook

Overall, the business sentiment showed moderate improvement in the second half of the financial year 2013-14 but announcements of major new projects are yet to materialise. The outlook is expected to improve once the new Government takes concrete measures to resolve the coal and iron ore mining issue as well as stalled investments in the Power, Steel and Mining segments. The Government's 'Make in India' program aimed at facilitating investment, foster innovation, enhance skill development, protect intellectual property and build best-in-class manufacturing infrastructure is expected to generate new opportunities. Initiatives taken by various industry verticals for modernising their manufacturing systems may contribute to increase in demand for solutions that improve productivity and efficiency while saving energy consumption. The Industry Sector will continue to tap new opportunities in the product business as well as value-added services such as plant maintenance.

### Infrastructure & Cities Sector

The Infrastructure & Cities Sector had a challenging year with factors such as high interest rates, protracted weakness in industrial activity, slowdown in the Services sector and liquidity issues impeding growth. Financial year 2013-14 saw delays in implementation of new projects in the Government-funded infrastructure segment and lower investments in the Real Estate segment. Large infrastructure orders were kept on hold.

Among the highlights of the financial year 2013-14, the Siemens-powered Rapid Metro Rail Gurgaon, for which the Infrastructure & Cities Sector delivered the core rail systems, began its passenger operations. For financial year 2013-14, the New Orders were down by 32% to ₹ 21,404 million, Sales (excluding Other Operating Revenues) down by 9% to ₹ 21,583 million, while Profit from Operations was ₹ 1,090 million compared to ₹ 526 million in the previous year.

### Outlook

The gap between demand and supply of urban infrastructure is widening due to the growing population and urbanization.

This is projected to be key driver of growth of Infrastructure solutions such as Transportation, Mobility and Building Technologies. The Government has announced relaxation of Foreign Direct Investment norms in the construction sector by lowering the minimum project size requirement. This is expected to ease access to funds for smaller projects. The Government's announcements regarding development of Smart Cities across India has emerged as an opportunity for the technology solutions under the Infrastructure & Cities Sector.

### Compliance

During the financial year 2013-14, Siemens Ltd. continued its focus on compliance in all areas of its business by rationalising and strengthening controls to ensure the adherence to compliance.

As part of the Integrity Dialogue 2014 rolled out across the Company, over 500 employees were trained on various aspects of compliance.

The Company sustained its Collective Action programme in financial year 2013-14. Representatives of the Company's Compliance team presented on topics such as transparency and accountability in corporate reporting, trends in enforcement and working in a conducive business environment at various conferences. These conferences were organized by organizations such as EY (Ernst & Young) and Transparency International.

IofC (Initiatives of Change) inaugurated the Caux Initiative of Business, Mumbai Chapter. Senior managers from the Company facilitated the Initiative, and shared experiences of ethical behavior with the participants.

As part of Siemens Integrity Initiative, Siemens India sponsored the anti-corruption consultation event, organized by UNODC (United Nations office on Drugs and Crime) in collaboration with KPMG and the Confederation of Indian Industry (CII). The Compliance Officer of the Company was a panelist along with the Chief Vigilance Commissioner and senior representatives from the Government and Private sectors.

The Company also participated in the conference on "Alliance for Integrity" organized by FICCI - GIZ in Delhi. (Details on compliance activities are included in the Business Responsibility Report available on [www.siemens.co.in](http://www.siemens.co.in)).

### Safety and environment

Safety is of utmost priority at Siemens Ltd. Safety management at our project sites and at our client premises is a significant challenge owing to various complexities such as client priorities, contractor capabilities, floating contractual workforce, language and cultural barriers. We have addressed these challenges by adopting the 'Zero Harm Culture' that define our overall objective. All permanent employees, temporary staff and contractors of the Company directly involved in manufacturing and project management were provided with safety awareness and trainings through various initiatives.

During the year, the Company continued its focus on integrating EHS aspects within respective business functions,

developing behavioral and technical competency through effective training, ensuring effective risk control systems at all times through active monitoring and continuous improvements and Senior Management involvement through sustained engagements. Various communication initiatives were introduced for further improving safety in various locations and project sites. The Company delivered nearly 4,600 person-hours of training to its employees. (Details on EHS activities are included in the Business Responsibility Report available on [www.siemens.co.in](http://www.siemens.co.in)).

### Internal Control Systems

The Company has a robust internal control framework that ensures the integrity of financial reporting and adherence to guidelines defined for Siemens Ltd. in a systematic manner. In financial year 2013-14, the Internal Control process was further improved through various measures. The Company simplified the assessment process, and further enhanced knowledge of various stakeholders on topics such as control performance and internal controls. It also conducted knowledge sessions for Independent Assessors and increased its focus on sustainable remediation of control weaknesses identified through the assessment process.

Siemens Ltd. has outsourced the internal audit function to Controlling & Finance - Audit, the Global Audit Department of Siemens AG. The Internal Audit team develops a flexible risk based audit plan for the Company, which includes a mix of financial, operational, compliance and IT topics. The audit coverage includes corporate, core business operations, as well as support function activities. The annual internal audit plan is approved by the Company's Audit Committee. The key audit results and recommended management actions are presented to the Audit Committee on a quarterly basis.

### Human Resources Initiatives

The Company considers its committed and talented workforce as one of its most critical assets. In line with its business imperatives, the Company continued its focus on attracting and selecting the best talent. To strengthen the workforce, a total of 119 Graduate Engineer Trainees were recruited through campus recruitment during the year.

To achieve its objective of attracting, retaining and developing its committed workforce, the Company sustained its various growth and development initiatives for entry-level and mid-level managers. Compensation and benefits packages have always been pivotal to retaining and motivating employees. To remain competitive in compensation and rewards offered, continual efforts were made to make compensation and benefits flexible, tax-friendly and market-linked.

As of 30<sup>th</sup> September, 2014, the Company's employee strength was 10,933 as compared to 11,469 as of 30<sup>th</sup> September, 2013. During the financial year 2013-14, the Company continued to implement measures to optimize capacity and resource utilization across locations to counter the lack of market demand.

The Company also continues to have a cordial relationship with its Unions.

### Outlook

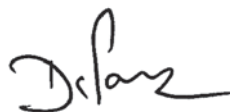
During the financial year 2013-14, the Company has aligned its structure to Siemens' Global Vision 2020 strategy. As of 1<sup>st</sup> October, 2014, the Company has eliminated Sectors and has bundled business into eight Divisions: Power and Gas, Power Generation Services, Energy Management, Mobility, Building Technologies, Digital Factory, Process Industries & Drives, and Healthcare. The new organization with a flatter structure is aimed at increasing proximity to customers.

Overall, the macro-economic situation is still challenging and concrete policy measures announced during the financial year 2013-14 will take time to reflect in business. The Company has taken measures to increase its competitiveness and strengthen its capabilities. With 23 factories manufacturing products such as Steam Turbines, Switchgear, Remote Monitoring Systems (RMS), Motors and Generators, Relays and Smart Grid Systems, Transformers, Railway Bogies and X-ray Machines, the Company has proven its capability to 'Make in India'.

On the basis of these strengths, the Company expects profitable and sustainable growth in the future. It is however important that financial and regulatory reforms continue to take effect. Concrete measures must be taken to facilitate the completion of large infrastructure projects that have been stalled, while encouraging new projects.

Note: This report contains forward-looking statements based on beliefs of Siemens' management. The words "anticipate," "believe," "estimate," "forecast," "expect," "intend," "plan," "should," and "project" are used to identify forward-looking statements. Such statements reflect the company's current views with respect to future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different, including, among other things, changes in general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products, lack of acceptance of new products or services, and changes in business strategy. Actual results may vary materially from those projected here. Siemens does not intend to assume any obligation to update these forward-looking statements.

On behalf of the Board of Directors  
For **Siemens Ltd.**



**Deepak S. Parekh**  
Chairman

Mumbai  
Tuesday, 25<sup>th</sup> November, 2014

# Annexure III to the Directors' Report

## Corporate Governance Report

(As per Clause 49 of the Listing Agreement entered into with the Stock Exchanges, applicable as on 30<sup>th</sup> September, 2014)

### I. Company's Philosophy on Corporate Governance

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings, to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximising value for all its stakeholders.

### II. Board of Directors (Board)

#### a. Composition

The Board currently comprises of 12 experts drawn from diverse fields / professions. The Board has an optimum combination of Executive and Non-executive Directors, which is in conformity with the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges (Listing Agreement) in this regard. The Chairman of the Board is a Non-executive and Independent Director. All Directors, except the Managing Director, Special Director and Independent Directors after their appointment at 57<sup>th</sup> Annual General Meeting, are liable to retire by rotation.

The Company has 10 Non-executive Directors out of which 6 are Independent Directors. There are two Directors in whole-time employment of the Company, one being the Managing Director and other as an Executive Director.

The necessary disclosures regarding Committee positions have been made by all the Directors. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all companies in which they are Directors.

There is no relationship between the Directors inter-se.

The Composition of the Board, Directorship / Committee positions in other companies as on 30<sup>th</sup> September, 2014, number of meetings held and attended during the Financial Year (FY) are as follows:

	Name	Category <sup>(1)</sup>	Board Meetings during the FY 2013-14		Attendance at last AGM held on 30.01.2014	Other Directorships in India <sup>(2)</sup>	Committee positions in India <sup>(3)</sup>	
			Held	Attended			Member	Chairman
1	Mr. Deepak S. Parekh (Chairman)	NED (I)	8	7	Yes	8	2	2
2	Mr. Darius C. Shroff	NED (I)	8	7	Yes	10	3	1
3	Mr. Yezdi H. Malegam	NED (I)	8	8	Yes	5	2	2
4	Mr. Narendra J. Jhaveri	NED (I)	8	5	No	8	2	3
5	Mr. Keki B. Dadiseth	NED (I)	8	7	Yes	9	3	3
6	Mr. Pradip V. Nayak	NED (I)	8	8	Yes	3	2	Nil
7	Dr. Armin Bruck <sup>(4)(9)</sup>	WTD	2	2	N.A.	Nil	N.A.	N.A.
8	Mr. Sunil Mathur <sup>(6)</sup>	WTD	8	8	Yes	Nil	N.A.	N.A.
9	Dr. Roland Busch <sup>(5)(7)</sup> (Nominee of Parent Company, Siemens AG)	NED	8	1	Yes	Nil	N.A.	N.A.
10	Mr. Joe Kaeser <sup>(5)</sup>	NED	8	3	Yes	Nil	N.A.	N.A.
11	Mr. Johannes Aпитzsch <sup>(5)</sup>	NED	8	4 <sup>(8)</sup>	Yes	Nil	N.A.	N.A.
12	Ms. Mariel von Drathen <sup>(5)</sup>	NED	8	4	Yes	Nil	N.A.	N.A.
13	Mr. Christian Rummel <sup>(9)(10)</sup>	WTD	5	5	N.A.	Nil	N.A.	N.A.

Notes:

- (1) Category: WTD - Whole-time Director, NED – Non-executive Director, NED (I) – Non-Executive Director and Independent.
- (2) Includes Directorships in private limited companies.
- (3) Includes only Audit Committee and Investors Grievance Committee/Stakeholders Relationship Committee of public limited companies other than Siemens Limited.
- (4) Completed his tenure as the Managing Director and Chief Executive Officer with effect from 1<sup>st</sup> January, 2014 and consequently resigned from the Directorship of the Company.

# Annexure III to the Directors' Report

## Corporate Governance Report

(As per Clause 49 of the Listing Agreement entered into with the Stock Exchanges, as applicable on 30<sup>th</sup> September, 2014)

- (5) In the whole-time employment of parent company, Siemens Aktiengesellschaft, Germany ("Siemens AG").
- (6) Re-designated as Managing Director and Chief Executive Officer with effect from 1<sup>st</sup> January, 2014.
- (7) Special Director as per Article 110 of the Articles of Association of the Company and as such is not bound to retire by rotation.
- (8) Out of 4 meetings attended; meetings held on 25<sup>th</sup> October, 2013 and 22<sup>nd</sup> November, 2013 were attended in capacity of an Alternate Director for Dr. Roland Busch. He was appointed as an Additional Director with effect from 23<sup>rd</sup> November, 2013.
- (9) Details provided for the period for which the individual held Directorship of the Company.
- (10) Appointed as an Additional Director and Executive Director and Chief Financial Officer of the Company with effect from 1<sup>st</sup> February, 2014 subject to approval of the Members and the Central Government.

### Board Meetings

During the Financial Year 2013-14, 8 Meetings were held on 25<sup>th</sup> October, 2013, 22<sup>nd</sup> November, 2013, 30<sup>th</sup> January, 2014, 25<sup>th</sup> April, 2014, 3<sup>rd</sup> June, 2014, 24<sup>th</sup> June, 2014, 7<sup>th</sup> August, 2014 and 13<sup>th</sup> August, 2014.

The gap between any two Meetings did not exceed four months.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to attach or send the relevant information as a part of Agenda Papers, the same are tabled at the meeting or / and the presentations are made by the concerned managers to the Board. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

The information as specified in Annexure IA to Clause 49 of the Listing Agreement is regularly made available to the Board, whenever applicable, for discussion and consideration.

### III. Committees of Directors

#### A. Mandatory Committees

##### i. Audit Committee of Directors (Audit Committee)

#### Composition

The Audit Committee comprises of experts specialising in accounting / financial management. The Chairman of the Audit Committee is a Non-executive and Independent Director. The Audit Committee currently comprises of 4 Directors viz. Mr. Yezdi Malegam as Chairman and Mr. Deepak Parekh, Mr. Keki Dadiseth and Mr. Johannes Apitzsch as Members of the Committee.

During the Financial Year 2013-14, 5 Meetings were held on 22<sup>nd</sup> November, 2013, 30<sup>th</sup> January, 2014, 25<sup>th</sup> April, 2014, 24<sup>th</sup> June, 2014 and 7<sup>th</sup> August, 2014. Details of attendance at the aforementioned Meetings are as follows:-

Name	From	No. of meetings during FY 2013-14	
		Held	Attended
Mr. Yezdi H. Malegam, Chairman	15.12.2000	5	5
Mr. Joe Kaeser <sup>(1)(2)</sup>	01.10.2006	1	Nil
Mr. Deepak S. Parekh	22.11.2004	5	5
Mr. Keki B. Dadiseth	01.02.2006	5	5
Mr. Johannes Apitzsch <sup>(3)</sup>	23.11.2013	5	3

#### Notes:-

- (1) Details provided for the period for which the individual held Membership of the Committee.
- (2) Ceased to be a member of the Audit Committee with effect from 23<sup>rd</sup> November, 2013.
- (3) Out of the 3 Meetings attended; the meeting held on 22<sup>nd</sup> November, 2013 was attended as an Invitee. Mr. Ketan Thaker, Company Secretary, is a Secretary to the Committee.

The Chief Executive Officer, Chief Financial Officer, Head of Accounts, Internal Auditors and the Statutory Auditors are permanent invitees to the Meetings.



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### Terms of reference

The Board of Directors at their Meetings held on 25<sup>th</sup> April, 2014 and 25<sup>th</sup> November, 2014 amended the Audit Committee Charter amending *inter-alia* the Terms of Reference of the Committee in line with the requirements of Section 177 of the Companies Act, 2013 and the rules framed thereunder as also revised Clause 49 of the Listing Agreement (effective 1<sup>st</sup> October, 2014).

The terms of reference are briefly described below:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- 4) Recommending to the Board, the appointment and remuneration of Cost Auditor.
- 5) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- 6) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956 / sub-section (5) of Section 134 of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
- 7) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 8) Reviewing, with the management, performance of internal auditors, adequacy of the internal control systems.
- 9) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 10) Discussing with internal auditors any significant findings and follow up there on.
- 11) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 12) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 13) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- 14) To review the functioning of the Whistle Blower mechanism.
- 15) To scrutinize inter-corporate loans and investments.
- 16) To review guidelines for investing surplus funds of the Company.
- 17) To review investment proposals before submission to the Board of Directors.
- 18) To review proposal for mergers, demergers, acquisitions, carve-outs, sale, transfer of business / real estate and its valuation report and fairness opinion, if any, thereof.

# Annexure III to the Directors' Report

## Corporate Governance Report

(As per Clause 49 of the Listing Agreement entered into with the Stock Exchanges, as applicable on 30<sup>th</sup> September, 2014)

- 19) Approval or any subsequent modification of transactions of the Company with related parties.
- 20) To approve the valuation of undertakings or assets of the Company, wherever it is necessary.
- 21) To appoint valuers for the valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a Company or liability of the Company under the provision of the Companies Act, 2013.
- 22) To ensure proper system of storage, retrieval, display, or printout of the electronic records.
- 23) To evaluate internal financial controls and risk managements systems.
- 24) Any other requirement in accordance with the applicable provisions of the Listing Agreement with the Stock Exchanges and / or the Companies Act, or any re-enactment, amendment or modification thereto from time to time.
- 25) Approval of appointment of CFO (i.e., the whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experince and background etc. of the candidate.
- 26) Carrying out such other function as may be delegated by the Board from time to time.
- 27) Review the following information:-
  - a) Management discussion and analysis of financial condition and results of operations;
  - b) Statement of significant related party transactions, (as defined by the Audit Committee), submitted by management;
  - c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - d) Internal audit reports relating to internal control weaknesses;
  - e) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee; and
  - f) The financial statements, in particular, the investments made by unlisted subsidiary companies.

The Audit Committee is vested with the necessary powers, as defined in its Charter, to achieve its objectives.

The Chairman of the Audit Committee was present at the 56<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> January, 2014.

### ii. Stakeholders Relationship Committee of Directors (earlier Investors Grievance Committee) (mandatory under Companies Act, 2013 effective 1<sup>st</sup> April, 2014 and under the Listing Agreement)

#### Nomenclature

During the year under review, the nomenclature of the Investors Grievance Committee was changed to "Stakeholders Relationship Committee" in line with the provisions of Section 178 of the Companies Act, 2013 with effect from 25<sup>th</sup> April, 2014. The Committee has been constituted to attend to and redress the stakeholders' grievances.

#### Composition & Meetings

During the Financial Year 2013-14, the Committee met twice on 25<sup>th</sup> November, 2013 and 25<sup>th</sup> September, 2014. The detail of attendance at the aforementioned Meeting is as follows:-

Name	From	No. of meetings during FY 2013-14	
		Held	Attended
Mr. Darius C. Shroff, Chairman	15.12.2000	2	2
Mr. Pradip V. Nayak	01.02.2006	2	2
Dr. Armin Bruck <sup>(1)(2)</sup>	01.01.2008	1	Nil
Mr. Sunil Mathur <sup>(1)</sup>	01.01.2014	1	Nil

#### Notes:-

- (1) Details provided for the period for which the individual was member of the Committee.
- (2) Ceased to be a member of the Committee with effect from 1<sup>st</sup> January, 2014.

Mr. Ketan Thaker, Company Secretary, is the "Compliance Officer" pursuant to the requirement of the Securities and Exchange Board of India (SEBI) Regulations and Listing Agreement.

### Terms of Reference

The Board of Directors at their Meeting held on 25<sup>th</sup> April, 2014 amended the Stakeholders Relationship Committee Charter amending *inter-alia* the Terms of Reference of the Committee in line with the requirements of Section 178 of the Companies Act, 2013 and the rules framed thereunder as also revised Clause 49 of the Listing Agreement (effective 1<sup>st</sup> October, 2014).

The Stakeholders Relationship Committee primarily attends to and resolves grievances of the security holders of the Company.

### Details of Investors' Complaints

The Company and TSR Darashaw Ltd., Registrar & Share Transfer Agent (RTA), attend to all grievances of the investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc.

Barring certain cases pending in Courts / Consumer Forums, relating to disputes over the title to Shares, in which either the Company has been made a party or necessary intimation thereof has been received by the Company, all the investor grievances / correspondences have been promptly attended to from the date of its receipt. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

The details of complaints received, cleared / pending during the Financial Year 2013-14 is given below:

Nature of Complaints	Received	Cleared	Pending
Non-receipt of share certificates duly transferred	Nil	NA	Nil
Non-receipt of dividend warrants	1	1	Nil
Letters from SEBI / SCORES Site	7	10*	Nil
Letters from Stock Exchanges	6	6	Nil
Letters from Depositories	1	1	Nil
Letters from Ministry of Corporate Affairs	Nil	NA	Nil
<b>Total</b>	<b>15</b>	<b>18</b>	<b>Nil</b>

\*3 complaints pending at the beginning of the Financial Year were resolved during the year under review.

- iii. **Nomination and Remuneration Committee (earlier Remuneration Committee)** (mandatory under Companies Act, 2013 effective 1<sup>st</sup> April, 2014 and under the listing Agreement, as amended )

### Nomenclature

During the year under review, the nomenclature of the Remuneration Committee was changed to "Nomination and Remuneration Committee" as required under the provisions of Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement (effective 1<sup>st</sup> October, 2014), related to Corporate Governance, entered into with the Stock Exchanges, with effect from 25<sup>th</sup> April, 2014.

### Composition & Meetings

The Committee comprises of 6 members, all being Non – Executive Directors and majority being Independent.

The Committee met 2 times during the Financial Year ended 30<sup>th</sup> September, 2014 on 22<sup>nd</sup> November, 2013 and 30<sup>th</sup> January, 2014. The details of attendance at the aforementioned Meetings are as follows:-

Name	From	No. of meetings during FY 2013-14	
		Held	Attended
Mr. Narendra J. Jhaveri, Chairman	15.12.2000	2	1
Mr. Darius C. Shroff	15.12.2000	2	2
Mr. Deepak S. Parekh	01.10.2004	2	2
Mr. Pradip V. Nayak	23.07.2007	2	2
Mr. Joe Kaeser	01.02.2013	2	1
Ms. Mariel von Drathen <sup>(1)(2)</sup>	23.11.2013	1	1

### Notes:-

(1) Appointed as Member with effect from 23<sup>rd</sup> November, 2013.

(2) Details provided for the period for which the individual was member of the Committee.

Mr. Ketan Thaker, Company Secretary, acts as the Secretary to the Committee.

# Annexure III to the Directors' Report

## Corporate Governance Report

(As per Clause 49 of the Listing Agreement entered into with the Stock Exchanges, as applicable on 30<sup>th</sup> September, 2014)

### Terms of Reference

The Board of Directors at their Meeting held on 25<sup>th</sup> April, 2014 also amended the Nomination and Remuneration Committee Charter amending *inter-alia* the Terms of Reference of the Committee in line with requirements of the Companies Act, 2013 and Listing Agreement (effective 1<sup>st</sup> October, 2014). Brief Terms of Reference of the Nomination and Remuneration Committee are as under:-

- Identifying persons who are qualified to become the Directors / hold other senior management position and formulating criteria for determining qualities / positive attributes of Independent Directors.
- Recommending to the Board and periodically reviewing Remuneration Policy.
- Formulation of criteria for evaluation of Independent Directors and the Board and devising Board diversity policy.
- Determine the Company's policy on specific remuneration packages for Whole-time Directors / Executive Directors.
- Performance evaluation of Whole Time Directors and recommending to the Board remuneration including performance linked incentives payable.

### Remuneration Policy

The remuneration policy of the Company is performance driven and is structured to motivate employees, recognize their merits & achievements and promote excellence in their performance.

#### 1. For Whole-time Directors

The Board of Directors / the Nomination and Remuneration Committee of Directors is authorised to decide the remuneration of the Whole-time Directors, subject to the approval of the Members and Central Government, if required. The remuneration structure comprises of Salary, Perquisites, Retirement benefits as per the law / rules, Performance Linked Incentive (PLI), Commission and entitlement to participate in the Equity based compensation programs of Siemens AG, Germany / Siemens Ltd., as applicable from time to time. Annual increments are decided by the Nomination and Remuneration Committee within the salary grade approved by the Members.

In addition to the above remuneration, Expatriate Directors are paid Overseas Allowance / Special Allowance and certain other Perquisites as per the Rules of the Company.

PLI, benefit under the Equity based compensation programs of Siemens AG / Siemens Ltd. and Commission constitute the variable component of remuneration. PLI is computed on the basis of specific targets set for each Whole-time Directors every year. The targets are also linked to the Company's targets. PLI is paid to the Whole-time Directors on achievement of the said targets. Commission is determined on the basis of the Net Profits of the Company in a particular Financial Year, subject to the overall ceiling as stipulated in Section 197 the Companies Act, 2013.

Remuneration paid / payable to the Whole-time Directors for the Financial Year 2013-14

(Amount in ₹)

	Dr. Armin Bruck*	Mr. Sunil Mathur#	Mr. Christian Rummel®
Salary	3,248,400	10,949,217	5,076,158
Perquisites <sup>(1)</sup>	15,009,315	25,410,357	12,484,855
Performance Linked Incentive	19,536,653	35,025,141	16,564,617
Compensation under Stock Option Plan(s) of Siemens AG	Nil	Nil	Nil
Commission	Nil	Nil	Nil
Silver Jubilee / Retirement Gift	Nil	Nil	1,366,700
<b>Total</b>	<b>37,794,408</b>	<b>71,384,715</b>	<b>35,492,331</b>
<b>Tenure</b>			
From	01.10.2007	22.07.2008	01.02.2014
To	31.12.2013	31.12.2018	31.01.2018®
Shares of ₹ 2 each held as on 30.09.2014	Nil	Nil	Nil

\* ceased to be the Managing Director & Chief Executive Officer as well as Director of the Company with effect from 1<sup>st</sup> January, 2014.

# Executive Director and Chief Financial Officer till close of business hours on 31<sup>st</sup> December, 2013; appointed as Managing Director and Chief Executive Officer with effect from 1<sup>st</sup> January, 2014.

@ subject to Members and the Central Government approval for appointment as Director, Executive Director and Chief Financial Officer for the period 1<sup>st</sup> February, 2014 to 31<sup>st</sup> January, 2018.

**Notes:**

- (1) Perquisites include Company's contribution to Provident Fund and Superannuation Fund for Directors (except Dr. Bruck and Mr. Rummel). Perquisite also includes Overseas Allowance in case of Dr. Bruck and Mr. Rummel and Special Allowance in case of Mr. Mathur.
- (2) The Whole-time Directors are covered under the Company's gratuity, leave, medical and silver/golden jubilee schemes as applicable, along with the other employees of the Company. These liabilities are determined for all employees by an independent actuarial valuation. The specific amount for such benefits can't be ascertained separately and accordingly the same has not been included above.

The Severance fees are payable to the Directors on termination of employment and Notice Period as per the rules of the Company.

**2. For Non-executive Directors**

The Non-executive Directors are paid remuneration by way of Sitting Fees and Commission.

**Sitting Fees**

The Board of Directors at their Meeting held on 13<sup>th</sup> August, 2014 revised the Sitting Fees payable to the Directors for attending Board as well as Committee Meetings.

The Non-executive Directors are entitled to sitting fees for attending Board / Committee Meetings, as per the details given below:

Meetings	Revised Sitting fees per Meeting (Approved by the Board at its Meeting held on 13 <sup>th</sup> August, 2014)	Sitting Fees per Meeting (Prior to 13 <sup>th</sup> August, 2014)
Board	₹ 50,000	₹ 20,000
Audit Committee	₹ 50,000	₹ 20,000
Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Corporate Governance Committee, Risk Management Committee and any other Committees of the Board.	₹ 50,000	₹ 10,000

**Commission**

In terms of the Members' approval given at the 52<sup>nd</sup> Annual General Meeting held on 29<sup>th</sup> January, 2010, Commission is payable at a rate not exceeding 1% per annum of the Net Profits of the Company computed in the manner referred to in Section 309 of the Companies Act, 1956. The actual amount of Commission payable to each Non-executive Director is decided by the Board on the following criteria:

- Number of Board Meetings attended
- Role and responsibility as Chairman / Member of the Board / Committee
- Overall contribution

# Annexure III to the Directors' Report

## Corporate Governance Report

(As per Clause 49 of the Listing Agreement entered into with the Stock Exchanges, as applicable on 30<sup>th</sup> September, 2014)

Remuneration paid / payable to the Non-executive Directors for the Financial Year 2013-14:

Name	Sitting Fees* for Board / Committee Meetings attended	Commission <sup>*(1)</sup>	Total	Number of Equity Shares of ₹ 2 each held as on 30.09.2014
	(₹)	(₹)	(₹)	
Mr. Deepak S. Parekh	340,000	4,500,000	4,840,000	9,000
Mr. Yezdi H. Malegam	340,000	3,500,000	3,840,000	8,000
Mr. Darius C. Shroff	270,000	2,300,000	2,570,000	9,000
Mr. Narendra J. Jhaveri	140,000	2,300,000	2,440,000	5,000
Mr. Keki B. Dadiseth	310,000	2,300,000	2,610,000	Nil
Mr. Pradip V. Nayak	290,000	2,300,000	2,590,000	Nil
Mr. Joe Kaeser <sup>(2)</sup>	N.A.	N.A.	N.A.	Nil
Dr. Roland Busch <sup>(2)</sup>	N.A.	N.A.	N.A.	Nil
Mr. Johannes Aritzsch <sup>(2)</sup>	N.A.	N.A.	N.A.	Nil
Ms. Mariel von Drathen <sup>(2)</sup>	N.A.	N.A.	N.A.	Nil

\* Exclusive of service tax.

### Notes:

- (1) Subject to the approval of Annual Accounts for the Financial Year 2013-14 by the Members at the 57<sup>th</sup> Annual General Meeting to be held on 30<sup>th</sup> January, 2015.
- (2) Opted not to accept any Sitting Fees and Commission.

None of the Non-executive Directors have any other pecuniary interest in the Company, as disclosed to us.

#### iv. Corporate Social Responsibility Committee (mandatory under Companies Act, 2013 effective 1<sup>st</sup> April, 2014)

The Board of Directors at its Meeting held on 25<sup>th</sup> April, 2014 constituted "Corporate Social Responsibility Committee" as required under Section 135 of the Companies Act, 2013. The Committee comprises of 4 Members. The Chairman of the Committee is a Non – Executive and Independent Director.

The Corporate Social Responsibility Committee consists of the following members:-

Name	From
Mr. Deepak S. Parekh, Chairman	25.04.2014
Mr. Sunil Mathur	25.04.2014
Mr. Christian Rummel	25.04.2014
Ms. Marial von Drathen	25.04.2014

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR Projects.

Mr. Ketan Thaker, Company Secretary, acts as the Secretary to the Committee.

#### v. Risk Management Committee (mandatory under the revised Clause 49 with effect from 1<sup>st</sup> October, 2014)

The Board of Directors at its Meeting held on 25<sup>th</sup> April, 2014 constituted a "Risk Management Committee" effective 1<sup>st</sup> October, 2014, as required under the revised Clause 49 of the Listing Agreement. The Committee comprises of 4 Members. The Chairman of the Committee is a Non – Executive and Independent Director.

Name	From
Mr. Yezdi H. Malegam, Chairman	01.10.2014
Mr. Deepak S. Parekh	01.10.2014
Mr. Keki B. Dadiseth	01.10.2014
Mr. Johannes Aritzsch	01.10.2014

The Risk Management Committee is *inter-alia* responsible for risk identification, evaluation and mitigation and control process for such risks, oversight the Enterprise Risk Management System and internal control

process; monitoring and reviewing risk management plan of the Company and reviewing the foreseeable trends that could significantly impact the Company's overall business objectives and mitigants thereof.

Mr. Ketan Thaker, Company Secretary, acts as the Secretary to the Committee.

## B. Non-Mandatory Committees

### i. Share Transfer Committee (STC)

During the year under review, to discuss the functions as prescribed under Companies Act, 2013; the Committee was reconstituted to function as a Committee of the Board.

The Committee comprises of the following members:-

Name	From
Mr. Sunil Mathur, Chairman	01.10.2008 (appointed as Chairman w.e.f 01.01.2014)
Dr. Armin Bruck*	01.01.2008
Mr. Ketan Thaker#	02.08.2013
Mr. Christian Rummel	01.02.2014

\*ceased to be a member with effect from 1<sup>st</sup> January, 2014

# ceased to be a member with effect from 25<sup>th</sup> April, 2014

During the year under review, the STC Charter *inter-alia* the Terms of Reference of the STC were amended by the Board of Directors.

The STC approves cases of transfer and transmission, issue of share in exchange for sub-divided, consolidated, defaced, etc., as approved by the authorised persons and issue of duplicate share certificates. It also notes and takes on record the transfer / transmission / transposition of shares and consolidation / splitting of folios, issue of share certificates. The STC also notes the dealings in Company's Shares by the designated employees under the Company's Code of Conduct for Prevention of Insider Trading. 12 Meetings of STC were held during the Financial Year 2013-14.

### ii. Corporate Governance Committee

The Committee has been constituted, *inter-alia*, to consider, review and decide the matters relating to Corporate Governance as per the Listing Agreement and applicable Laws & Regulations and recommending best practices in the areas of Board Governance, Corporate Governance & disclosure policies considering the interest of the stakeholders. The Chairman of the Corporate Governance Committee is a Non-executive and Independent Director. During the Financial Year under review, the Corporate Governance Committee comprises of the following members:

Name	From
Mr. Keki B. Dadiseth, Chairman	01.06.2007
Mr. Deepak S. Parekh	01.06.2007
Mr. Yezdi H. Malegam	01.06.2007
Mr. Darius C. Shroff	23.07.2007
Mr. Joe Kaeser	01.06.2007
Dr. Armin Bruck*	01.01.2008
Dr. Roland Busch	10.08.2012
Mr. Johannes Aritzsch	23.11.2013
Mr. Sunil Mathur	01.01.2014

\*ceased to be a member with effect from 1<sup>st</sup> January, 2014.

### iii. Investment / Disinvestment Committee

During the year under review, the Investment / Disinvestment Committee was dissolved with effect from 26<sup>th</sup> April, 2014. The Committee had been constituted, *inter-alia*, to review guidelines for investing surplus funds of the Company, reviewing proposals of mergers and acquisitions, demergers, carve-outs, sale, transfer of business / real estate and its valuation thereof, investment proposals and periodical monitoring of investments, authorizing negotiation of the terms and conditions of the various credit/financial facilities and carrying out such other function as may be delegated by the Board from time to time and the concerned powers thereof were included in terms of reference of the Audit Committee.

# Annexure III to the Directors' Report

## Corporate Governance Report

(As per Clause 49 of the Listing Agreement entered into with the Stock Exchanges, as applicable on 30<sup>th</sup> September, 2014)

During the period 1<sup>st</sup> October, 2013 to 25<sup>th</sup> April, 2014 the Committee met 2 times on 30<sup>th</sup> January, 2014 and 25<sup>th</sup> April, 2014 subsequent to which it was dissolved. The following were the Members of the Committee till its dissolution on 26<sup>th</sup> April, 2014:

Name	From
Mr. Deepak S. Parekh, Chairman	23.07.2007
Mr. Yezdi H. Malegam	23.07.2007
Mr. Pradip V. Nayak	23.07.2007
Mr. Joe Kaesar	23.07.2007
Mr. Sunil Mathur <sup>@</sup>	01.10.2008
Mr. Keki B Dadiseth	01.02.2012
Dr. Roland Busch	10.08.2012
Mr. Johannes Apitzsch	23.11.2013
Mr. Christian Rummel	01.02.2014

<sup>@</sup> ceased to be a member with effect from 1<sup>st</sup> February, 2014.

### C. Committees of Management (Constituted by the Board of Directors)

#### i. Finance Committee (FC)

The Committee comprises of the following members:-

Name	From
Mr. Christian Rummel, Chairman*	01.02.2014
Mr. Sunil Mathur <sup>#</sup>	01.01.2008
Mr. Ketan Thaker, Member & Secretary	02.08.2013

\*appointed as Member and Chairman with effect from 1<sup>st</sup> February, 2014.

<sup>#</sup>ceased to be the Chairman but continue as a member with effect from 1<sup>st</sup> February, 2014.

The FC authorises opening / closing of bank accounts, availing of credit facilities, giving of loans, intercorporate deposits, guarantees, investment in mutual funds, commodity hedging etc. The FC Meetings are held as and when required. 7 Meetings of FC were held during the Financial Year 2013-14.

#### ii. Delegation of Powers Committee (DPC)

The Committee comprises of the following members:-

Name	From
Mr. Sunil Mathur, Chairman*	27.07.2008
Mr. Christian Rummel	01.02.2014
Mr. Ketan Thaker, Member & Secretary	02.08.2013
Dr. Armin Bruck <sup>@</sup>	01.01.2008

\*appointed as the Chairman with effect from 1<sup>st</sup> January, 2014.

<sup>@</sup> ceased to be a member of DPC with effect from 1<sup>st</sup> January, 2014.

The DPC issues/revokes Power of Attorneys, fix the procedures for signing authority, grants authority for various purposes to the employees, etc. The DPC Meetings are held as and when required. 17 Meetings of DPC were held during the Financial Year 2013 – 14.

### IV. Subsidiary companies

Siemens Rail Automation Private Limited became a Wholly-owned subsidiary of the Company with effect from 1<sup>st</sup> October, 2014. The Company did not have any subsidiary as on 30<sup>th</sup> September, 2014.

### V. Chief Executive Officer (CEO) and Chief Financial Officer (CFO) certification

As required by Clause 49 V of the Listing Agreement, the CEO and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. Sunil Mathur (Managing Director and Chief Executive Officer) and Mr. Christian Rummel (Executive Director and Chief Financial Officer).



## VI. Risk Management Framework

The Company has in place a mechanism to inform the Board about the risk assessment and minimisation procedures and periodical review to ensure that management controls risk through means of a properly defined framework.

## VII. Business Conduct Guidelines (BCGs)

The Company has adopted BCGs as the Code of Conduct for Directors, including Non-executive Directors and Senior Management of the Company, as per the requirement of Clause 49 I D of the Listing Agreement. The Company has received confirmations from all the Directors and Senior Management of the Company regarding compliance with the BCGs for the year ended 30<sup>th</sup> September, 2014. A certificate from Mr. Sunil Mathur, Managing Director and Chief Executive Officer, to this effect, is attached to this Report. The BCGs can be viewed on the website of the Company [www.siemens.co.in](http://www.siemens.co.in)

## VIII. Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistleblowers (the Whistleblower Policy)

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. To maintain high level of legal, ethical and moral standards and to provide a gateway for employees to report unethical behaviour and actual or suspected frauds, the Company has adopted the Whistleblower Policy with effect from 1<sup>st</sup> February, 2005, in line with Clause 7 of Annexure I D to Clause 49 of the Listing Agreement. No personnel have been denied access to the Audit Committee.

The Whistleblower Policy broadly covers a detailed process for reporting, handling and investigation of fraudulent activities and providing necessary protection to the employees who report such fraudulent activities / unethical behaviour.

## IX. Code of Conduct for Prevention of Insider Trading

Pursuant to the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, the Company has adopted a Code of Conduct for Prevention of Insider Trading with effect from 1<sup>st</sup> August, 2002. Mr. Ketan Thaker, Company Secretary, is the Compliance Officer. This Code of Conduct is applicable to all Directors and such identified employees of the Company as well as of the group companies who are expected to have access to unpublished price sensitive information relating to the Company.

### X. a. General Body Meetings

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2012-13	<b>56<sup>th</sup> Annual General Meeting</b> Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021	Thursday, 30 <sup>th</sup> January, 2014 3.00 p.m.	No special resolution was passed.
2011-12	<b>55<sup>th</sup> Annual General Meeting</b> Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021	Thursday, 31 <sup>st</sup> January, 2013 2.30 p.m.	No special resolution was passed.
2010-11	<b>54<sup>th</sup> Annual General Meeting</b> Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021	Tuesday, 31 <sup>st</sup> January, 2012 3.00 p.m.	Approving the payment of remuneration to Mr. Praveen Singh (Managing Director of erstwhile Siemens Healthcare Diagnostics Limited).
2010-11	<b>Extra-Ordinary General Meeting</b> Indian Merchant's Chamber, Walchand Hirachand Hall, 4 <sup>th</sup> Floor, Indian Merchants Chamber Marg, Churchgate, Mumbai – 400 020	Thursday, 24 <sup>th</sup> March, 2011 3.00 p.m.	Approving the issue and allotment of shares consequent to amalgamation of Siemens Healthcare Diagnostics Limited with Siemens Limited during SAG's Offer Period.

# Annexure III to the Directors' Report

## Corporate Governance Report

(As per Clause 49 of the Listing Agreement entered into with the Stock Exchanges, as applicable on 30<sup>th</sup> September, 2014)

- b. Pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the following Special Resolution was proposed to the Members by way of Postal Ballot:-

Particulars of the resolution	Sale and transfer of the Company's Metals Technologies business as "going concern" and by way of a slump sale to Siemens Postal and Parcel Logistics Technologies Private Limited (the then proposed name), a 100% subsidiary of Siemens Aktiengesellschaft, Germany with effect from the close of business hours on 30 <sup>th</sup> September, 2014 for a lump sum consideration of INR 8,572 Million.	
Name of Scrutinizer	Mr. P. N. Parikh of M/s. Parikh Parekh & Associates, Practicing Company Secretaries	
Date of Report of Scrutinizer	18 <sup>th</sup> September, 2014	
Date of Declaration of Results	19 <sup>th</sup> September, 2014	
	<b>No. of members voted through electronic voting system and through Physical Ballot Form</b>	<b>Number of Votes</b>
Valid Ballots / Votes	883	24,333,037
In favour	634	11,582,369
Percentage (%) in favour of the resolution		54.01
Against	183	9,864,187
Percentage (%) against the resolution		45.99
Invalid Ballots/ Votes	66	2,886,481

Thus, the above resolution was not passed by the Members by requisite majority who cast their vote. The members were provided an option to vote either by casting their vote through Postal Ballot or cast their votes electronically.

Subsequent to the end of the Financial Year under review, approval of members by way of a Postal Ballot is being sought for selling and transferring the Metals Technologies business of the Company to a subsidiary of Siemens VAI Metals Technologies GmbH, Germany as a "going concern" and by way of a slump sale with effect from the close of business hours on 31<sup>st</sup> December, 2014 for a lump sum consideration of INR 10,232.7 million.

The Committee of Directors at their Meeting held on 8<sup>th</sup> November, 2014 appointed Mr. P.N. Parikh of Messrs Parikh Parekh & Associates, Mumbai, Practicing Company Secretary to act as Scrutinizer for conducting the process of voting by Postal Ballot in fair and transparent manner.

The e-voting has commenced on 13<sup>th</sup> November, 2014 and shall close on 12<sup>th</sup> December, 2014 (5.30 p.m.). The results of the Postal Ballot would be declared on 15<sup>th</sup> December, 2014.

Resolutions, if required, shall be passed by Postal Ballot during the year ending on 30<sup>th</sup> September, 2015, as per the prescribed procedure.

### XI. Disclosures

- Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.
- The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large.
- With regard to matters related to capital markets, the Company has complied with all requirements of the Listing Agreement as well as SEBI regulations and guidelines. No penalties were imposed or strictures passed against the Company by the Stock Exchanges, SEBI or any other statutory authority during the last three years in this regard.

- 
- d. Disclosures have also been received from the senior management personnel relating to the financial and commercial transactions in which they or their relatives may have a personal interest. However, none of these transactions have potential conflict with the interests of the Company at large.

## **XII. Means of Communication**

All important information relating to the Company, its performance, shareholding pattern, business, quarterly results, press releases, other information as per the Listing Agreement, presentation to the press / analyst meet are regularly posted on Company's website and also forwarded to the stock exchanges. The quarterly, half-yearly and annual financial results of the Company are published in Business Standard and Navshakti. These results are also available on the websites of the Company, BSE Limited and National Stock Exchange of India Limited. The Company also holds press conference / analysts meet from time to time.

Investors can view this information by visiting the website [www.corpfiling.co.in](http://www.corpfiling.co.in).

## **XIII. General Shareholder Information**

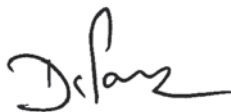
'General Shareholder Information' forms part of the Directors' Report as **Annexure IV**.

## **XIV. Compliance with Non-mandatory requirements:**

- a. **The Board:** The Company does not maintain a separate office for the Non – executive Chairman. The independent directors are having requisite qualification and experience to act as a director on the Board.
- b. **Nomination & Remuneration Committee:** The Company has a Nomination & Remuneration Committee. Please refer relevant paragraph of this report.
- c. **Shareholders' Rights:** The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders. Financial Results are also available on the website of the Company and of Stock Exchanges where the Equity shares of the Company are listed.
- d. **Audit qualification:** The Auditor's Opinion on the Financial Statements is unqualified.
- e. **Training of Board Members:** All members of the Board are experts in their respective fields and well versed with business as well as risk profile of the Company.
- f. **Evaluation of Non-Executive Board Members:** The Board members are from diverse fields of expertise and have long standing experience and expert knowledge in their respective fields which is very relevant as well as of considerable value for the Company's business.
- g. **Whistle Blower Policy:** The Company has a Whistleblower Policy. Please refer relevant paragraph of this report.

On behalf of the Board of Directors

For **Siemens Limited**



**Deepak S. Parekh**  
Chairman

Mumbai  
Tuesday, 25<sup>th</sup> November, 2014

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**Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding compliance with Business Conduct Guidelines (Code of Conduct)**

In accordance with Clause 49 I D of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Business Conduct Guidelines (Code of Conduct), as applicable to them, for the Financial Year ended on 30<sup>th</sup> September, 2014.

For **Siemens Limited**



**Sunil Mathur**  
Managing Director and Chief Executive Officer

Mumbai  
Tuesday, 25<sup>th</sup> November, 2014

**Certification by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) under Clause 49 of the Listing Agreement**

To the Board of Directors of Siemens Limited

Dear Sirs,

- a) We have reviewed the financial statements and the cash flow of Siemens Ltd. ('the Company') for the year ended 30<sup>th</sup> September, 2014 and to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into between the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) Significant changes in the internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed suitably in the notes to the financial statements;
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Yours truly



**Christian Rummel**  
Executive Director and CFO

Mumbai  
Tuesday, 25<sup>th</sup> November, 2014



**Sunil Mathur**  
Managing Director and CEO

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## Certificate of Compliance

To  
The Members of Siemens Limited

We have examined the compliance of conditions of corporate governance by Siemens Limited, for the year ended on 30 September, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S.R. BATLIBOI & ASSOCIATES LLP**  
Chartered Accountants  
ICAI Firm registration number: 101049W

**per Vikram Mehta**  
Partner  
Membership No.: 105938  
Place: Mumbai  
Date: 25 November 2014

## Annexure IV to the Directors' Report

# General Shareholder Information

(As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

### Corporate Information

Siemens Limited was incorporated on 2<sup>nd</sup> March, 1957 initially as a private limited company under the name Siemens Engineering & Manufacturing Co. of India Private Limited by the Registrar of Companies, Maharashtra, vide Certificate of Incorporation No. 10839 of 1956-57. Subsequently, the Company was converted into public company. The name of the Company was thereafter changed from Siemens Engineering & Manufacturing Co. of India Limited to Siemens India Limited on 23<sup>rd</sup> October, 1967 and thereafter to the present name on 31<sup>st</sup> March, 1987.

#### 1. 57<sup>th</sup> Annual General Meeting

<b>Day, date and time</b>	Friday, 30 <sup>th</sup> January, 2015 at 3.00 P.M.
<b>Venue</b>	Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021
<b>Book closure dates</b>	16 <sup>th</sup> January, 2015 to 30 <sup>th</sup> January, 2015 (both days inclusive)
<b>Dividend payment date</b>	6 <sup>th</sup> February, 2015

#### 2. Financial Calendar

The Company follows the period of 1<sup>st</sup> October to 30<sup>th</sup> September, as the Financial Year.

For the Financial Year 2014-15, Financial Results will be announced as per the following tentative schedule:

1 <sup>st</sup> quarter ending 31 <sup>st</sup> December, 2014	Fifth week of January, 2015
2 <sup>nd</sup> quarter ending 31 <sup>st</sup> March, 2015	Fourth week of April, 2015
3 <sup>rd</sup> quarter ending 30 <sup>th</sup> June, 2015	Third week of August, 2015
Year ending 30 <sup>th</sup> September, 2015	Fifth week of November, 2015

#### 3. Listing on Stock Exchanges

The Equity Shares of the Company are listed on the following premier Stock Exchanges of India having nation-wide trading terminals:

BSE Ltd. (BSE)  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001

National Stock Exchange of India Ltd. (NSE)  
Exchange Plaza, Plot No. C/1  
G Block, Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051

The Company has paid the listing fees for the Financial Year 2014-15 to the aforesaid Stock Exchanges.

The Company forms part of "CNX 100" & "CNX Nifty Junior" indices of NSE. BSE has permitted trading of the Company's Shares in the 'A' Group'. The Company's shares are also available for trading in the Futures & Options segment. The market lot for trading in the Company's shares in this segment is 250.

#### 4. Stock Code / Symbol

BSE	500550
NSE	SIEMENS EQ
Reuters	SIEM.BO / SIEM.NS
Bloomberg	SIEM:IN
International Securities Identification Number (ISIN)	INE003A01024
Corporate Identity Number (CIN) - allotted by the Ministry of Corporate Affairs	L28920MH1957PLC010839

#### 5. Custodial Fees to Depositories

The annual custodial fees for the Financial Year 2014-15 has been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

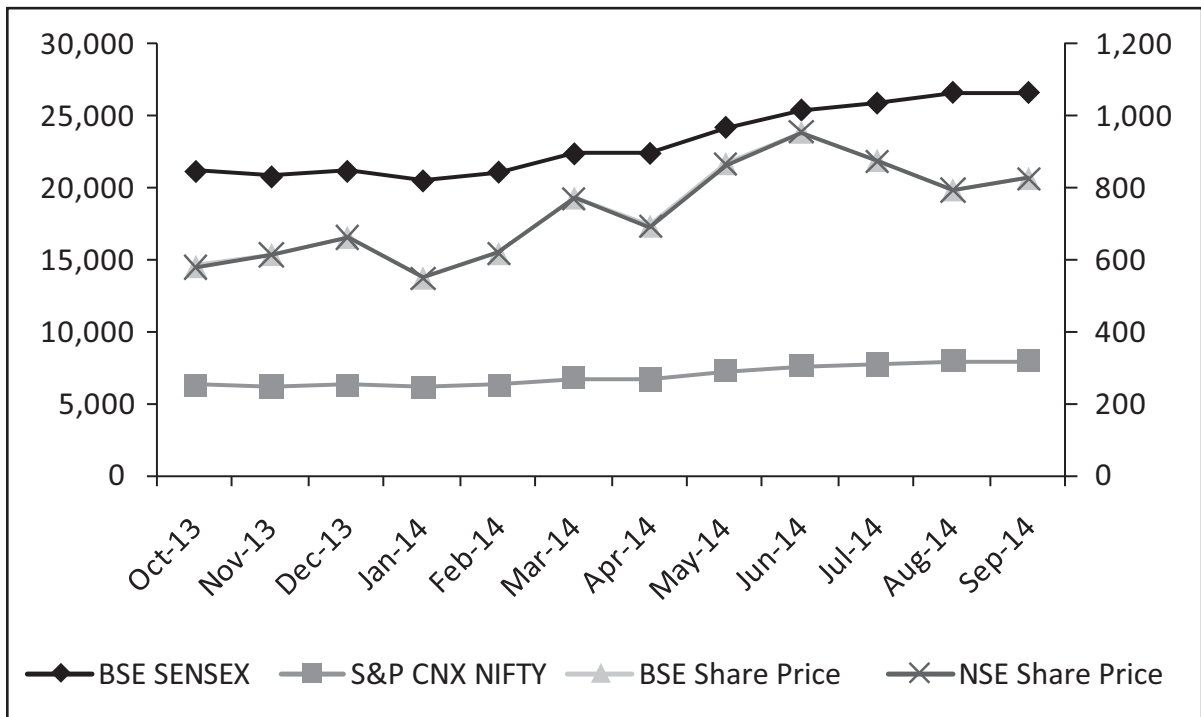
## 6. Market Price Data

- (1) The market price and volume of the Company's Equity Shares traded on BSE and NSE during each month of the last Financial Year from 1<sup>st</sup> October, 2013 to 30<sup>th</sup> September, 2014 are as follows:

Face Value of ₹ 2 each

	NSE			BSE		
	High	Low	Volume	High	Low	Volume
	₹	₹	Nos.	₹	₹	Nos.
October 2013	590.00	474.65	5,615,471	589.00	474.50	853,410
November 2013	626.50	528.05	8,605,518	626.00	529.20	1,289,778
December 2013	682.75	597.30	9,142,762	682.00	598.00	1,107,550
January 2014	672.40	513.00	5,726,154	671.80	512.00	701,414
February 2014	624.00	521.70	4,834,524	623.00	522.80	671,934
March 2014	775.00	614.85	10,305,416	775.00	615.75	1,308,982
April 2014	776.35	685.55	6,208,581	776.05	686.75	788,531
May 2014	989.95	658.75	8,195,751	989.00	656.00	1,450,372
June 2014	981.00	851.20	7,640,815	980.55	852.45	1,036,454
July 2014	1,010.00	841.00	6,266,278	1010.00	842.50	918,242
August 2014	904.15	780.05	6,083,894	903.50	780.30	1,306,204
September 2014	914.80	789.10	8,160,675	915.00	790.30	946,498

- (2) The Company's closing share price movement during the Financial Year 2013-14 on BSE and NSE vis-à-vis respective indices:



## Annexure IV to the Directors' Report

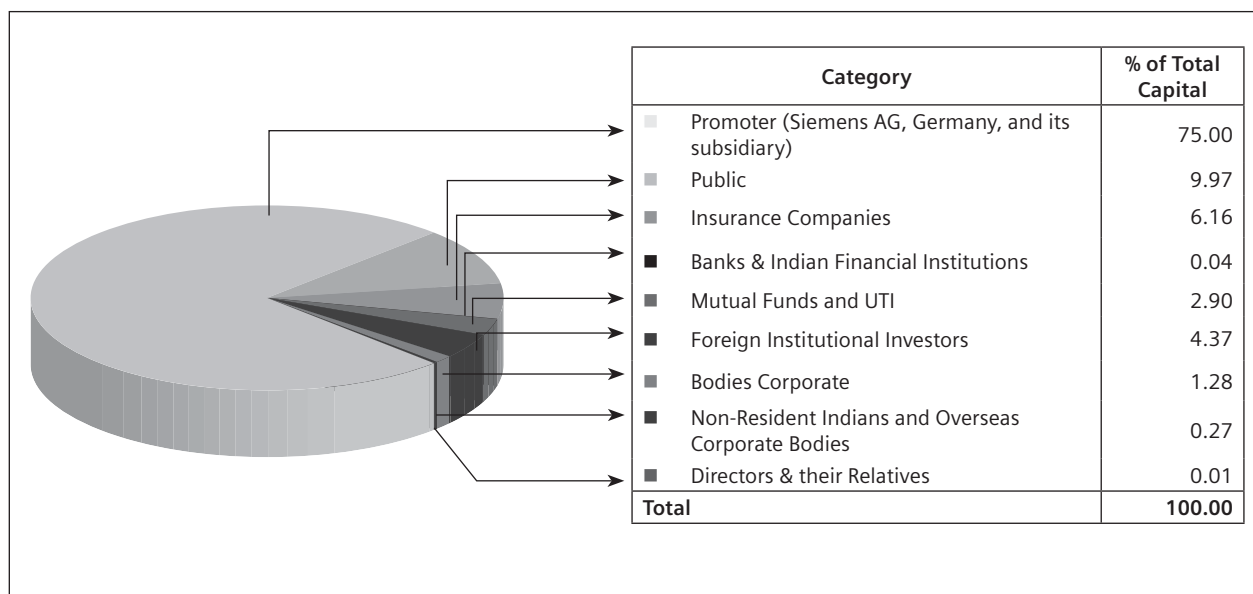
# General Shareholder Information

(As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

### 7. Distribution of Shareholding as on 30<sup>th</sup> September, 2014

NUMBER OF SHARES HELD (Face Value ₹ 2/- each)	Shareholders		Shares	
	Number	% of total	Number	% of total
1-500	118,317	98.91	25,827,372	7.25
501-1000	728	0.61	5,085,158	1.43
1001-2000	319	0.27	4,380,238	1.23
2001-3000	76	0.06	1,872,494	0.53
3001-4000	41	0.03	1,464,102	0.41
4001-5000	25	0.02	1,151,748	0.32
5001-10000	52	0.04	3,596,026	1.01
10001 & ABOVE	77	0.06	312,742,747	87.82
<b>TOTAL</b>	<b>119,635</b>	<b>100.00</b>	<b>356,119,885</b>	<b>100.00</b>

### 8. Shareholders' Profile as on 30<sup>th</sup> September, 2014



No. of shareholders as on 30 <sup>th</sup> September	2014	2013
		119,635



## 9. Top Ten Shareholders of the Company as on 30<sup>th</sup> September, 2014

Sr. No.	Name of the Shareholder <sup>(1)</sup>	Category	Number of Shares of ₹ 2 each	% of total Capital
1	Siemens Aktiengesellschaft, Germany <sup>(2)</sup>	Promoter	267,089,913	75.00
2	Life Insurance Corporation of India	Financial Institution	14,612,952	4.10
3	HDFC Trustee Company Limited	Mutual Fund	3,912,677	1.10
4	Reliance Capital Trustee Co. Ltd	Mutual Fund	3,342,900	0.94
5	Bharat Bijlee Limited	Body Corporate	2,138,160	0.60
6	HDFC Standard Life Insurance Company Limited	Body Corporate	2,030,769	0.57
7	Abu Dhabi Investment Authority	Foreign Institutional Investor	1,981,658	0.56
8	Bajaj Allianz Life Insurance Company Ltd.	Body Corporate	1,896,960	0.53
9	General Insurance Corporation of India	Financial Institution	1,767,503	0.50
10	Vanguard Emerging Markets Stock Index Fund	Foreign Institutional Investor	1,554,999	0.44
	<b>TOTAL</b>		<b>300,328,491</b>	<b>84.33</b>

### Notes:-

(1) Clubbing of records are only namewise.

(2) Including 3.30% Shares held by Siemens VAI Metals Technologies GmbH, Austria, a subsidiary of Siemens AG.

## 10. Dematerialisation of Shares & Liquidity

The details of Equity Shares dematerialised and those held in physical form as on 30<sup>th</sup> September, 2014 are given hereunder:

Particulars of Equity Shares	Equity Shares of ₹ 2 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL*	345,938,590	97.14	84,166	70.35
CDSL	5,532,261	1.55	27,435	22.93
<b>Sub-total</b>	<b>351,470,851</b>	<b>98.69</b>	<b>111,601</b>	<b>93.28</b>
Physical Form	4,649,034	1.31	8,034	6.72
<b>Total</b>	<b>356,119,885</b>	<b>100.00</b>	<b>119,635</b>	<b>100.00</b>

\* including 75% holding of Siemens AG, Germany and its subsidiary, i.e. Siemens VAI Metals Technologies GmbH, Austria.

Considering the advantages of dealing in securities in electronic / dematerialised form, shareholders still holding shares in physical form are requested to dematerialise their shares at the earliest. For further information / clarification / assistance in this regard, please contact TSR Darashaw Ltd., Registrar and Share Transfer Agent.

As per the directions of SEBI, Equity Shares of the Company can be traded by all the investors only in dematerialised form. The Company's Shares are actively traded on BSE and NSE.

## 11. Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any such securities.

## 12. Registrar and Share Transfer Agent (RTA)

Share transfers, dividend payment and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent viz. TSR Darashaw Limited (TSRDL).

## Annexure IV to the Directors' Report

# General Shareholder Information

(As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

For the convenience of shareholders based in the following cities, transfer documents and letters will be accepted at the following offices of TSRDL:

Location	Address
Mumbai	6-10, Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Nr. Famous Studio, Mahalaxmi, Mumbai – 400 011 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (22) 6656 8484 Extn :- 411 / 412 / 413 Fax: +91 (22) 6656 8494 Email: <a href="mailto:csq-unit@tsrdarashaw.com">csq-unit@tsrdarashaw.com</a> Website: <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a>
Kolkata	Tata Centre 1 <sup>st</sup> Floor, 43, Jawaharlal Nehru Road, Kolkata - 700 071 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone:+91 (33) 2288 3087 Fax:+91 (33) 2288 3062 Email: <a href="mailto:tsrdlcal@tsrdarashaw.com">tsrdlcal@tsrdarashaw.com</a>
Ahmedabad	Shah Consultancy Services Ltd. Agents : TSR DARASHAW PRIVATE LIMITED 3, Sumatinath Complex, 2 <sup>nd</sup> Dhal, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad - 380 006 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone:- Tel: +91 (79) 2657 6038 Email: <a href="mailto:shahconsultancy8154@gmail.com">shahconsultancy8154@gmail.com</a>
Bengaluru	503 Barton Centre, 5 <sup>th</sup> Floor, 84, M G Road, Bengaluru - 560 001 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (80) 2532 0321 Fax: +91(80) 2558 0019 Email: <a href="mailto:tsrdlbang@tsrdarashaw.com">tsrdlbang@tsrdarashaw.com</a>
New Delhi	Plot No 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi - 110 002 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (11) 2327 1805 Fax: +91 (11) 2327 1802 Email: <a href="mailto:tsrdldel@tsrdarashaw.com">tsrdldel@tsrdarashaw.com</a>
Jamshedpur	Bungalow No. 1, 'E' Road, Northern Town, Bistupur, Jamshedpur - 831 001 Time: 10 a.m. to 3.30 p.m. (Monday to Friday) Phone: +91 (657) 2426616 Email: <a href="mailto:tsrdljsr@tsrdarashaw.com">tsrdljsr@tsrdarashaw.com</a>

### 13. Share Transfer System

Documents for transfer of shares in physical form can be lodged with TSRDL at the registered address or at any of the above mentioned branch offices. The transfers are normally processed within 10-12 days from the date of receipt, if the documents are complete in all respects.

### 14. Plant Locations

Location	Address
Maharashtra	1. E-76, Waluj, MIDC Area, Aurangabad – 431 136 2. Plot No – A 1/2, Five Star MIDC, Shendra, Aurangabad – 431 201 3. Plot No. C-1, Additional Industrial Area, MIDC, Ambad, Nashik – 422 010 4. Thane - Belapur Road, Airoli Navi Mumbai – 400 708 5. Plot No. R-508, TTC Industrial Area, MIDC, Rabale, Thane – 400701 6. Transfactory Thane-Belapur Road, Airoli, Navi Mumbai – 400 708 7. Plot no. D-41/1, TTC Industrial Area, MIDC Turbhe, Opp. Turbhe MTNL Exchange, Navi-Mumbai – 400705
Goa	L-6, Verna Industrial Area, Panjim-Margao Highway, Verna, Goa – 403 722
Gujarat	1. R.S. No: 144, Maneja Village, Opp. Makarpura Rly. Station, Vadodara – 390 013 2. 589 Sayajipura, Ajwa Road, Vadodara – 390 019
Telangana	Plot No. 89 & 90, IDA, Gandhinagar, Post Balanagar, Hyderabad – 500 037
Karnataka	97/2, Devanahalli Road, Off Old Madras Road, Virgonagar Post, Bengaluru – 560 049
West Bengal	Nimpura Industrial Growth Centre, PO: Rakhajungle, Paschim Midnapur, Kharagpur – 721 301
Puducherry	1. Unit -I, R.S No 16/8, Kurumbapet Village, Villianur Commune, Puducherry – 605 009 2. Unit -II, R.S No 23/2A, Uruvaiyaru Road, Abishegapakkam, Puducherry – 605 007
Haryana	Sector-18, Unit No. 37, Gurgaon – 122 002, Haryana
Tamilnadu	309/2, A Block 100, Chettipedu Village, Thandalam Post, Sriperumbudur Taluk, Kancheepuram District, Chennai, Tamilnadu – 602 105

## 15. Address for correspondence

### Registered and Corporate Office:

Siemens Limited  
130, Pandurang Budhkar Marg, Worli, Mumbai - 400 018, India  
Phone: +91 (22) 3967 7000 Fax: +91 (22) 3967 7500  
Website: [www.siemens.co.in](http://www.siemens.co.in)

### Investor Relations Team:

Contact Person: Mr. Anuj Sharma  
E-mail: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)  
Phone: +91 (22) 3967 7000  
Fax: +91 (22) 3967 7562

Time: 10 a.m. to 12 noon and 2 p.m. to 4 p.m. on all working days of the Company (Saturday and Sunday closed).

The Investor Relations Team of the Company is located at the Registered Office. For the convenience of our investors, transfer requests, etc. are accepted at the Registered Office also.

### Designated email address for investor services

The designated email address for investor complaints / queries / correspondence is [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)

## 16. Other Corporate Information

### Bankers

Citibank N. A.  
Deutsche Bank AG  
The Hongkong and Shanghai Banking Corporation Ltd.  
Standard Chartered Bank  
HDFC Bank Ltd.  
ICICI Bank Ltd.  
State Bank of India

### Auditors

S.R. Batliboi & Associates LLP

### Cost Auditors

R. Nanabhoy & Co.

## 17. Unclaimed Shares in Physical Form

As required under Clause 5A II of the Listing Agreement, the Company had sent 3 reminders to the shareholders whose shares were lying unclaimed / undelivered with the Company. The Company has received many requests to claim these share certificates which are released after a through due diligence. As on date, the Company has 1,564 of the total shareholders whose shares are lying unclaimed / undelivered. The Company has already opened the "Unclaimed Suspense Account" and is in the process of completing the formalities for transferring the shares to Demat Suspense Account as required under Listing Agreement.

## 18. Recommendations to the Investors / Shareholders

- a. Open a demat account and dematerialize your shares since it helps in immediate transfer of shares without payment of stamp duty.
- b. Provide a NECS mandate to the Company in case of shares in physical form and ensure that correct and updated particulars of bank account are available with DP in case of shares held in dematerialized form.
- c. Fill and submit nomination forms (to the Company / TSRDL – for physical shares; to DP – for dematerialized shares.)
- d. Obtain valid Share Transfer Deed / Documents relating to purchase / sale of shares.
- e. Transfer of shares prior to book closure / record date will be eligible for corporate benefits.
- f. Deal only through SEBI registered intermediaries.
- g. Give clear and unambiguous instructions to your broker / sub-broker / DP.
- h. Keep copies of all your investment documentation i.e. Share transfer deed, Share Certificate etc.
- i. Send share certificates, cheques, demand drafts etc. through registered post or courier.
- j. Keep address / contact details / phone nos. and email ids updated at all times.
- k. **Change of Address:** Regarding change of address, bank details, nomination, registration of power of attorney, change in e-mail address, etc., Shareholders holding shares in physical form should notify the RTA and those who are holding shares in demat mode, should send their instructions directly to their DP.
- l. **Loss of Shares:** In case of loss/misplacement of shares, investors should immediately lodge a complaint / FIR with the police and then to the RTA who will guide on the procedure of obtaining the duplicate share certificates.
- m. **Unclaimed Dividends:** The Shareholders may claim their unpaid dividend upto FY 1994-95 by submitting an application in Form II of The Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978 to the Registrar of Companies – Everest, 100, Marine Drive, Mumbai – 400 002.

## Annexure IV to the Directors' Report

# General Shareholder Information

(As required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

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In terms of the Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, which was notified on 10<sup>th</sup> May, 2012, the Company has made the relevant disclosures to the Ministry of Corporate Affairs regarding unclaimed dividends.

The Company has uploaded the prescribed information on [www.iepf.gov.in](http://www.iepf.gov.in) and [www.siemens.co.in](http://www.siemens.co.in)

- n. **Non-Resident Shareholders** : Non-Resident Shareholders are requested to immediately notify the following to the Company in respect of shares held in Physical form and to their DPs in respect of shares held in Dematerialised form:
- Indian address for sending all communications, if not provided so far;
  - Change in their residential status on return to India for permanent settlement;
  - Particulars of the Bank Account maintained with a bank in India, if not furnished earlier;
  - RBI Permission number with date to facilitate prompt credit of dividend in their Bank Accounts.

**Feed Back:** Members are requested to give us their valuable suggestions for improvement of our investor services to our Corporate Office or RTA office at Mumbai.

On behalf of the Board of Directors

For **Siemens Limited**



**Deepak S. Parekh**  
Chairman

Mumbai  
Tuesday, 25<sup>th</sup> November, 2014

Note: The information given hereinabove is as of date unless otherwise stated.

# Business Responsibility Report - Overview

Sustainability is a guiding principle within Siemens. We define sustainability to mean acting responsibly on behalf of future generations to achieve economic, environmental and social progress. Creating sustainable value remains a key element of our corporate strategy.

We are convinced that sustainability is also a business opportunity worth seizing. Our framework for sustainable value creation and capital-efficient growth addresses this business opportunity with its three strategic directions:

- **Innovation-driven growth markets:** The products and solutions in our Environmental Portfolio and the innovation power of Siemens play a central role in contributing to environmental and climate protection.
- **Customer Focus:** An intense customer focus and a competitive, globally balanced and localized network of suppliers supports us in getting closer to our customers all over the world.
- **Use the power of Siemens:** Excellent employees are the true power of Siemens. They play a key role in our success. We expect them to strictly adhere to principles of integrity along with our partners and suppliers.

Our Sustainability Program focuses on targets and activities in three areas: "Business opportunities," where we turn our approach to sustainability into concrete business opportunities, "Walk the talk," means we are committed to embedding sustainability throughout our organization and operations and "Stakeholder engagement" where we focus on collaboration with all relevant stakeholders.

Our policies and approach on Business Responsibility Principles is highlighted below:

## Ethics, Transparency and Accountability

At Siemens, we act with integrity in accordance with values of responsibility, excellence and innovation. We adhere to all applicable laws and regulation and internal guidelines that include Business Conduct Guidelines (BCG) for employee and Supplier Code of Conduct (SCC). The guidelines cover aspects of ethics, transparency and business accountability for the employees as well as the supply chain.

## Sustainable Products and Services

We have a range of products called the "Environmental Portfolio (EP) Products". These products are designed with consideration to environment, health and safety during the use and disposal phase and include conservation of resources such as energy, water, material etc. We have introduced such new products and services in the reporting period that

conserve resources such as energy efficient motors, fault passage indicator and feeder remote terminal unit.

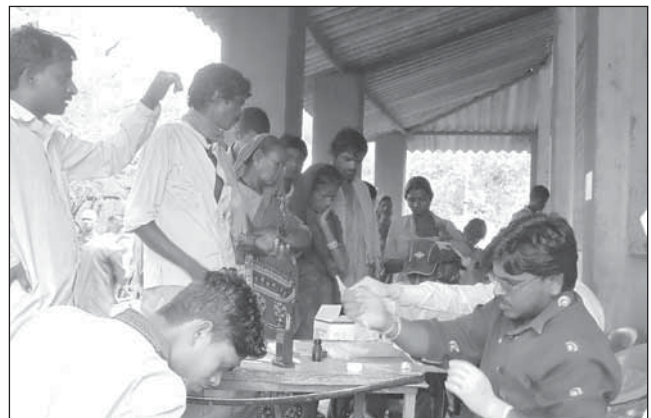
The SCC and BCG lay down requirements on various aspects of sustainability such as legal compliance, bribery and corruption, human rights, health and safety and environment protection. 100% of our products were sourced through suppliers and vendors who are compliant with these guidelines. We have a policy direction to increase the total number of local suppliers through training and capacity building. Further, we have a strong focus towards recycling and reuse of material and water.

## Wellbeing of Employees

A four level EHS management structure with a 'Zero Harm Culture' defines our overall objective. At Siemens, we do not discriminate on the basis of gender, caste or disabilities and have a policy of equal opportunity for all. Besides equal employment, the workforce (including contractual workers and those with disabilities), are entitled to the same benefits, training and skill enhancement. We support collective bargaining. Through continual dialogue with associations, we strive to maintain cordial relationships with employees and work towards their welfare.

## Responsiveness to all Stakeholders

Siemens' Materiality Matrix demonstrates our responsiveness to our stakeholders (employees, suppliers, contractors, customers or local communities). Their inputs feed into the development of our business strategy and community development agenda. We have undertaken various initiatives to support marginalized and disadvantaged groups including tribal villages, vulnerable children in conflict with law, and children whose parents are prisoners. We work to bring these children into the mainstream.



*A Siemens-organised medical camp in progress at Amlé village.*

# Business Responsibility Report - Overview

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## Protection of Human Rights

Siemens uphold the protection of human rights. Our BCG are in line with the U.N. Human Rights Declaration and European Human Rights Convention as well as ILO Principles. Our SCC policy addresses human rights issues across the supply chain.

## Protection of Environment

Siemens' EHS philosophy is "From Humble beginnings to a Continuous Improvement Methodology". We aim to achieve business excellence in environment protection, health management and safety. It is our responsibility to address and tackle global long term challenges such as demographic change, climate change and diminishing resources in a socially, ecologically and economically responsible manner which we do through various policies, programs, systems and initiatives.

## Public Policy Engagement

Siemens works closely with trade/industry associations in evolving policies that govern the functioning and regulations of industries. We have memberships in Technical Committees of BIS and on the Executive/Subject Councils and are members of key trade/industry associations. Through these platforms, we engage in responsible and transparent public policy dialogue to promote sustainability.

## Inclusive Growth and Equitable Development

Inclusive growth and equitable development are vital components of community prosperity. We have developed a Corporate Citizenship Strategy which focuses on integrating community development issues with business strategies to leverage our core competencies while addressing stakeholder needs. This strategy has seven focus areas under the three main pillars – Education, Environment and Social & Humanitarian under which we have undertaken various initiatives.

## Customer Satisfaction

We have a Customer First culture at Siemens India and drive all efforts to synergize and put customers at the core of everything we do. Our customer testimonials speak for us.

We have published our Business Responsibility Report (BRR) in accordance with Clause 55 of Listing Agreement with Stock Exchanges in India. As a Green Initiative, we have hosted our full BRR for the year 2014 on our website, which can be accessed at

[http://www.siemens.co.in/en/index/investor/annual\\_report.htm](http://www.siemens.co.in/en/index/investor/annual_report.htm)

[http://www.siemens.co.in/en/about\\_us/index/sustainability.htm](http://www.siemens.co.in/en/about_us/index/sustainability.htm)



*Siemens' Totally Integrated Automation provides flexibility, cost savings and a shorter time-to-market during all steps of the production process. It enabled Mother Dairy, Gandhinagar, to produce 100 tons of milk powder per day - the only plant in Asia to do so.*

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Siemens Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Siemens Limited ("the Company"), which comprise the Balance Sheet as at 30 September 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 30 September 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have 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 appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs;
  - e) On the basis of written representations received from the directors as on 30 September 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 30 September 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

### For S.R. Batliboi & Associates LLP

Chartered Accountants  
ICAI Firm Registration Number: 101049W

per **Vikram Mehta**  
Partner

Membership Number: 105938  
Place: Mumbai  
Date: 25 November 2014

## Annexure referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Siemens Limited (‘the Company’)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed 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) There was no disposal of a substantial part of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties (determined in the manner stated in clause (v) below) covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties (determined in the manner stated in clause (v) below) covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us and having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order is not applicable to the Company and hence not commented upon. In evaluating the parties to be covered under Section 301, only contracts or arrangements up to 31 March 2014 (being the last day up to which this section was applicable to the Company) have been considered.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for the period upto 31 March 2014 (the Companies Act, 1956 and relevant section has been replaced by the Companies Act, 2013 effective 1 April 2014), and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees’ state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees’ state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:



Name of the statute	Nature of dues	Amount (₹ in millions)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944 and Service Tax	Duty and Penalty	209	1980-81, 1987-1993, 1993-02, 2003-10, 2011-12, 2011-13	Tribunal
		296	1993-99 and 2003-10	High Court
State & Central Sales Tax Acts	Tax, Interest & Penalty	692	1962-69, 1970-74, 1975-81, 1982-90, 1991-96, 1997-03, 2004-08 and 2009-13	Assistant / Additional Commissioner
		1,149	1962-88, 1989-98, 1999-07, 2008-09, 2009-11 and 2011-13	Dy. Comm / Comm / Joint / Spl. Comm.
		831	1962-77, 1989-96, 1997-03, 2003-07, 2007-08, 2008-12 and 2012-13	Tribunal
		540	1962-85, 1996-04, 2005-07, 2008-10, 2011-12 and 2012-13	High Court
		2	2003-04	Supreme Court
Customs Act, 1962	Duty	120	1998-99	High Court
		197	2003-08	High Court

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) The Company has not accepted any loans from a financial institution; bank or debenture holders and therefore the provisions of clause 4(xi) of the Order are not applicable to the Company and hence not commented upon.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the said Order are not applicable to the Company and hence not commented upon.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the said Order are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance

sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956 for the period upto 31 March 2014 (the Companies Act, 1956 and relevant section has been replaced by the Companies Act, 2013 effective 1 April 2014).
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported during the year.

**For S.R. Batliboi & Associates LLP**

Chartered Accountants  
ICAI Firm Registration Number: 101049W

**per Vikram Mehta**  
Partner

Membership Number: 105938  
Place: Mumbai  
Date: 25 November 2014

# Balance Sheet

## as at 30 September 2014

(Currency: Indian rupees millions)

	Notes	2014	2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	2	712	712
Reserves and surplus	3	43,044	39,591
		<u>43,756</u>	<u>40,303</u>
<b>Non-current liabilities</b>			
Other long-term liabilities	4	522	837
Long-term provisions	5	2,669	2,535
		<u>3,191</u>	<u>3,372</u>
<b>Current liabilities</b>			
Trade payables	6	27,373	25,518
Other current liabilities	7	16,471	15,700
Short-term provisions	8	11,797	13,547
		<u>55,641</u>	<u>54,765</u>
<b>TOTAL</b>		<u><u>102,588</u></u>	<u><u>98,440</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	13,442	13,559
Intangible assets	9	114	230
Capital work-in-progress (net)		409	889
Non-current investments	10	82	432
Deferred tax assets (net)	11	3,738	4,297
Long-term loans and advances	12	6,358	6,164
Other non-current assets	13	4,183	6,705
		<u>28,326</u>	<u>32,276</u>
<b>Current assets</b>			
Inventories	14	10,472	9,334
Trade receivables	15	36,437	37,668
Cash and cash equivalents	16	11,210	6,038
Short-term loans and advances	17	7,776	4,909
Other current assets	18	8,367	8,215
		<u>74,262</u>	<u>66,164</u>
<b>TOTAL</b>		<u><u>102,588</u></u>	<u><u>98,440</u></u>

Significant accounting policies 1

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

As per our report of even date

For S.R. Batliboi & Associates LLP  
ICAI Firm Registration Number:- 101049W  
Chartered Accountants

per Vikram Mehta  
Partner  
Membership No: 105938  
Mumbai  
Date: 25 November 2014

For and on behalf of the Board of Directors of Siemens Limited  
Deepak S. Parekh Chairman  
Sunil Mathur Managing Director & Chief Executive Officer  
Christian Rummel Executive Director & Chief Financial Officer  
Yezdi H. Malegam Director & Chairman of Audit Committee  
Ketan Thaker Company Secretary  
Mumbai  
Date: 25 November 2014

# Statement of profit and loss for the year ended 30 September 2014 (Currency: Indian rupees millions)

	Notes	2014	2013
<b>Income</b>			
Revenue from operations (gross)		109,544	117,054
Less: Excise duty		(2,918)	(3,528)
Revenue from operations (net)	19	106,626	113,526
Other income	20	1,039	345
<b>Total revenue</b>		<b>107,665</b>	<b>113,871</b>
<b>Expenses</b>			
Raw materials consumed	32	25,870	26,056
Purchase of traded goods	31	24,413	23,629
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods		(1,487)	224
Project bought outs and other direct costs	21	26,746	35,459
Employee benefits expense	22	14,118	13,524
Finance costs	23	82	189
Depreciation and amortization expense	9	2,291	2,502
Other expenses	24	11,023	10,427
<b>Total expenses</b>		<b>103,056</b>	<b>112,010</b>
<b>Profit before exceptional items and tax</b>		<b>4,609</b>	<b>1,861</b>
Exceptional items	42	3,827	325
<b>Profit before tax</b>		<b>8,436</b>	<b>2,186</b>
<b>Tax expense</b>			
Current tax		(1,845)	(1,051)
Deferred tax credit / (charge)		(559)	805
<b>Total tax expense</b>		<b>(2,404)</b>	<b>(246)</b>
<b>Profit for the year</b>		<b>6,032</b>	<b>1,940</b>
<i>Of which discontinuing operations:</i>	43		
Loss before tax from discontinuing operations		(326)	(133)
Tax expense of discontinuing operations		(111)	(45)
<b>Loss after tax from discontinuing operations</b>		<b>(215)</b>	<b>(88)</b>
<b>Basic and diluted earnings per share (in ₹)</b>			
(Equity share of face value ₹ 2 each)	40		
(i) Continuing operations		17.54	5.69
(ii) Total operations		16.94	5.45

## Significant accounting policies

1

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

As per our report of even date

**For S.R. Batliboi & Associates LLP**  
ICAI Firm Registration Number:- 101049W  
Chartered Accountants

**per Vikram Mehta**  
Partner  
Membership No: 105938  
Mumbai  
Date: 25 November 2014

**For and on behalf of the Board of Directors of Siemens Limited**  
**Deepak S. Parekh** Chairman  
**Sunil Mathur** Managing Director & Chief Executive Officer  
**Christian Rummel** Executive Director & Chief Financial Officer  
**Yezdi H. Malegam** Director & Chairman of Audit Committee  
**Ketan Thaker** Company Secretary  
Mumbai  
Date: 25 November 2014

# Cash Flow Statement

## for the year ended 30 September 2014

(Currency: Indian rupees millions)

	Notes	2014	2013
<b><u>Cash flow from operating activities</u></b>			
Profit before tax		8,436	2,186
<b>Adjustments for:</b>			
Finance costs	23	82	189
Bad debts	24	185	213
Provision for doubtful debts / advances, net	24	(36)	541
Depreciation and amortization expense	9	2,291	2,502
Profit on sale of assets, net	20 / 42	(3,985)	(14)
Profit on sale of LAS business	42	-	(1,146)
Impairment loss	42	292	355
Other liabilities written back	20	(63)	(130)
Unrealised exchange loss / (gain), net		(49)	1,644
Interest income	20	(404)	(201)
<b>Operating profit before working capital changes</b>		<b>6,749</b>	<b>6,139</b>
(Increase) / Decrease in inventories		(1,138)	1,079
(Increase) / Decrease in trade and other receivables		652	7,366
Increase / (Decrease) in trade payables and other liabilities		3,871	(10,193)
Increase / (Decrease) in provisions		(2,095)	(1,543)
<b>Net change in working capital</b>		<b>1,290</b>	<b>(3,291)</b>
<b>Cash generated from operations</b>		<b>8,039</b>	<b>2,848</b>
Direct taxes paid, net		(1,961)	(1,830)
<b>Net cash generated from operating activities</b>		<b>6,078</b>	<b>1,018</b>
<b><u>Cash flow from investing activities</u></b>			
Purchase of fixed assets and investment property		(1,917)	(2,239)
Proceeds from sale of fixed assets, investment property and advance received		4,222	365
Proceeds from sale of investments - LAS business		-	1,228
Interest received		368	206
Inter corporate deposits given		(4,805)	(1,735)
Refund of inter corporate deposits given		3,435	1,885
<b>Net cash generated from / (used in) investing activities</b>		<b>1,303</b>	<b>(290)</b>

## Cash Flow Statement (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

	Notes	2014	2013
<b><u>Cash flow from financing activities</u></b>			
Interest paid		(123)	(290)
Dividend paid (including tax thereon)		(2,081)	(2,451)
Inter corporate deposit taken		1,220	16,960
Inter corporate deposit repaid		(1,220)	(18,860)
Proceeds from short- term borrowings		-	15,850
Repayment of short- term borrowings		-	(15,954)
<b>Net cash used in financing activities</b>		<b>(2,204)</b>	<b>(4,745)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>5,177</b>	<b>(4,017)</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>6,038</b>	<b>9,768</b>
Cash and cash equivalents acquired on amalgamation of Winergy		-	65
Cash and cash equivalents acquired on amalgamation of SPEL		-	172
<b>Effect of exchange (loss) / gain on cash and cash equivalents</b>		<b>(5)</b>	<b>50</b>
<b>Cash and cash equivalents at the end of the year</b>	16	<b>11,210</b>	<b>6,038</b>

### Notes:

- 1) Cash and cash equivalents at the end of the year include unpaid dividend account balances with banks of ₹ 36 (2013: ₹ 34) which are restricted in use.
- 2) The cash flow statement reflects the combine cash flow pertaining to continuing and discontinuing operations (Refer note 43).

As per our report of even date

**For S.R. Batliboi & Associates LLP**  
ICAI Firm Registration Number:- 101049W  
*Chartered Accountants*

**per Vikram Mehta**  
*Partner*  
Membership No: 105938

Mumbai  
Date: 25 November 2014

**For and on behalf of the Board of Directors of Siemens Limited**

<b>Deepak S. Parekh</b>	<i>Chairman</i>
<b>Sunil Mathur</b>	<i>Managing Director &amp; Chief Executive Officer</i>
<b>Christian Rummel</b>	<i>Executive Director &amp; Chief Financial Officer</i>
<b>Yezdi H. Malegam</b>	<i>Director &amp; Chairman of Audit Committee</i>
<b>Ketan Thaker</b>	<i>Company Secretary</i>

Mumbai  
Date: 25 November 2014

# Notes to the financial statements for the year ended 30 September 2014 (Currency: Indian rupees millions)

## **Basis of preparation of financial statements**

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain derivative instruments which are measured at fair value in accordance with generally accepted accounting principles in India ("Indian GAAP") and comply in all material respects with the accounting standards notified in the Companies (Accounting Standards) Rules 2006, (as amended) issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ('NACAS') and relevant provisions of the Companies Act, 1956 ('the Act') read with General Circular 08/2014 dated 04 April 2014 issued by Ministry of Corporate Affairs.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

## **1. Significant accounting policies**

### **1.1 Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

### **1.2 Tangible fixed assets and depreciation**

Fixed assets are stated at cost of acquisition or revalued amounts less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

Depreciation is provided on the straight-line method ('SLM'). The depreciation rates prescribed in Schedule XIV to the Act are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid Schedule, depreciation is provided at a higher rate based on the management's estimate of useful life/remaining life.

Diagnostics equipments are being treated as traded items of inventory when they are received. However, if these instruments are issued from inventory to customers under placement agreement, these are treated as capital asset in the period of such issue and are stated at cost less accumulated depreciation.

The key fixed asset blocks and related annual depreciation rates, which in management's opinion reflect the estimated useful economic lives of the fixed assets, are:

<b>Asset</b>	<b>Rate</b>
<b>Land</b>	
- Freehold	-
- Leasehold	Over the lease period
<b>Buildings</b>	
- Factory buildings	3.33 - 6.66%
- Other buildings	2 - 2.5%
- Leasehold improvements	Over the lease period
<b>Plant and equipments</b>	
- Assets specific to a project	Over the life of the project
- Special machine tools	10 - 20%
- Other plant and equipments	8.33 - 25%
<b>Furniture, fixtures and office equipments</b>	10 - 33.33%
<b>Vehicles</b>	12.5 - 25%

## 1.2 *Tangible fixed assets and depreciation (Continued)*

Where depreciable assets are revalued, depreciation is provided on the revalued amount and the additional depreciation on accretion to assets on revaluation is transferred from revaluation reserve to the statement of profit and loss.

Assets costing ₹ 5,000 or less are fully charged to the statement of profit and loss in the year of acquisition.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and estimated net realizable value and are disclosed separately in the financial statements.

Capital work-in-progress includes the cost of fixed assets that are not ready to use at the balance sheet date.

## 1.3 *Intangible assets*

Intangible assets comprise goodwill, software and technical know-how. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. These intangible assets are amortised on straight-line basis based on the following useful lives, which in management's estimate represents the period during which economic benefits will be derived from their use:

<b>Asset</b>	<b>Useful life</b>
Goodwill	36 - 60 months
Software	36 - 60 months
Technical know-how	60 - 120 months

## 1.4 *Impairment of assets*

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or cash generating unit.

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the 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. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost, had no impairment been recognised.

## 1.5 *Investments*

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are classified as current investments. All other investments are classified as long term investments.

Long-term investments are carried at cost. Provision for diminution is made to recognize a decline, other than temporary in value of long-term investments and is determined separately for each individual investment.

### **Investment property**

An investment in land or buildings, which is not intended to be occupied substantially for use by or in the operations of the Company, is classified as an investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

# Notes to the financial statements (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

## 1.5 *Investments (Continued)*

The cost comprise purchase price, borrowing costs if capitalisation criteria are met and directly attributable cost of bringing the investment property to its working condition for the intended use.

Depreciation on investment property is calculated on a straight line basis as per the rates arrived at based on the useful lives estimated by the management or that prescribed under the Schedule XIV to the Act, whichever is higher. The Company has used depreciation rate of 1.39% - 3.45%.

On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## 1.6 *Revenue recognition*

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of products is recognised on transfer of significant risk and rewards of ownership of the products to the customers, which is generally on dispatch of goods. Sales are stated exclusive of sales tax and net of trade and quantity discount.

Revenue from services is recognised as per the terms of the contract with the customer using the proportionate completion method.

Revenue from services represents service income other than from services which are incidental to sale of products and projects.

Income from fixed price construction contracts is recognised by reference to the estimated overall profitability of the contract under the percentage of completion method. Percentage of completion is determined as a proportion of the costs incurred upto the reporting date to the total estimated contract costs. Contract revenue earned in excess of billing has been reflected as "Project excess cost" under "Other current assets" and "Billing in excess" of contract revenue has been reflected under "Other current liabilities" in the balance sheet. Provision for expected loss is recognized immediately when it is probable that the total estimated contract costs will exceed total contract revenue.

Commission income is recognised when proof of shipment is received from the supplier.

Interest income is recognised on the time proportion basis.

Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds.

## 1.7 *Inventories*

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw materials are valued at the lower of cost and net realisable value. Cost is determined on the basis of the weighted average method.

Work-in-progress, finished goods and traded goods are valued at the lower of cost and net realisable value. Excise duty is included in the value of finished goods inventory. Cost is determined on a weighted average basis.

The net realisable value of work-in-progress is determined with reference to the estimated selling price less estimated cost of completion and estimated costs necessary to make the sale of related finished goods. Raw materials held for the production of finished goods are not written down below cost except in case where material prices have declined and it is estimated that the cost of the finished product will exceed its net realisable value.



## 1.8 Leases

Where the Company is the lessee:

Leases where the lessor effectively retains substantially all the risk and benefits of ownership of the leased items are classified as operating leases. Lease payments under an operating lease, are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term.

Where the Company is the lessor:

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the statement of profit and loss.

## 1.9 Employee benefits

### (a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and short term compensated absences, etc. and the expected cost of ex-gratia is recognised in the period in which the employee renders the related service.

### (b) Post-employment benefits

(i) **Defined Contribution Plans:** The Company's approved superannuation scheme and employee state insurance scheme are defined contribution plans. The Company's contribution paid/payable under the schemes is recognised as expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans and other Long Term Benefits:** The Company's provident fund, gratuity, pension and medical benefit schemes are defined benefit plans. Leave wages, retention bonus, silver jubilee and star awards are other long term benefits. The present value of the obligation under such defined benefit plans and other long term benefits are determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Provision for leave wages, pension, medical benefit, retention bonus, silver jubilee and star awards which is expected to be utilized within the next 12 months is treated as short term employee benefits and beyond 12 months as long term employee benefits. For the purpose of presentation, the allocation between short and long term provisions has been made as determined by an actuary.

Actuarial gains and losses are recognised immediately in the statement of profit and loss.

## 1.10 Foreign currency transactions

The Company is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

# Notes to the financial statements (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

## 1.10 *Foreign currency transactions (Continued)*

### *Translation*

Monetary assets and liabilities in foreign currency, which are outstanding as at the year-end, are translated at the year-end at the closing exchange rate and the resultant exchange differences are recognized in the statement of profit and loss. Non monetary items are stated in the balance sheet using the exchange rate at the date of the transaction.

### *Derivative instruments*

The Company's exposure to foreign currency fluctuations relates to foreign currency assets, liabilities and forecasted cash flows. The Company limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Company enters into forward exchange contracts, where the counterparty is a bank.

As per Accounting Standard ('AS') 11 – 'The Effects of Changes in Foreign Exchange Rates', the premium or the discount on forward exchange contracts not relating to firm commitments or highly probable forecast transactions and not intended for trading or speculation purpose is amortized as expense or income over the life of the contract. All other derivatives except cash flow hedges, which are not covered by AS 11, are measured using the mark-to-market principle with the resulting gains / losses thereon being recorded in the statement of profit and loss.

### *Hedge Accounting*

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates some of the forward contracts in a cash flow hedging relationship by applying the hedge accounting principles.

These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in Cash Flow Hedge Reserve under Reserves and Surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the statement of profit and loss.

Amounts accumulated in Cash Flow Hedge Reserve are reclassified to profit and loss in the same periods during which the forecasted transaction materialises.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in Hedging Reserve Account is retained there until the forecasted transaction occurs.

If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in Cash Flow Hedge Reserve is immediately transferred to the statement of profit and loss for the period.

## 1.11 *Taxation*

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law), deferred tax charge or credit (reflecting the tax effect of timing differences between accounting income and taxable income for the year) computed in accordance with the relevant provisions of the Income Tax Act, 1961. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, all deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

### **1.12 Earnings per share**

Basic and diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

### **1.13 Provision**

Provisions are recognized when the Company recognises it has a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

Disclosures for contingent liability are made when there is a possible or present obligation which arises from past events which is not recognised since it is not probable that there will be an outflow of resources. When there is a possible or present obligation in respect of which the likelihood of outflow of resources is remote, no disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Contingent assets are neither recognized nor disclosed in the financial statements.

### **1.14 Cash and cash equivalents**

Cash and cash equivalents include cash, cheques in hand, cash at bank and short term deposits with banks having maturity of three months or less.

### **1.15 Insurance claims**

Amounts by way of insurance claims are recognised as assets when it is reasonably certain that the claim is receivable and is recorded as a reduction in the expense where the corresponding loss has been debited.

### **1.16 Operating cycle**

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. The Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

Notes to the financial statements (*Continued*)  
as at 30 September 2014  
(Currency: Indian rupees millions)

	2014	2013
<b>2 Share capital</b>		
<b>Authorised</b>		
1,000,000,000 Equity Shares of ₹ 2 each (2013: 1,000,000,000 Equity shares of ₹ 2 each)	<u>2,000</u>	<u>2,000</u>
	<u>2,000</u>	<u>2,000</u>
<b>Issued</b>		
356,983,950 Equity Shares of ₹ 2 each (2013: 356,983,950 Equity shares of ₹ 2 each)	<u>714</u>	<u>714</u>
<b>Subscribed and fully paid-up</b>		
356,119,885 Equity Shares of ₹ 2 each fully paid-up (2013: 356,119,885 Equity shares of ₹ 2 each fully paid-up)	<u>712</u>	<u>712</u>
	<u>712</u>	<u>712</u>

a) **Shares held by holding company and subsidiary of holding company:**

255,351,805 (2013: 255,351,805) Equity shares of ₹ 2 each, fully paid-up, are held by the Holding Company, Siemens AG, Germany;

11,738,108 (2013: 11,738,108) Equity shares of ₹ 2 each, fully paid-up, are held by Siemens VAI Metals Technologies GmbH, a 100% subsidiary of Siemens AG, Germany.

b) **Reconciliation of the number of shares outstanding at the beginning and at the end of the year:**

	2014		2013	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	356,119,885	712	340,295,025	681
Shares issued / subscribed during the year	-	-	15,824,860	31
Shares outstanding at the end of the year	<u>356,119,885</u>	<u>712</u>	<u>356,119,885</u>	<u>712</u>

During the previous year, the paid up share capital had increased consequent to the issue of 15,824,785 equity shares on the amalgamation of SVAI, SPEL and Winergy and allotment of 75 equity shares to member upon settlement of a disputed case.

c) **Details of shareholders holding more than 5% shares in the Company as on 30th September:**

Name of shareholder	2014		2013	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Siemens Aktiengesellschaft, Germany and its subsidiary	267,089,913	75.00%	267,089,913	75.00%
Life Insurance Corporation of India	*	*	20,247,974	5.69%

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.

\* denotes holding not more than 5%

## 2 Share capital (Continued)

### d) Details of aggregate number of shares issued for consideration other than cash and bonus shares issued during the period of five years immediately preceding 30 September:

Equity shares allotted as	2014	2013
Fully paid up to the shareholders of Siemens Healthcare Diagnostics Ltd. in accordance with the scheme of amalgamation	3,134,700	3,134,700
Fully paid up to the shareholders of Siemens VAI Metals Technologies Pvt. Ltd. (SVAI) in accordance with the scheme of amalgamation	11,738,108	11,738,108
Fully paid up to the shareholders of Siemens Power Engineering Pvt. Ltd. (SPEL) in accordance with the scheme of amalgamation	3,461,538	3,461,538
Fully paid up to the shareholders of Winergy Drive Systems India Pvt. Ltd. (Winergy) in accordance with the scheme of amalgamation	625,139	625,139

### e) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

During the year ended 30 September 2014, the amount of per share dividend recognised for distribution to equity shareholders is ₹ 6 (2013: ₹ 5)

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts (if any). The distribution will be in proportion to the number of equity shares held by the shareholders.

	2014	2013
<b>3 Reserves and surplus</b>		
<b>a) Capital reserve</b>		
- Balance brought forward	538	21
- Addition on amalgamation of Winergy	-	449
- Addition on amalgamation of SPEL	-	68
	<u>538</u>	<u>538</u>
<b>b) Amalgamation reserve</b>	56	56
<b>c) Capital redemption reserve</b>	*	*
<b>d) Securities premium account</b>	1,567	1,567
<b>e) Revaluation reserve</b>		
- Balance brought forward	10	11
- Additional depreciation on building due to revaluation transferred to the statement of profit and loss [Refer note 9(ii)]	(1)	(1)
	<u>9</u>	<u>10</u>
<b>f) Cash flow hedge reserve</b>		
- Balance brought forward	20	(3)
- Transferred to the statement of profit and loss	(20)	3
- Additions during the year [net of tax ₹ 3 (2013: ₹12)]	6	20
	<u>6</u>	<u>20</u>

\* denotes figures less than a million

Notes to the financial statements (*Continued*)  
as at 30 September 2014  
(Currency: Indian rupees millions)

	2014	2013
<b>3 Reserves and surplus (<i>Continued</i>)</b>		
<b>g) General reserve</b>		
- Balance brought forward	31,494	31,160
- Addition on amalgamation of SPEL	-	93
- Profit of SPEL for the period from 01 October 2011 (appointed date) to 30 September 2012	-	47
- Transferred from surplus balance in the statement of profit and loss	-	194
	<u>31,494</u>	<u>31,494</u>
<b>h) Surplus in the statement of profit and loss</b>		
- Balance brought forward	5,906	6,110
- Addition on amalgamation of Winergy as on 01 October 2012	-	10
- Reassessment of useful lives on amalgamation of Winergy (net of tax of ₹ 40)	-	(77)
- Opening deferred tax assets created on amalgamation of Winergy	-	201
- Profit for the year	6,032	1,940
Less: Appropriations		
- Proposed dividend	(2,137)	(1,781)
- Tax on proposed dividend	(427)	(303)
- Transfer to general reserve	-	(194)
Total appropriations	<u>(2,564)</u>	<u>(2,278)</u>
<b>Net surplus in the statement of profit and loss</b>	<u>9,374</u>	<u>5,906</u>
<b>Total reserves and surplus</b>	<u><u>43,044</u></u>	<u><u>39,591</u></u>
<b>4 Other long-term liabilities</b>		
<b>a) Trade payables</b>	228	518
<b>b) Others</b>		
- Long-term employee incentives / benefits	223	195
- Derivative contracts	13	48
- Other liabilities	58	76
	<u>294</u>	<u>319</u>
	<u><u>522</u></u>	<u><u>837</u></u>

	2014	2013
<b>5 Long-term provisions</b>		
<b>a) Provision for employee benefits</b>		
- Pension (Refer note 38)	134	144
- Leave wages	622	427
- Medical benefits (Refer note 38)	298	243
- Silver jubilee and star awards	364	310
- Retention bonus	22	7
<b>b) Others</b>		
- Warranty (Refer note 33)	1,179	820
- Liquidated damages (Refer note 33)	33	160
- Other matters (Refer note 33)	17	424
	<u>2,669</u>	<u>2,535</u>
<b>6 Trade payables</b>		
- Micro and Small Enterprises (Refer note 41)	768	688
- Others	26,605	24,830
	<u>27,373</u>	<u>25,518</u>
<b>7 Other current liabilities</b>		
Advances from customers	3,764	3,418
Billing in excess / income received in advance	8,279	7,593
Unclaimed dividend	36	34
Security deposits	23	64
Other liabilities		
- Accrued salaries and benefits	2,014	2,155
- Withholding and other taxes payable	550	531
- Derivative contracts	871	866
- Liability for capital goods	238	454
- Interest accrued and due	140	181
- Interest accrued but not due	*	-
- Others	556	404
	<u>16,471</u>	<u>15,700</u>
<b>8 Short-term provisions</b>		
<b>(a) Provision for employee benefits</b>		
- Pension (Refer note 38)	30	31
- Leave wages	75	54
- Medical benefits (Refer note 38)	38	32
- Gratuity (Refer note 38)	151	-
- Silver jubilee and star awards	26	18
- Provident fund (Refer note 38d)	58	-
- Retention bonus	-	6
<b>(b) Others</b>		
- Warranty (Refer note 33)	2,397	1,910
- Loss order (Refer note 33)	2,039	3,526
- Liquidated damages (Refer note 33)	1,758	3,155
- Other matters (Refer note 33)	2,661	2,731
- Proposed dividend	2,137	1,781
- Tax on proposed dividend	427	303
	<u>11,797</u>	<u>13,547</u>

\* denotes figures less than a million

## 9 Fixed assets

	Tangible assets				Intangible assets								
	Land (Refer note i)	Buildings (Refer note i and iii)	Plant and equipment (Refer note iii and iv)	Furniture and fixtures (Refer note iii)	Vehicles	Total	Previous year	Goodwill	Technical knowhow	Software	Total	Previous year	
<b>Gross block</b>													
At 1 October 2013	1,201	5,877	15,717	778	2,198	40	25,811	23,438	422	457	162	1,041	918
Additions on amalgamation of SPEL	-	-	-	-	-	-	-	217	-	-	-	-	57
Additions on amalgamation of Winergy	1	81	1,910	34	222	-	2,248	2,123	-	-	3	3	22
Deductions / adjustments	(1)	(33)	(568)	(69)	(193)	(3)	(867)	(1,145)	-	(59)	(49)	(108)	44
Transferred to assets held for sale	-	-	(12)	(1)	-	-	(13)	(11)	-	-	-	-	-
Transferred to investment property	(1)	-	-	-	-	-	(1)	(23)	-	-	-	-	-
<b>At 30 September 2014</b>	<b>1,200</b>	<b>5,925</b>	<b>17,047</b>	<b>742</b>	<b>2,227</b>	<b>37</b>	<b>27,178</b>	<b>25,811</b>	<b>422</b>	<b>398</b>	<b>116</b>	<b>936</b>	<b>1,041</b>
<b>Accumulated depreciation / amortisation</b>													
At 1 October 2013	70	1,244	8,564	570	1,768	36	12,252	9,537	422	287	102	811	697
Additions on amalgamation of SPEL	-	-	-	-	-	-	-	141	-	-	-	-	35
Additions on amalgamation of Winergy	-	-	-	-	-	-	-	597	-	-	-	-	20
Charge for the year (Refer note ii)	10	222	1,652	81	276	3	2,244	2,436	-	27	13	40	59
Impairment loss (Refer note 42)	-	-	-	-	-	-	-	352	-	-	-	-	-
Deductions / adjustments	-	(24)	(439)	(67)	(213)	(3)	(746)	(794)	-	-	(29)	(29)	-
Transferred to assets held for sale	-	-	(11)	(1)	-	-	(12)	(10)	-	-	-	-	-
Transferred to investment property	(2)	-	-	-	-	-	(2)	(7)	-	-	-	-	-
<b>At 30 September 2014</b>	<b>78</b>	<b>1,442</b>	<b>9,766</b>	<b>583</b>	<b>1,831</b>	<b>36</b>	<b>13,736</b>	<b>12,252</b>	<b>422</b>	<b>314</b>	<b>86</b>	<b>822</b>	<b>811</b>
<b>Net block</b>													
<b>At 30 September 2014</b>	<b>1,122</b>	<b>4,483</b>	<b>7,281</b>	<b>159</b>	<b>396</b>	<b>1</b>	<b>13,442</b>	<b>13,559</b>	<b>-</b>	<b>84</b>	<b>30</b>	<b>114</b>	<b>230</b>
At 30 September 2013	1,131	4,633	7,153	208	430	4	13,559	-	-	170	60	230	-

## Notes :-

i Included in the gross block of land at 30 September 2014 is freehold land of ₹ 503 (2013: ₹ 504) and buildings includes ₹ 103 (2013: ₹ 380) representing 315 shares of ₹ 50 each and 10 shares of ₹ 100 each (2013: 430 shares of ₹ 100 each and 10 shares of ₹ 100 each) in various co-operative housing societies respectively.

## ii Depreciation and amortization expense:

	2014	2013
Depreciation on tangible assets	2,244	2,436
Amortisation of intangible assets	40	59
Depreciation on investment property	7	8
Depreciation on assets held for sale	1	-
Less : Transferred from revaluation reserve	(1)	(1)
<b>As per the statement of profit and loss</b>	<b>2,291</b>	<b>2,502</b>

## iii Assets include assets given on operating lease:

Particulars	2014		2013	
	Buildings and equipment	Furniture and fixtures	Buildings and equipment	Furniture and fixtures
Gross Block	133	71	14	7
Written Down Value	99	28	2	2
Depreciation charge for the year	7	7	1	1
			6	2
			18	8
			30	5
			4	2

iv Plant and equipments includes Gross Block of ₹ 25 (2013: ₹ 25) and Net Block of ₹ 10 (2013: ₹ 12) cost incurred by the company on certain assets ownership of which vests with the West Bengal State Electricity Board.



Notes to the financial statements (*Continued*)  
as at 30 September 2014  
(Currency: Indian rupees millions)

	2014	2013
<b>10 Non-current investments</b>		
<b>Investment property less accumulated depreciation / impairment loss</b>		
Land and building (at cost)	412	486
Less: Accumulated depreciation / impairment loss (Refer note 42)	(330)	(54)
<b>Net block</b>	<u>82</u>	<u>432</u>
<b>11 Deferred tax assets (net)</b>		
<b>Deferred tax assets</b>		
Arising on account of timing differences in :		
Provision for doubtful debts and advances	786	744
Expenditure debited to the statement of profit and loss but allowable for tax purposes in following years	3,121	3,777
Other provisions	<u>72</u>	<u>53</u>
	<b>3,979</b>	<b>4,574</b>
<b>Less - Deferred tax liability</b>		
Arising on account of timing differences in :		
Depreciation	241	277
<b>Deferred tax assets (net)</b>	<u>3,738</u>	<u>4,297</u>
<b>12 Long-term loans and advances (unsecured considered good, unless otherwise stated)</b>		
Advances recoverable in cash or kind	93	159
Capital advances	68	134
Deposits		
- considered good	312	354
- considered doubtful	<u>-</u>	<u>22</u>
	<b>312</b>	<b>376</b>
Provision for doubtful deposits	<u>-</u>	<u>(22)</u>
	<b>312</b>	<b>354</b>
Balances with statutory / government authorities	744	552
Advance payments of income tax [net of provision for tax ₹ 29,287 (2013: ₹ 27,442)]	<u>5,141</u>	<u>4,965</u>
	<u><b>6,358</b></u>	<u><b>6,164</b></u>

**Notes to the financial statements (Continued)**  
**as at 30 September 2014**  
**(Currency: Indian rupees millions)**

	2014	2013
<b>13 Other non-current assets</b>		
Long-term trade receivables (unsecured, considered good)	4,154	6,571
Derivative contracts	29	134
	<u>4,183</u>	<u>6,705</u>
<b>14 Inventories (at lower of cost and net realisable value)</b>		
Raw materials [includes Goods in Transit ₹ 490 (2013 : ₹ 677)]	2,404	2,753
Work-in-progress	4,884	3,920
Finished goods	905	873
Traded goods [includes Goods in Transit ₹ 863 (2013 : ₹ 1,172)]	2,279	1,788
	<u>10,472</u>	<u>9,334</u>
<b>15 Trade receivables (unsecured)</b>		
Trade receivables outstanding		
- for a period exceeding six months from the date they are due for payment	7,433	6,374
- other receivables	<u>30,946</u>	<u>33,328</u>
	38,379	39,702
Of which		
- considered good	36,437	37,668
- considered doubtful	<u>1,942</u>	<u>2,034</u>
	38,379	39,702
Provision for doubtful receivables	(1,942)	(2,034)
	<u>36,437</u>	<u>37,668</u>
<b>16 Cash and cash equivalents</b>		
Balances with banks		
- On current accounts	1,497	1,625
- Bank deposits with original maturity of less than 3 months	9,400	4,050
- On unpaid dividend account	36	34
Cash on hand	5	4
Cheques / drafts on hand	272	325
	<u>11,210</u>	<u>6,038</u>

	2014	2013
<b>17 Short-term loans and advances (unsecured considered good, unless otherwise stated)</b>		
Advances recoverable in cash or kind		
- considered good	2,733	2,843
- considered doubtful	115	158
	<u>2,848</u>	<u>3,001</u>
Provision for doubtful advances	<u>(115)</u>	<u>(158)</u>
	2,733	2,843
Deposits		
- considered good	317	259
- considered doubtful	62	46
	<u>379</u>	<u>305</u>
Provision for doubtful deposits	<u>(62)</u>	<u>(46)</u>
	317	259
Loans and advances to related parties (Refer note 36)		
- Inter corporate deposits	1,720	350
Balances with statutory / government authorities, net	3,006	1,457
	<u>7,776</u>	<u>4,909</u>
Advances recoverable in cash or kind include gratuity excess funded of ₹ Nil (2013: ₹ 36) (Refer note 38)		
<b>18 Other current assets</b>		
Project excess cost and unbilled revenue	7,775	7,440
Assets held for sale	16	1
Derivative contracts	538	703
Interest accrued on inter corporate deposits	4	*
Interest accrued on bank deposits	33	*
Other receivables	1	71
	<u>8,367</u>	<u>8,215</u>

\* denotes figures less than a million

**Notes to the financial statements (Continued)**  
**for the year ended 30 September 2014**  
**(Currency: Indian rupees millions)**

	2014	2013
<b>19 Revenue from operations, net of excise duty (Refer note 29)</b>		
Sale of products	53,400	49,136
Sale of services	7,260	7,813
Commission income	317	570
Revenue from projects (Refer note 34)	43,506	53,933
	<u>104,483</u>	<u>111,452</u>
<b>Other operating revenues</b>		
Export incentives	135	131
Recoveries from group companies	1,480	1,532
Rental income	236	245
Others	292	166
	<u>2,143</u>	<u>2,074</u>
	<u>106,626</u>	<u>113,526</u>
<b>20 Other income</b>		
Interest income	404	201
Profit on sale of assets, net	572	14
Other liabilities written back	63	130
	<u>1,039</u>	<u>345</u>
<b>21 Project bought outs and other direct costs</b>		
Spares and stores consumed	248	295
Project bought outs	23,719	31,000
Other costs	2,779	4,164
	<u>26,746</u>	<u>35,459</u>
Included in other costs, change in excise duty on closing stock of finished goods	(28)	(21)
<b>22 Employee benefits expense</b>		
Salaries, wages and bonus, net	12,395	11,977
Contribution to provident and other funds	1,011	804
Staff welfare expenses	712	743
	<u>14,118</u>	<u>13,524</u>
<b>23 Finance costs</b>		
Interest costs	58	162
Other costs	24	27
	<u>82</u>	<u>189</u>

	2014	2013
<b>24 Other expenses</b>		
Exchange loss / (gains), net	825	40
Travel and conveyance	1,887	1,673
Software license fees and other information technology related costs	1,157	1,023
Rates and taxes	577	684
Communications	297	407
Packing and forwarding	1,083	1,080
Power and fuel	518	549
Insurance	376	461
Rent	790	965
Repairs		
- on building	298	202
- on machinery	233	223
- others	176	138
Legal and professional	959	703
Advertising and publicity	115	2
Office supplies, printing and stationery	83	109
Research and development expenditure	43	195
Bank guarantee commission / bank charges	231	237
Donation	9	6
Commission to directors	17	15
Directors' fees	2	1
Bad debts	185	213
Provision for doubtful debts and advances, net	(36)	541
Miscellaneous expenses [include auditors' remuneration (Refer note 26)]	1,198	960
	<u>11,023</u>	<u>10,427</u>

**25 Commitments and contingent liabilities**

**(a) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	629	682
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**(b) Contingent liabilities**

Income tax (excluding interest)	170	201
Excise / sales tax liabilities, under dispute	3,464	1,945
Customs liabilities, under dispute	120	120
Claims against the company not acknowledged as debts	537	105

In respect of above contingent liabilities, the future cash outflows are determinable only on receipt of judgements pending at various forums / authorities.

**Notes to the financial statements (Continued)**  
**for the year ended 30 September 2014**  
**(Currency: Indian rupees millions)**

	2014	2013
<b>26 Auditors' remuneration (for audit services exclusive of service tax)</b>		
- Audit fees	27	29
- Tax audit fees	5	5
- Other audit related attestations	7	2
- Reimbursement of expenses	3	3
	42	39
<b>27 Earnings and expenditure in foreign exchange (on accrual basis)</b>		
<b>(a) Earnings in foreign currency</b>		
- Exports of goods direct on FOB basis	4,170	5,101
- Project business (based on actual billing)	8,336	7,128
- Commission	317	570
- Service charges and others	3,368	2,672
<b>(b) Expenditure in foreign currency</b>		
- Travelling	284	173
- Expenditure on contracts at foreign sites	1,274	2,822
- Service charges	2,867	3,779
- Others	2,590	3,512
<b>(c) Value of imports calculated on CIF basis</b>		
- Raw materials, components, spare parts and traded goods	34,026	34,869
- Capital goods	492	445
<b>28 Net dividend remitted in foreign exchange</b>		
<b>Siemens Ltd.</b>		
Period to which the dividend relates	<b>1.10.2012 to</b> <b>30.09.2013</b>	1.10.2011 to 30.09.2012
Number of non-resident shareholders	<b>Two</b>	Two
Number of equity shares held on which dividend was due :		
- Siemens AG	<b>255,351,805</b>	251,265,128
- Siemens VAI Metals Technologies GmbH	<b>11,738,108</b>	11,738,108
Amount remitted:		
- Siemens AG	<b>1,277</b>	1,508
- Siemens VAI Metals Technologies GmbH	<b>59</b>	70
<b>Erstwhile Siemens Power Engineering Pvt. Ltd.</b>		
Period to which the dividend relates	-	1.10.2011 to 30.09.2012
Number of non-resident shareholders	-	One
Number of equity shares held on which dividend was due :		
- Siemens AG	-	7,500,000
Amount remitted:		
- Siemens AG	-	367

## 29 Revenue from operations

	<u>2014</u>	<u>2013</u>
<b>Sale of products</b>		
Switchgear items	11,164	10,705
Switchboards, control boards and miscellaneous accessories	6,414	7,701
Healthcare equipments / reagents	11,288	8,346
Others	24,534	22,384
<b>Revenue from projects</b>		
Other engineering projects	43,506	53,933
<b>Sale of services</b>		
Maintenance, repairs and other services	7,260	7,813
	<u>104,166</u>	<u>110,882</u>
Commission income	317	570
Other operating revenues	2,143	2,074
	<u>106,626</u>	<u>113,526</u>

## 30 Imported and indigenous raw materials and stores & spares consumed

	<u>2014</u>		<u>2013</u>	
	Value	% of total consumption	Value	% of total consumption
Imported	9,471	36%	12,069	46%
Indigenous	16,647	64%	14,282	54%
	<u>26,118</u>	<u>100%</u>	<u>26,351</u>	<u>100%</u>

## 31 Purchase of traded goods

	<u>2014</u>	<u>2013</u>
Medical healthcare equipments	7,987	6,164
Others	16,426	17,465
	<u>24,413</u>	<u>23,629</u>

## 32 Raw materials consumed

	<u>2014</u>	<u>2013</u>
Copper flats, strips and profiles	812	807
Enamelled copper wire	252	224
Brass sheets and strips	63	58
Aluminium ingots, profiles and castings	393	335
Iron and steel castings and shafts	631	926
Dynamo steel sheets, strips and laminations	378	324
Hot rolled & cold rolled steel sheets, strips	350	363
Cables and wires	253	328
Silver components	342	384
Ball and roller bearings	311	348
Thyristors, diodes and transistors	57	35
X-ray tubes	61	32
Amphenol terminals	59	74
Vacuum tubes	295	340
Integrated circuits	33	24
Capacitors and condensers	76	81
Printed circuit boards	23	16
Turbine components	1,559	1,249
Others	19,922	20,108
	<u>25,870</u>	<u>26,056</u>

Raw materials consumed includes costs incurred for manufacturing of finished goods which have been internally used for the project business.

## Notes to the financial statements (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

### 33 Disclosure relating to Provisions

#### *Provision for warranty*

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period.

#### *Provision for liquidated damages*

Liquidated damages are provided based on contractual terms when the delivery/ commissioning dates of an individual project have exceeded or are likely to exceed the delivery/ commissioning dates as per the respective contracts. This expenditure is expected to be incurred over the respective contractual terms upto closure of the contract (including warranty period).

#### *Provision for loss orders*

A provision for expected loss on construction contracts is recognised when it is probable that the contract costs will exceed total contract revenue. For all other contracts loss order provisions are made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits.

#### *Provision for other matters*

The Company has made provisions for known contractual risks, litigation cases and pending assessments in respect of taxes, duties and other levies, the outflow of which would depend on the cessation of the respective events.

The movements in the above provisions are summarised below:

	Warranty		Liquidated damages		Loss orders		Other matters	
	2014	2013	2014	2013	2014	2013	2014	2013
Balance as at 1 October	2,730	2,881	3,315	3,601	3,526	3,580	3,155	3,393
Additions on amalgamation of Winery	-	34	-	-	-	-	-	22
Provisions :								
- Created	1,832	1,456	355	1,183	1,965	2,749	676	1,450
- Utilised	(524)	(791)	(1,306)	(266)	(2,560)	(2,523)	(198)	(234)
- Reversed	(462)	(850)	(573)	(1,203)	(892)	(280)	(955)	(1,476)
Balance as at 30 September	3,576	2,730	1,791	3,315	2,039	3,526	2,678	3,155
- Current	2,397	1,910	1,758	3,155	2,039	3,526	2,661	2,731
- Non-current	1,179	820	33	160	-	-	17	424

### 34 Disclosure pursuant to Accounting Standard - 7 'Construction Contracts'

	2014	2013
(i) Contract Revenue recognised for the year ended 30 September	43,506	53,933
(ii) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress as at 30 September	178,312	212,127
(iii) Amount of advances received	5,986	6,128
(iv) Amount of retentions	11,174	15,722
(v) Amounts due from customers	7,537	10,827
(vi) Amounts due to customers	8,776	6,157





## Notes to the financial statements (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

### 36.2 Other related parties where transactions have taken place during the year (*Continued*)

Fellow Subsidiaries	Name	Country
	Siemens S.A./N.V.	Belgium
	Siemens Eletroeletronica Limitada	Brazil
	Siemens Ltda.	Brazil
	Siemens EOOD	Bulgaria
	RuggedCom - SCL	Canada
	Siemens Hearing Instruments Inc.	Canada
	Trench Ltd.	Canada
	SCL - Process Instruments Business Unit	Canada
	Siemens Canada Ltd.	Canada
	Siemens Healthcare Diagnostics Manufacturing Ltd.	Cayman Islands
	Siemens S.A.	Chile
	Beijing Siemens Cerberus Electronics Ltd.	China
	MWB (Shanghai) Co Ltd.	China
	Siemens Circuit Protection Systems Ltd.	China
	Siemens Electrical Apparatus Ltd.	China
	Siemens Electrical Drives (Shanghai) Ltd.	China
	Siemens Electrical Drives Ltd.	China
	Siemens Factory Automation Engineering Ltd.	China
	Siemens Healthcare Diagnostics (Shanghai) Co. Ltd.	China
	Siemens High Voltage Circuit Breaker Co., Ltd.	China
	Siemens High Voltage Switchgear Co., Ltd. Shanghai	China
	Siemens Industrial Automation Ltd., Shanghai	China
	Siemens International Trading Ltd., Shanghai	China
	Siemens Ltd., China	China
	Siemens Mechanical Drive Systems (Tianjin) Co., Ltd.	China
	Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.	China
	Siemens Numerical Control Ltd.	China
	Siemens Power Automation Ltd.	China
	Siemens Power Plant Automation Ltd.	China
	Siemens Shanghai Medical Equipment Ltd.	China
	Siemens Shenzhen Magnetic Resonance Ltd.	China
	Siemens Standard Motors Ltd., Jiangsu	China

### 36.2 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	Siemens Switchgear Co. Ltd.	China
	Siemens Transformer (Guangzhou) Co., Ltd.	China
	Siemens VAI Metals Technologies Co., Ltd., Shanghai	China
	Siemens Wind Power Blades (Shanghai) Co., Ltd.	China
	Siemens Wiring Accessories Shandong Ltd.	China
	Siemens X-Ray Vacuum Technology Ltd., Wuxi	China
	Trench High Voltage Products Ltd., Shenyang	China
	Winergy Drive Systems (Tianjin) Co. Ltd.	China
	Siemens Sensors & Communication Ltd.	China
	Siemens S.A.	Columbia
	Koncar Power Transformers d.o.o. (erstwhile Koncar Power Transformers Ltd.)	Croatia
	Siemens d.d.	Croatia
	Siemens Electric Machines s.r.o.	Czech Republic
	Siemens, s.r.o.	Czech Republic
	Siemens, s.r.o., odstepny zavod Industrial Turbomachinery	Czech Republic
	Siemens A/S	Denmark
	Siemens Wind Power A/S	Denmark
	Siemens S.A.	Ecuador
	Siemens Technologies S.A.E.	Egypt
	Siemens Osakeyhtiö	Finland
	Flender-Graffenstaden SAS	France
	Siemens Industry Software SAS	France
	Siemens S.A.S.	France
	Siemens SAS, Division Production Sensors & Communication, Usine de Haguenau	France
	Siemens Transmission & Distribution SAS	France
	Siemens VAI Metals Technologies SAS	France
	Trench France S.A.S.	France
	Alpha Verteilertechnik GmbH	Germany
	evosoft GmbH	Germany
	HSP Hochspannungsgeräte GmbH	Germany
	Loher GmbH	Germany

## Notes to the financial statements (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

### 36.2 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	Siemens Bank GmbH	Germany
	Siemens Beteiligungen Inland GmbH	Germany
	Siemens Geared Motors Gesellschaft mit beschränkter Haftung	Germany
	Siemens Gusstechnik GmbH	Germany
	Siemens Healthcare Diagnostics Holding GmbH	Germany
	Siemens Healthcare Diagnostics Products GmbH	Germany
	Siemens Industrial Turbomachinery GmbH	Germany
	Siemens Industriegetriebe GmbH	Germany
	Siemens Power Control GmbH	Germany
	Siemens Turbomachinery Equipment GmbH	Germany
	Siemens VAI Metals Technologies GmbH	Germany
	SYKATEC Systeme, Komponenten, Anwendungstechnologie GmbH	Germany
	TLT-Turbo GmbH	Germany
	Trench Germany GmbH	Germany
	Siemens Insulation Center GmbH & Co. KG	Germany
	Weiss Spindeltechnologie GmbH	Germany
	Electrium Sales Ltd.	Great Britain
	I DT Factory Congleton	Great Britain
	Siemens Healthcare Diagnostics Manufacturing Ltd.	Great Britain
	Siemens Healthcare Diagnostics Products Ltd.	Great Britain
	Siemens Industrial Turbomachinery Ltd.	Great Britain
	Siemens Magnet Technology	Great Britain
	Siemens plc	Great Britain
	Siemens plc, Industry Sector, Metals Technologies	Great Britain
	Siemens Protection Devices Ltd.	Great Britain
	Siemens Transmission & Distribution Ltd.	Great Britain
	Siemens VAI Metals Technologies Ltd.	Great Britain
	Siemens Water Technologies Ltd. (sold with effect from 15.01.2014)	Great Britain
	Siemens Industry Software Ltd.	Great Britain
	Siemens Healthcare Diagnostics Ltd.	Hongkong
	Siemens Ltd.	Hongkong
	Siemens Rail Automation Pvt. Ltd.	India

### 36.2 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	eMeter India Pvt. Ltd.	India
	OSRAM India Pvt. Ltd.	India
	PETNET Radiopharmaceutical Solutions Pvt. Ltd.	India
	Powerplant Performance Improvement Ltd.	India
	Siemens Convergence Creators Pvt. Ltd.	India
	Siemens Financial Services Pvt. Ltd.	India
	Siemens Hearing Instruments Pvt. Ltd.	India
	Siemens Industry Software (India) Pvt. Ltd.cv	India
	Siemens Postal Parcel & Airport Logistics Pvt. Ltd.	India
	Siemens Technology and Services Pvt. Ltd.	India
	P.T. Siemens Indonesia	Indonesia
	PT. Siemens Industrial Power	Indonesia
	Europlex Technologies (Ireland) Ltd.	Ireland
	Siemens Ltd.	Ireland
	Siemens Medical Solutions Diagnostics Europe Ltd.	Ireland
	Siemens Concentrated Solar Power Ltd.	Israel
	Siemens Israel Ltd.	Israel
	Siemens S. p.A Metals Technologies, Milano ( erstwhile Siemens VAI Metals Technologies S.r.l.)	Italy
	Siemens S.p.A.	Italy
	Trench Italia S.r.l.	Italy
	HV-Turbo Italia S.r.l.	Italy
	Siemens Healthcare Diagnostics K.K.	Japan
	Siemens Japan K.K.	Japan
	Siemens TOO	Kazakhstan
	Siemens Ltd. Seoul	Korea
	Siemens Energy Solutions Ltd.	Korea
	Siemens PETNET Korea Co. Ltd.	Korea
	Siemens Electrical & Electronic Services K.S.C.C.	Kuwait
	Siemens Malaysia Sdn. Bhd.	Malaysia
	Siemens Innovaciones S.A. de C.V.	Mexico
	Siemens Servicios S.A. de C.V.	Mexico
	Siemens, S.A. de C.V.	Mexico

## Notes to the financial statements (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

### 36.2 Other related parties where transactions have taken place during the year (*Continued*)

Fellow Subsidiaries	Name	Country
	Siemens Plant Operations Tahaddart SARL	Morocco
	Siemens S.A.	Morocco
	Siemens Nederland N.V.	Netherland
	Siemens Nederland N.V. - dependent ARE E P	Netherland
	Siemens (N.Z.) Ltd.	New Zealand
	Siemens Ltd.	Nigeria
	Siemens AS	Norway
	Siemens L.L.C.	Oman
	Siemens S.A.C.	Peru
	Siemens Power Operations, Inc.	Philippines
	Siemens, Inc.	Philippines
	Siemens Sp. z o.o.	Poland
	TurboCare Sp. z o.o.	Poland
	Siemens S.A.	Portugal
	Siemens W.L.L.	Qatar
	Siemens S.R.L.	Romania
	SIMEA S.R.L., Plan SEIT Sibiu	Romania
	OOO Siemens	Russia
	OOO Siemens Gas Turbine Technologies	Russia
	OOO Siemens High Voltage Products	Russia
	Arabia Electric Ltd. (Equipment)	Saudi-Arabia
	ISCOSA Industries and Maintenance Ltd.	Saudi-Arabia
	Siemens Ltd.	Saudi-Arabia
	Siemens d.o.o. Beograd	Serbia
	Siemens Electronics Assembly Systems Pte. Ltd.	Singapore
	Siemens Healthcare Diagnostics Pte. Ltd.	Singapore
	Siemens Pte. Ltd.	Singapore
	Siemens Water Technologies Pte. Ltd.	Singapore
	Siemens s.r.o.	Slovakia
	Siemens (Proprietary) Ltd.	South Africa
	Fábrica Electrotécnica Josa, S.A.	Spain
	Siemens S.A.	Spain

### 36.2 Other related parties where transactions have taken place during the year (Continued)

Fellow Subsidiaries	Name	Country
	Siemens AB	Sweden
	Siemens Industrial Turbomachinery AB	Sweden
	Siemens, Security Products	Sweden
	Siemens Schweiz AG	Switzerland
	Siemens Schweiz AG, Building Technologies Division, International Headquarters	Switzerland
	Siemens Ltd.	Taiwan
	Siemens Ltd.	Thailand
	Siemens S.A.	Tunisia
	Siemens Sanayi ve Ticaret A.S.	Turkey
	Siemens Ukraine (erstwhile DP Siemens Ukraine)	Ukraine
	SD (Middle East) LLC	UAE
	Siemens LLC	UAE
	Siemens Demag Delaval Turbomachinery, Inc.	USA
	Siemens Energy, Inc.	USA
	Siemens Energy, Inc. (US) - Fossil Products (OPP)	USA
	Siemens Energy, Inc. (US) - Oil & Gas (PT2)	USA
	Siemens Energy, Inc. (US) - Transmission (PPR)	USA
	Siemens Healthcare Diagnostics Inc.	USA
	Siemens Corporation	USA
	Siemens Industry, Inc.	USA
	Siemens Medical Solutions USA, Inc.	USA
	Siemens Water Technologies LLC	USA
	SMS Inc. - Customer Solutions Group	USA
	Winergy Drive Systems Corporation	USA
	Siemens Postal, Parcel & Airport Logistics LLC	USA
	Siemens Product Lifecycle Management Software Inc.	USA
	Siemens S.A.	Venezuela
	Siemens Automation Systems Ltd.	Vietnam
	Siemens Ltd.	Vietnam

### 36.3 Key Managerial Personnel

<b>Whole-time Directors</b>	Mr. Sunil Mathur
	Mr. Christian Rummel (w.e.f. 01 February 2014)
	Dr. Armin Bruck (upto 31 December 2013)

Notes to the financial statements (*Continued*)  
for the year ended 30 September 2014  
(Currency: Indian rupees millions)

36.4 Related party transactions

Description	2014			2013		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
<b>Revenue (net of taxes)</b>						
- Siemens AG	3,027	-	-	5,458	-	-
- Siemens W.L.L.	-	1,511	-	-	1,996	-
- Siemens Industry Inc.	-	124	-	-	157	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	43	-	-	64	-
- Others	-	3,549	-	-	3,390	-
<b>Commission income</b>						
- Siemens AG	248	-	-	405	-	-
- Siemens Industrial Turbomachinery Ltd.	-	38	-	-	42	-
- Siemens Energy, Inc. (US) - Oil& Gas (PT2)	-	25	-	-	18	-
- Siemens Industrial Turbomachinery AB	-	*	-	-	10	-
- TLT-Turbo GmbH	-	-	-	-	21	-
- Siemens Concentrated Solar POWER Ltd.	-	-	-	-	26	-
- Others	-	5	-	-	48	-
<b>Recoveries from group companies</b>						
- Siemens AG	684	-	-	657	-	-
- Siemens Schweiz AG, Building Technologies Division, International Headquarters	-	387	-	-	454	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	153	-	-	169	-
- Siemens Industry Software (India) Pvt. Ltd.	-	69	-	-	6	-
- Siemens VAI Metals Technologies GmbH, Austria	-	-	-	-	157	-
- Others	-	99	-	-	96	-
<b>Reimbursement of expenses</b>						
- Siemens AG	1,777	-	-	2,699	-	-
- Siemens plc, Industry Sector, Metals Technologies	-	259	-	-	-	-
- Siemens VAI Metals Technologies GmbH	-	191	-	-	201	-
- Siemens Schweiz AG, Building Technologies	-	130	-	-	57	-
- Siemens Industrial Turbomachinery Ltd.	-	116	-	-	5	-
- Siemens S. p.A Metals Technologies, Milano	-	74	-	-	411	-
- Siemens VAI Metals Technologies SAS, France	-	-	-	-	68	-
- Others	-	359	-	-	178	-

\* denotes figures less than a million



### 36.4 Related party transactions (Continued)

Description	2014			2013		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
<b>Purchase of goods and services</b>						
- Siemens AG	25,861	-	-	25,870	-	-
- Siemens Healthcare Diagnostics, LA	-	1,106	-	-	712	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	720	-	-	430	-
- Siemens Electrical Apparatus Ltd.	-	572	-	-	776	-
- Siemens Medical Solutions USA, Inc.	-	521	-	-	590	-
- Siemens Industrial Turbomachinery Ltd.	-	427	-	-	837	-
- Koncar Power Transformers Ltd.	-	19	-	-	12	-
- Others	-	5,026	-	-	4,983	-
<b>Rent received</b>						
- Siemens AG	-	-	-	-	-	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	158	-	-	127	-
- Siemens Financial Services Pvt. Ltd.	-	42	-	-	36	-
- Others	-	34	-	-	20	-
<b>Interest income</b>						
- Siemens Financial Services Pvt. Ltd.	-	19	-	-	11	-
- Siemens Rail Automation Pvt. Ltd.	-	3	-	-	-	-
<b>Interest expenses</b>						
- Siemens AG	42	-	-	47	-	-
- Siemens Industry Software (India) Pvt. Ltd.	-	2	-	-	4	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	1	-	-	37	-
<b>Bank guarantee charges</b>						
- Siemens AG	72	-	-	76	-	-
<b>Dividend paid</b>						
- Siemens AG	1,277	-	-	1,875	-	-
- Siemens VAI Metals Technologies GmbH, Austria	-	59	-	-	-	-
- Siemens VAI Metals Technologies GmbH, Germany	-	-	-	-	70	-

Notes to the financial statements (*Continued*)  
for the year ended 30 September 2014  
(Currency: Indian rupees millions)

36.4 Related party transactions (*Continued*)

Description	2014			2013		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
<b>Purchase of fixed assets / Capital work in progress</b>						
- Siemens AG	86	-	-	137	-	-
- Siemens Medical Solutions USA, Inc.	-	21	-	-	-	-
- Beijing Siemens Cerberus Electronics Ltd.	-	-	-	-	9	-
- Siemens Wiring Accessories Shandong Ltd.	-	-	-	-	8	-
- Others	-	3	-	-	5	-
<b>Sale of fixed assets</b>						
- Siemens AG	32	-	-	-	-	-
- Siemens Water Technologies LLC	-	-	-	-	47	-
- Others	-	1	-	-	-	-
<b>Sale of LAS business (Refer note 42)</b>						
- Siemens Postal Parcel & Airport Logistics Pvt. Ltd.	-	-	-	-	1,285	-
<b>Issue of share capital (in accordance with scheme of amalgamation)</b>						
- Siemens VAI Metals Technologies Pvt. Ltd. (merged w.e.f. 01 October 2011)	-	-	-	-	23	-
- Siemens Power Engineering Pvt. Ltd. (merged w.e.f. 01 October 2011)	-	-	-	-	7	-
- Winergy Drive Systems India Pvt. Ltd. (merged w.e.f. 01 October 2012)	-	-	-	-	1	-
<b>Managerial remuneration</b>						
- Mr. Sunil Mathur	-	-	71	-	-	67
- Mr. Christian Rummel	-	-	35	-	-	-
- Dr. Armin Bruck	-	-	38	-	-	98
<b>Inter corporate deposits given</b>						
- Siemens Financial Services Pvt. Ltd.	-	4,460	-	-	1,735	-
- Siemens Rail Automation Pvt. Ltd.	-	345	-	-	-	-

### 36.4 Related party transactions (Continued)

Description	2014			2013		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
<b>Refund of inter corporate deposits given</b>						
- Siemens Financial Services Pvt. Ltd.	-	3,185	-	-	1,885	-
- Siemens Rail Automation Pvt. Ltd.	-	250	-	-	-	-
<b>Inter corporate deposit taken</b>						
- Siemens Industry Software (India) Pvt. Ltd.	-	760	-	-	2,395	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	460	-	-	14,565	-
<b>Inter corporate deposit repaid</b>						
- Siemens Industry Software (India) Pvt. Ltd.	-	760	-	-	2,395	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	460	-	-	16,465	-
<b><u>Outstanding Balances</u></b>						
<b>Receivables</b>						
- Siemens AG	313	-	-	384	-	-
- Siemens W.L.L.	-	159	-	-	5	-
- Siemens S.A.S.	-	80	-	-	-	-
- Siemens plc, Industry Sector, Metals Technologies	-	71	-	-	2	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	26	-	-	39	-
- Siemens Bangladesh Ltd.	-	17	-	-	78	-
- Siemens S. p.A Metals Technologies, Milano	-	9	-	-	145	-
- Siemens Postal Parcel & Airport Logistics Pvt. Ltd.	-	4	-	-	58	-
- Others	-	334	-	-	295	-
<b>Payables</b>						
- Siemens AG	5,980	-	-	5,479	-	-
- Siemens W.L.L.	-	674	-	-	10	-
- Siemens Healthcare Diagnostics Inc, USA	-	434	-	-	140	-
- Siemens Industrial Turbomachinery Ltd.	-	222	-	-	225	-
- TLT-Turbo GmbH	-	45	-	-	90	-
- Siemens Technology and Services Pvt. Ltd. (STS)	-	18	-	-	12	-
- Koncar Power Transformers Ltd.	-	16	-	-	4	-
- Trench Germany GmbH	-	10	-	-	169	-
- Others	-	2,611	-	-	1,639	-

Notes to the financial statements (*Continued*)  
for the year ended 30 September 2014  
(Currency: Indian rupees millions)

36.4 Related party transactions (*Continued*)

Description	2014			2013		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
<b>Inter corporate deposits</b>						
- Siemens Financial Services Pvt. Ltd.	-	1,625	-	-	350	-
- Siemens Rail Automation Pvt. Ltd.	-	95	-	-	-	-
<b>Interest receivable on inter corporate deposits</b>						
- Siemens Financial Services Pvt. Ltd.	-	4	-	-	*	-
- Siemens Rail Automation Pvt. Ltd.	-	*	-	-	-	-
<b>Managerial remuneration payable</b>						
- Mr. Sunil Mathur	-	-	35	-	-	36
- Mr. Christian Rummel	-	-	17	-	-	-
- Dr. Armin Bruck	-	-	-	-	-	49

\* denotes figures less than a million

37 (i) Information about business segments

	Revenue						Results	
	External revenue		Inter segmental revenue		Total		2014	2013
	2014	2013	2014	2013	2014	2013		
Infrastructure and Cities	22,435	24,434	2,100	2,097	24,535	26,531	1,106	566
Energy	33,136	39,560	249	356	33,385	39,916	1,208	484
Industry (Refer note 43)	36,135	37,791	4,612	4,840	40,747	42,631	1,079	317
Healthcare	14,442	11,297	-	-	14,442	11,297	430	322
Others	478	444	-	-	478	444	723	340
Eliminations			(6,961)	(7,293)	(6,961)	(7,293)		
<b>Total</b>	<b>106,626</b>	<b>113,526</b>	<b>-</b>	<b>-</b>	<b>106,626</b>	<b>113,526</b>	<b>4,546</b>	<b>2,029</b>
Interest expenses							(82)	(189)
Interest income							404	201
Unallocable corporate items	-	-	-	-	-	-	(259)	(180)
<b>Profit before exceptional items and tax</b>							<b>4,609</b>	<b>1,861</b>
Exceptional items (Refer note below)							3,827	325
<b>Profit before tax</b>							<b>8,436</b>	<b>2,186</b>
Current tax							(1,845)	(1,051)
Deferred tax credit / (charge)							(559)	805
<b>Profit after tax</b>							<b>6,032</b>	<b>1,940</b>
<b>Total</b>	<b>106,626</b>	<b>113,526</b>	<b>-</b>	<b>-</b>	<b>106,626</b>	<b>113,526</b>	<b>6,032</b>	<b>1,940</b>

Details of segment wise exceptional items are as follows :

	Infrastructure and Cities		Energy		Industry		Healthcare		Others		Unallocated		Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Profit on sale of Postal & Parcel Logistics Technologies and Airport Logistics Technologies (LAS) business	-	1,146	-	-	-	-	-	-	-	-	-	-	-	1,146
Profit on sale of property	-	-	-	-	-	-	-	-	3,413	-	-	-	3,413	-
CENVAT credit on certain services for earlier years	86	55	193	111	220	138	58	20	95	-	54	28	706	352
Impairment loss	-	(327)	-	-	-	(28)	-	-	(292)	-	-	-	(292)	(355)
Employee costs	-	(234)	-	(35)	-	(451)	-	(26)	-	-	-	(73)	-	(818)
<b>Total</b>	<b>86</b>	<b>640</b>	<b>193</b>	<b>76</b>	<b>220</b>	<b>(341)</b>	<b>58</b>	<b>(6)</b>	<b>3,216</b>	<b>-</b>	<b>54</b>	<b>(45)</b>	<b>3,827</b>	<b>325</b>

### 37 (i) Information about business segments

	Assets		Liabilities		Capital expenditure		Non cash expenditure			
							Depreciation & amortisation / Impairment (Refer note 9 and 42)		Others	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
Infrastructure and Cities	15,446	14,477	10,259	10,215	489	198	369	728	32	624
Energy	32,927	35,285	20,385	22,788	218	668	732	776	(163)	152
Industry (Refer note 43)	25,130	25,834	17,074	15,544	369	664	686	830	126	1,129
Healthcare	4,238	4,173	5,023	3,944	671	580	368	382	44	351
Others	1,298	1,717	650	1,011	7	71	379	92	16	1
<b>Total</b>	<b>79,039</b>	<b>81,486</b>	<b>53,391</b>	<b>53,502</b>	<b>1,754</b>	<b>2,181</b>	<b>2,534</b>	<b>2,808</b>	<b>55</b>	<b>2,257</b>
Unallocable corporate items	23,549	16,954	5,441	4,635	62	23	49	49	43	141
<b>Total</b>	<b>102,588</b>	<b>98,440</b>	<b>58,832</b>	<b>58,137</b>	<b>1,816</b>	<b>2,204</b>	<b>2,583</b>	<b>2,857</b>	<b>98</b>	<b>2,398</b>

### 37 (ii) Secondary segment information

	Revenue based on location of customers		Carrying amount of segment assets by location		Additions to tangible assets and intangible assets	
	2014	2013	2014	2013	2014	2013
Within India	89,508	95,174	94,628	87,707	1,816	2,204
Outside India	17,118	18,352	7,960	10,733	-	-
<b>Total</b>	<b>106,626</b>	<b>113,526</b>	<b>102,588</b>	<b>98,440</b>	<b>1,816</b>	<b>2,204</b>

## Notes to the financial statements (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

### 37 (iii) Other disclosures :

- Inter-segment prices are normally negotiated amongst the segments with reference to the costs, market price and business risks.
- Profits / losses on inter segment transfers are eliminated at the Company level.
- During the year, there has been a reorganisation of certain businesses across segments and accordingly, the figures in relation to Industry, Infrastructure and Cities and unallocable for the previous year have been regrouped to make them comparable.

### (iv) Segment information :

The primary and secondary reportable segments are business segments and geographical segments respectively.

**Business Segments:** The business of the Company is divided into five segments. These segments are the basis for management control and hence, form the basis for reporting. The business of each segment comprises of :

- **Infrastructure and Cities:-** Provides Electrical Installation Technologies, i.e. Products for Building, e.g. Miniature Circuit breakers, Distribution boards, Residual Current Circuit Breakers etc. It also provides solutions for rail automation, railway electrification, light and heavy rail, locomotives, trains, turnkey projects and integrated services. Also provides solutions for the automation of power grids to products like medium-voltage switchgear and components.
- **Energy:-** Offers highly efficient products and solutions for power generation based on fossil fuels. It ranges from individual gas and steam turbines and generators, to turnkey power plants. Also offers customers products and solutions used for the extraction, conversion and transport of oil and gas. Also provides solutions for power generation and distribution including products and solutions in the high-voltage field – such as High Voltage Direct Current (HVDC) transmission systems, substations, switchgear and transformers.
- **Industry:-** Provides complete range of automation products & systems, industrial automation systems & low-voltage Switchgears, complete range of large and standard drives and motors, special purpose motors, process and motion control systems. Also undertakes turnkey projects in the industrial and infrastructure sectors over the entire life cycle including concept, engineering, procurement, supplies, installation, commissioning and after sales services.
- **Healthcare:-** Provides diagnostic, therapeutic and life-saving products in computer tomography (CT), magnetic resonance imaging (MRI), ultrasonography, nuclear medicine, digital angiography, patient monitoring systems, digital radiography systems, radiology networking systems, lithotripsy and linear accelerators.
- **Others:-** Services provided to other group companies and lease rentals have been classified as "Others".

**Geographical Segments:** The business is organised in two geographical segments i.e. within India and outside India.

#### Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

#### Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

38 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' :

(i) Defined Contribution Plans

Amount of ₹ 240 (2013: ₹ 240) is recognised as an expense and included in "employee benefits expense" (Refer note 22) in the statement of profit and loss.

(ii) Defined Benefit Plans

a) Amounts for the current period are as follows :

		Gratuity		Pension		Medical	
		2014	2013	2014	2013	2014	2013
<b>I</b>	<b>Change in defined benefit obligation</b>						
	Liability at the beginning of the year	1,260	1,205	175	173	275	268
	Interest cost	120	116	14	14	24	23
	Current service cost	133	136	-	-	8	11
	Past service cost	-	-	-	-	-	11
	Transfer from other company	-	81	-	-	-	-
	Transfer to other company	-	(5)	-	-	-	-
	Benefits paid	(181)	(170)	(34)	(34)	(33)	(21)
	Actuarial (gain) / loss on obligations	92	(103)	9	22	62	(17)
	Liability at the end of the year	1,424	1,260	164	175	336	275
<b>II</b>	<b>Fair value of plan assets</b>						
	Fair value of plan assets at the beginning of the year	1,296	1,129	-	-	-	-
	Expected return on plan assets	118	101	-	-	-	-
	Contributions	65	196	-	-	-	-
	Transfer from other company	-	73	-	-	-	-
	Benefits paid	(181)	(170)	-	-	-	-
	Actuarial gain / (loss) on plan assets	(25)	(33)	-	-	-	-
	Fair value of plan assets at the end of the year	1,273	1,296	-	-	-	-
<b>III</b>	<b>Actual return on plan assets</b>						
	Expected return on plan assets	118	101	-	-	-	-
	Actuarial gain / (loss) on plan assets	(25)	(33)	-	-	-	-
	Actual return on plan assets	93	68	-	-	-	-

Notes to the financial statements (*Continued*)  
for the year ended 30 September 2014  
(Currency: Indian rupees millions)

38 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' (*Continued*) :

		Gratuity		Pension		Medical	
		2014	2013	2014	2013	2014	2013
<b>IV</b>	<b>Amount recognised in the balance sheet</b>						
	Defined benefit obligation at the end of the year	1,424	1,260	164	175	336	275
	Fair value of plan assets at the end of the year	1,273	1,296	-	-	-	-
	Amount recognised in the balance sheet	<u>151</u>	<u>(36)</u>	<u>164</u>	<u>175</u>	<u>336</u>	<u>275</u>
<b>V</b>	<b>Expenses recognised in the statement of profit and loss</b>						
	Interest cost	120	116	14	14	24	23
	Current service cost	133	136	-	-	8	11
	Expected return on plan assets	(118)	(101)	-	-	-	-
	Past service cost	-	-	-	-	-	11
	Net actuarial (gain) / loss recognised	117	(70)	9	22	62	(17)
	Expense recognised in employee benefits expense (Refer note 22)	<u>252</u>	<u>81</u>	<u>23</u>	<u>36</u>	<u>94</u>	<u>28</u>
<b>VI</b>	<b>Balance sheet reconciliation</b>						
	Opening net liability / (asset)	(36)	76	175	173	275	268
	Expense as above	252	81	23	36	94	28
	Transfer from other company	-	8	-	-	-	-
	Transfer to other company	-	(5)	-	-	-	-
	Less Employers contribution	65	196	34	34	33	21
	Amount recognised in the balance sheet	<u>151</u>	<u>(36)</u>	<u>164</u>	<u>175</u>	<u>336</u>	<u>275</u>
	- Current	<u>151</u>	<u>(36)</u>	<u>30</u>	<u>31</u>	<u>38</u>	<u>32</u>
	- Non current	-	-	<u>134</u>	<u>144</u>	<u>298</u>	<u>243</u>
<b>VII</b>	<b>Actuarial assumptions</b>						
	Discount rate	8.65%	9.00%	8.65%	9.00%	8.65%	9.00%
	Rate of return on plan assets	9.00%	9.00%	-	-	-	-
	Attrition rate:						
	upto 30 years	15.00%	15.00%	-	-	15.00%	15.00%
	31-50 years	3.00%	3.00%	-	-	3.00%	3.00%
	above 50 years	2.00%	2.00%	-	-	2.00%	2.00%
	Salary escalation / Medical cost increase rate	8.00%	7.00%	-	-	7.00%	7.00%



38 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' (Continued)

		Gratuity		Pension		Medical	
		2014	2013	2014	2013	2014	2013
<b>VIII</b>	<b>Sensitivity</b>						
	Change in Liability for 1% increase in discount rate	-	-	-	-	304	250
	Change in Liability for 1% decrease in discount rate	-	-	-	-	373	305
	Change in Liability for 1% increase in inflation rate	-	-	-	-	357	260
	Change in Liability for 1% decrease in inflation rate	-	-	-	-	316	292
	Change in Service Cost for 1% increase in discount rate	-	-	-	-	8	7
	Change in Service Cost for 1% decrease in discount rate	-	-	-	-	12	10
	Change in Interest Cost for 1% increase in discount rate	-	-	-	-	31	24
	Change in Interest Cost for 1% decrease in discount rate	-	-	-	-	31	24

<b>IX</b>	<b>Amount for the Current and Previous periods as per AS15 Para 120(n) are as follows:</b>					
		<b>Gratuity</b>				
		<b>2014</b>	2013	2012	2011	2010
	Liability at the end of the year	<b>1,424</b>	1,260	1,205	1,013	819
	Fair value of plan assets at the end of the year	<b>1,273</b>	1,296	1,129	1,008	851
	Difference	<b>151</b>	(36)	76	5	(32)
	Experience adjustment on plan liabilities (gain) / loss	<b>(35)</b>	(65)	17	99	(73)
	Experience adjustment on plan assets (loss) / gain	<b>(26)</b>	(33)	(25)	(27)	5
		<b>Pension</b>				
		<b>2014</b>	2013	2012	2011	2010
	Liability at the end of the year	<b>164</b>	175	173	182	-
	Experience adjustment on plan liabilities (gain) / loss	<b>6</b>	25	9	36	-
	Experience adjustment on plan assets (loss) / gain	-	-	-	-	-
		<b>Medical</b>				
		<b>2014</b>	2013	2012	2011	2010
	Liability at the end of the year	<b>336</b>	275	268	251	-
	Experience adjustment on plan liabilities (gain) / loss	<b>49</b>	(9)	21	55	-
	Experience adjustment on plan assets (loss) / gain	-	-	-	-	-

## Notes to the financial statements (*Continued*) as at 30 September 2014 (Currency: Indian rupees millions)

### 38 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' (*Continued*)

- b) The fund formed by the Company manages the investments of the Gratuity Fund. Expected rate of return on investments is determined based on the assessment made by the Company at the beginning of the year on the return expected on its existing portfolio, along with the estimated incremental investments to be made during the year. Yield on portfolio is calculated based on a suitable mark-up over the benchmark Government securities of similar maturities. The Company expects to contribute ₹150 (2013: ₹ 150) to gratuity fund in 2014-15.
- c) The estimates of future salary increases, considered in actuarial valuation, take in to account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.
- d) The Company has contributed ₹ 457 (2013: ₹ 449) towards provident fund during the year ended 30 September 2014. The Guidance on Implementing AS 15, Employee Benefits (Revised 2005) issued by Accounting Standard Board (ASB) states that benefits involving employer established provident funds, which require interest shortfalls to be recompensed are to be considered as defined benefit plans. The Actuary has accordingly provided a valuation and based on the assumptions provided below there is a shortfall as at 30 September 2014.

The details of the fund and plan asset position as at 30 September are as follows:

	As at 30 September	
	2014	2013
Present value of benefit obligation at year end	7,647	6,335
Fair value of plan assets at year end	7,589	6,340
Shortfall	58	-

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

	As at 30 September	
	2014	2013
Government of India securities (GOI) bond yield	8.65%	9.00%
Remaining term of maturity (in years)	10.90	14.20
Expected guaranteed interest rate	8.75%	8.50%

### (iii) General descriptions of significant defined plans

#### I Gratuity

Gratuity is payable to all eligible employees of the Company on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme whichever is more beneficial.

#### II Medical

Post-Retirement Medical Benefit is paid to eligible employees in case of survival upto the retirement age and after death, benefits are available to the employee's spouse. The Company reimburses the employees for expenses incurred over and above the claim accepted by the insurance company. The Company pays 80% of difference between liability incurred by employee and claim received from insurance company subject to ceiling based on the grade of employees.

### (iv) Broad category of plan assets as a percentage of total plan assets of the Gratuity

Particulars	2014	2013
Government of India securities	16%	17%
State government securities	28%	30%
Public sector unit bonds	36%	33%
Special discount scheme	20%	20%
<b>Total plan assets</b>	<b>100%</b>	<b>100%</b>

### 39 Derivative Instruments

#### a) Forward Contracts

The Company uses forward contracts to mitigate its risks associated with foreign currency fluctuations having underlying transaction and relating to firm commitments or highly probable forecast transactions. The Company does not enter into any forward contract which is intended for trading or speculative purposes.

The details of forward contracts outstanding at the year end is as follows:-

Currency	Buy			Sell		
	Number of contracts	Amount	Indian rupees equivalent	Number of contracts	Amount	Indian rupees equivalent
<b>US Dollar</b>						
2014	561	158	9,774	308	187	11,518
2013	342	117	7,323	205	177	11,072
<b>Euro</b>						
2014	816	193	14,996	190	73	5,658
2013	411	157	13,272	113	44	3,686
<b>Qatari Riyal</b>						
2014	1	*	2	4	167	2,829
2013	-	-	-	8	323	5,553
<b>Japanese Yen</b>						
2014	9	62	35	-	-	-
2013	7	12	7	-	-	-
<b>Pound Sterling</b>						
2014	49	3	322	7	1	133
2013	37	4	366	8	1	132
<b>CAD</b>						
2014	1	7	413	-	-	-
2013	-	-	-	-	-	-
<b>CHF</b>						
2014	8	1	54	-	-	-
2013	7	1	61	1	*	6
<b>SEK</b>						
2014	11	25	215	-	-	-
2013	5	11	105	-	-	-
<b>SGD</b>						
2014	2	1	27	-	-	-
2013	-	-	-	-	-	-

\* denotes figures less than a million

Notes to the financial statements (*Continued*)  
for the year ended 30 September 2014  
(Currency: Indian rupees millions)

39 Derivative Instruments (*Continued*)

b) The Company has the following unhedged exposures in various foreign currencies as at the year end:

	Foreign currency		Indian rupees	
	2014	2013	2014	2013
<b><u>Payables:</u></b>				
BDT	47	14	37	12
BTN	*	-	*	-
DKK	*	*	2	2
HKD	*	-	*	-
KWD	*	*	1	1
LKR	171	117	80	56
NOK	*	*	1	1
SAR	*	-	*	-
ZAR	*	-	1	-
GHS	*	*	7	12
CAD	-	*	-	3
PLN	*	-	*	-
CZK	*	-	*	-
CNY	*	*	2	2
SGD	-	*	-	8
AED	*	-	*	-
AUD	*	*	8	6
<b><u>Receivables:</u></b>				
QAR	31	-	530	-
LKR	148	68	70	32
SGD	*	-	*	-
BDT	9	*	7	*
PLN	*	-	*	-
ZAR	*	-	*	-
GHS	*	*	4	12

The forward contracts have been converted in Indian rupees, at the spot rates, as at 30 September to facilitate reading purposes only.

The Company has a policy of hedging its foreign currency exposure on a net basis.

\* denotes figures less than a million

c) **Commodity Contracts**

The Company uses Commodity Future Contracts to hedge against fluctuation in commodity prices. The following are outstanding future contracts entered into by the Company as on 30 September

Year	Commodity	Number of Contracts	Contractual Quantity	Buy / Sell
2014	Copper	3,343	3,343,000 Kgs	Buy
	Silver	147	4,410 Kgs	Buy
2013	Copper	4,159	4,159,000 Kgs	Buy
	Silver	93	2,790 Kgs	Buy

Note: Each contract of copper is of 1,000 kg and silver is of 30 kg.

#### 40 Earnings per share:

	<u>2014</u>	<u>2013</u>
Weighted average number of equity shares outstanding during the year	<b>356,119,885</b>	356,119,885
Profit after tax (Total operations)	<b>6,032</b>	1,940
<b>Basic and diluted earnings per share (Total operations)</b>	<b>16.94</b>	5.45
Profit after tax (Continuing operations)	<b>6,247</b>	2,028
<b>Basic and diluted earnings per share (Continuing operations)</b>	<b>17.54</b>	5.69

#### 41 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

The Company has amounts due to suppliers under MSMED as at 30 September. The disclosure pursuant to the said Act is as under:

	<u>2014</u>	<u>2013</u>
Principal amount due to suppliers under MSMED Act	<b>768</b>	688
Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid	*	*
Payment made to suppliers (other than interest) beyond the appointed day during the year	<b>9,489</b>	5,606
Interest paid to suppliers under the MSMED Act	-	-
Interest due and payable towards suppliers under MSMED Act towards payments already made	<b>139</b>	181
Interest accrued and remaining unpaid at the end of the accounting year	<b>140</b>	181

The information has been given in respect of such vendors to the extent they could be identified as 'micro and small enterprises' on the basis of information available with the Company.

\* denotes figures less than a million

#### 42 Exceptional items

	<u>2014</u>	<u>2013</u>
Profit on sale of Postal & Parcel Logistics Technologies and Airport Logistics Technologies (LAS) business	-	1,146
Profit on sale of property	<b>3,413</b>	-
CENVAT credit on certain services for earlier years	<b>706</b>	352
Impairment loss [Note (a)]	<b>(292)</b>	(355)
Employee costs [Note (b)]	-	(818)
<b>Total</b>	<b>3,827</b>	325

(a) In accordance with periodic impairment assessment, the Company has re-assessed the usability of certain assets and consequently recognized impairment loss of ₹ 292 (2013: ₹ 355).

(b) During the previous year, the Company had incurred additional expenditure on compensation paid to employees pursuant to rationalisation of operations.

# Notes to the financial statements (*Continued*) for the year ended 30 September 2014 (Currency: Indian rupees millions)

## 43 Discontinuing operations

The Board of Directors and the Committee of Directors at their meetings held on 05 November 2014 and 08 November 2014 respectively, considered and approved a proposal to sell and transfer the Metals Technologies business, forming part of the Industry segment of the Company to a subsidiary (which is being incorporated) of Siemens VAI Metals Technologies GmbH, Germany for a consideration of ₹10,233 with effect from the close of business hours on 31 December 2014, subject to the approval of shareholders by requisite majority.

Revenue, expenses, total assets and liabilities and net cash relating to discontinuing operations is as follows:

	<u>2014</u>	<u>2013</u>
Revenue	7,559	8,456
Expenses	7,885	8,589
Loss before tax	(326)	(133)
Tax expense	(111)	(45)
Loss after tax	(215)	(88)
Total assets	9,718	9,334
Total liabilities	7,410	7,030
Net cash from operating activities	(426)	1,601
Net cash from investing activities	(18)	(65)
Net cash from financing activities	-	-

## 44 Proposed acquisition

The Board of Directors at its meeting held on 30 January 2014, had approved the acquisition of 100% Equity stake in Siemens Rail Automation Pvt. Ltd. (SRAPL) from Siemens International Holding BV, Netherlands (99.99%) and Siemens AG (0.01%) for a sum of ₹ 550. Subsequent to the year end, the Company has acquired SRAPL which accordingly has become a subsidiary of the Company effective from 01 October 2014.

## 45 Prior year comparatives

Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

As per our report of even date

**For S.R. Batliboi & Associates LLP**  
ICAI Firm Registration Number:- 101049W  
*Chartered Accountants*

**per Vikram Mehta**  
*Partner*  
Membership No: 105938

Mumbai  
Date: 25 November 2014

**For and on behalf of the Board of Directors of Siemens Limited**

**Deepak S. Parekh** *Chairman*  
**Sunil Mathur** *Managing Director & Chief Executive Officer*  
**Christian Rummel** *Executive Director & Chief Financial Officer*  
**Yezdi H. Malegam** *Director & Chairman of Audit Committee*  
**Ketan Thaker** *Company Secretary*

Mumbai  
Date: 25 November 2014

# SIEMENS LIMITED

CIN : L28920MH1957PLC010839

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Dear Member(s),

## Sub.: Green Initiative - Electronic Mode of service of documents

The Ministry of Corporate Affairs has allowed paperless compliances by companies through electronic mode by providing the same under the Companies Act, 2013 and rules framed there under. The Members can now receive various notices and correspondences including Annual Reports i.e., Audited Financial Statements, Directors' Report, Auditor's Report, etc., through electronic mode (e-mail). The initiative taken by the MCA is a welcome move for the society at large, as this will reduce paper consumption to a great extent, ensure prompt receipt of communication and avoid loss of document in postal transit.

We are sure that you will whole-heartedly support this initiative for a greener environment and co-operate with the Company to make it a success. We therefore request you to fill up the E-communication Registration Form below for registering your e-mail ID and send it to our Registrar & Share Transfer Agent (RTA), TSR Darashaw Ltd. You can also send us an e-mail from your e-mail ID to [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) / [csq-green@tsrdarashaw.com](mailto:csq-green@tsrdarashaw.com) for receiving the aforesaid documents in electronic form and mentioning therein your Folio No. / DP ID / Client ID as the case may be. On receipt of the said Registration Form or an e-mail from you for registering your e-mail ID, we shall send such documents in electronic form to the said e-mail ID in future.

Please note that the Registration Form should be signed by the first / sole-holder as per the specimen signature recorded with the RTA. Even after registering for E-communication, the Members are entitled to receive such communication in physical form, upon request. These documents will also be available on the Company's website [www.siemens.co.in](http://www.siemens.co.in) for your ready reference under the Investors' Relations Section.

Let's be part of this 'Green Initiative'

Thanking You,  
Yours faithfully,

For **Siemens Ltd.**



**Ketan Thaker**  
Company Secretary



## E-COMMUNICATION REGISTRATION FORM

**TSR Darashaw Ltd.**

**Unit: Siemens Ltd.**

6-10, Haji Moosa Patrawala Industrial Estate,  
20, Dr. E. Moses Road,  
Mahalaxmi, Mumbai – 400 011.

Folio No. / DP ID & Client ID : \_\_\_\_\_  
Name of 1<sup>st</sup> Registered Holder : \_\_\_\_\_  
Name of Joint Holder(s) : \_\_\_\_\_  
E-mail ID address (to be registered) : \_\_\_\_\_  
Phone number (alongwith STD Code) / Mobile No. : \_\_\_\_\_  
(in case the shares are held in physical form)

Date: \_\_\_\_\_

Signature of 1<sup>st</sup> Holder: \_\_\_\_\_

**Note:** Members are requested to keep DP / RTA / Company informed as and when there is any change in the e-mail address. Unless the e-mail ID given above is changed by you by sending another communication in writing / e-mail, the Company will continue to send the documents to you on the above mentioned e-mail ID.





# SIEMENS LIMITED

CIN : L28920MH1957PLC010839

Registered Office: 130, Pandurang Budhkar Marg, Worli, Mumbai – 400 018

Phone: +91 (22) 3967 7000; Fax: +91 (22) 3967 7500

Website: [www.siemens.co.in](http://www.siemens.co.in)

E-mail: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)

## ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE AUDITORIUM

DP. Id		NAME AND ADDRESS OF THE REGISTERED MEMBER
Client Id / Folio No.		
No. of Shares		

I hereby record my presence at the 57<sup>th</sup> Annual General Meeting of the Company to be held at Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021 on Friday, 30<sup>th</sup> January, 2015, at 3.00 p.m.

Full name of the Proxy, if attending the Meeting:

Signature of the Member / Joint Member / Proxy attending the Meeting : \_\_\_\_\_

### Note:

Persons attending the Meeting are requested to bring this Attendance Slip and Annual Report with them. Duplicate Attendance Slip and Annual Reports will not be issued at the Annual General Meeting.

# SIEMENS LIMITED

CIN : L28920MH1957PLC010839

Registered Office: 130, Pandurang Budhkar Marg, Worli, Mumbai – 400 018

Phone: +91 (22) 3967 7000; Fax: +91 (22) 3967 7500

Website: [www.siemens.co.in](http://www.siemens.co.in)

E-mail: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)

57<sup>th</sup> Annual General Meeting on Friday, 30<sup>th</sup> January, 2015, at 3.00 p.m.

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L28920MH1957PLC010839
Name of the Company	SIEMENS LIMITED
Registered Office	130, Pandurang Budhkar Marg, Worli, Mumbai – 400 018
Name of the Member(s)	
Registered Address	
Email ID	
Folio No. / DP ID - Client ID	

I/ We being the Member(s) of \_\_\_\_\_ shares of above named Company, hereby appoint:

(1) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ Or failing him / her

(2) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ Or failing him / her

(3) Name: \_\_\_\_\_ Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

Continued.....

as my / our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 57<sup>th</sup> Annual General Meeting of the Company to be held on Friday, 30<sup>th</sup> January, 2015, at 3.00 p.m. at Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below :

**ORDINARY BUSINESS:**

1. Adoption of the Audited Financial Statements for the year ended 30<sup>th</sup> September, 2014, together with the Reports of the Directors and Auditors thereon.
2. Declaration of dividend on equity shares.
3. Re-appointment of Mr. Joe Kaeser (DIN 00867264), who retires by rotation and, being eligible, offers himself for re-appointment.
4. Appointment of Messrs. S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E), as Statutory Auditors of the Company for a period of 4 consecutive years, in place of Messrs. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W), the retiring Auditors of the Company.

**SPECIAL BUSINESS**

5. Appointment of Mr. Deepak S. Parekh (DIN: 00009078) as an Independent Director of the Company for a period of 5 consecutive years.
6. Appointment of Mr. Yezdi H. Malegam (DIN: 00092017) as an Independent Director of the Company for a period of 5 consecutive years.
7. Appointment of Mr. Darius C. Shroff (DIN: 00170680) as an Independent Director of the Company for a period of 5 consecutive years.
8. Appointment of Mr. Narendra J. Jhaveri (DIN: 00198912) as an Independent Director of the Company for a period of 5 consecutive years.
9. Appointment of Mr. Keki B. Dadiseth (DIN: 00052165) as an Independent Director of the Company for a period of 5 consecutive years.
10. Appointment of Mr. Pradip V. Nayak (DIN: 00032403) as an Independent Director of the Company for a period of 5 consecutive years.
11. Appointment of Mr. Christian Rummel (DIN: 01992982) as a Director of the Company.
12. Appointment of Mr. Christian Rummel (DIN: 01992982) as Executive Director and Chief Financial Officer of the Company and payment of remuneration to him.
13. Revision in remuneration of Mr. Christian Rummel (DIN: 01992982), Executive Director and Chief Financial Officer of the Company.
14. Revision in remuneration of Mr. Sunil Mathur (DIN: 02261944), Managing Director and Chief Executive Officer of the Company.
15. Payment of Commission to Non-Executive Directors of the Company.
16. Payment of remuneration to the Cost Auditors of the Company for FY 2014-15.
17. Approval of transactions with Siemens Aktiengesellschaft, Germany, Holding company of the Company.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_

Signature of Member(s): \_\_\_\_\_

Signature of Proxy holder(s): \_\_\_\_\_



**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 57<sup>th</sup> Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.



Siemens' cutting-edge imaging solutions have helped Medanta - The Medicity achieve faster and accurate diagnosis enabling effective treatment.



Siemens' Smart Grid solution for Maharashtra State Electricity Distribution Corporation Ltd. will reduce transmission and distribution losses in eight cities.



The world's largest diamond exchange, Bharat Diamond Bourse, spread across 20 acres, is secured by Siemens' integrated security solutions.



With its 23 factories and a strong focus on localization, Siemens Ltd. is well-prepared to partner the Government's vision of "Make in India" as well as its sustainable growth agenda.



**Siemens Ltd.**

130, Pandurang Budhkar Marg,  
Worli, Mumbai - 400018.

Tel.: +91 22 3967 7000

Fax: +91 22 3967 7500

Website: <http://www.siemens.co.in>

Facebook: [www.facebook.com/SiemensPayItForward](http://www.facebook.com/SiemensPayItForward)

Twitter: [www.twitter.com/siemensindia](http://www.twitter.com/siemensindia)