

The background of the entire page is a photograph. In the foreground, a white train with blue horizontal stripes is traveling on a concrete elevated track. The train has multiple windows and doors. On the side of the track, the words "RAPID METRO" are visible in a stylized font. In the background, there is a large, modern building with a glass facade that reflects the sky and the train. The building has a grid-like pattern of windows. The sky is a clear, pale blue.

SIEMENS

Answers for Transforming Urban India

Annual Report 2013

www.siemens.co.in

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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 (with effect from 2 nd August, 2013)
Mr. Johannes Apitzsch	Director* (Alternate Director for Dr. Roland Busch upto 22 nd November, 2013)
Dr. Armin Bruck	Managing Director and Chief Executive Officer (upto 31 st December, 2013)
Mr. Sunil Mathur	Executive Director and Chief Financial Officer (upto 31 st December, 2013) Managing Director and Chief Executive Officer (with effect from 1 st January, 2014)

Company Secretary

Ketan Thaker

Committees of Directors

Audit Committee	Investors Grievance Committee	Remuneration Committee	Corporate Governance Committee	Investment / Divestment Committee
Yezdi H. Malegam (Chairman) Deepak S. Parekh Keki B. Dadiseth Johannes Apitzsch* Joe Kaeser (upto 22 nd November, 2013)	Darius C. Shroff (Chairman) Pradip V. Nayak Dr. Armin Bruck	Narendra J. Jhaveri (Chairman) Darius C. Shroff Deepak S. Parekh Pradip V. Nayak Joe Kaeser Mariel von Drathen*	Keki B. Dadiseth (Chairman) Deepak S. Parekh Yezdi H. Malegam Darius C. Shroff Joe Kaeser Dr. Armin Bruck Dr. Roland Busch Johannes Apitzsch*	Deepak S. Parekh (Chairman) Yezdi H. Malegam Pradip V. Nayak Joe Kaeser Sunil Mathur Keki B. Dadiseth Dr. Roland Busch Johannes Apitzsch*

* With effect from 23rd November, 2013

Financial Highlights - Siemens Limited

(₹ in Million)

	2012-13	2011-12	2010-11	2009-10	2008-09
Orders received	109,573	102,351	122,886	124,305	87,964
Income, Profit and Dividend					
Total Income (including exceptional income)	114,196	129,774	121,336	94,777	89,508
Profit Before Depreciation, Interest and Tax	4,877	7,489	14,398	13,708	15,155
Depreciation	2,502	2,010	1,522	1,015	778
Interest	189	270	127	106	59
Profit Before Tax	2,186	5,209	12,749	12,587	14,319
Tax	246	1,777	4,295	4,315	3,870
Profit After Tax	1,940	3,432	8,454	8,272	10,449
Dividend - %	250%	300%	300%	250%	250%
Dividend - ₹ Per Share	5	6	6	5	5
Share Capital, Assets and Book Value					
Share Capital	712	681	681	674	674
Share capital suspense account	-	23	-	-	-
Reserves & Surplus	39,591	38,922	37,481	34,103	28,492
Net Worth (Shareholders' Fund)	40,303	39,626	38,162	34,778	29,166
Loans	-	-	-	2	6
Total Capital Employed	40,303	39,626	38,162	34,780	29,172
Capital Represented by:					
Fixed Assets	14,678	14,972	13,486	9,805	7,352
Investments	-	-	-	3,885	4,770
Net Current Assets & Other Assets	25,626	24,654	24,676	21,090	17,050
Net Assets	40,303	39,626	38,162	34,780	29,172
Book Value - ₹	113.17	112.56	112.14	103.15	86.50
Returns					
On Total Income (PBT) - %	1.91	4.01	10.51	13.28	16.00
On Capital Employed (PBIT) - %	5.89	13.83	33.74	36.50	49.28
On Shareholders Fund (PAT) - %	4.81	8.66	22.15	23.79	35.83
Per Share (PAT) - ₹	5.45	9.75	24.95	24.53	30.99

Chairman's Statement



Dear Shareholders,

Financial year 2012-13 was yet another challenging year for the Indian economy. The investment scenario was weighed down by numerous factors such as delays in statutory approvals, slow decision-making, land acquisition issues, volatility in commodity prices and exchange rates, higher capital costs and non-availability of raw material. Accentuating the low business and investor confidence, the Reserve Bank of India (RBI) revised downward, the GDP growth forecast to 4.8 percent for the period April 2013 to March 2014.

The uncertain macro-economic environment also affected Siemens Ltd., which operates in the business segments of infrastructure, power, industrial automation and healthcare. While order growth was reasonable, revenues declined and the Company's profitability was also impacted due to increased project costs, lower off-take of finished goods and project delays.

Performance highlights

For the financial year ended September 30, 2013, the Company received new orders valued at ₹ 10,957.3 crores, a 7% increase over ₹ 10,235.1 crores in the financial year ended September 30, 2012. Sales were down by 12% to ₹ 11,145.2 crores, compared with ₹ 12,708.1 crores in the previous year.

The order backlog as of September 30, 2013 stood at ₹ 12,926.4 crores – a decline of 5% compared with ₹ 13,660.4 crores in the previous year. Profits from operations stood at ₹ 170.5 crores, down by 75% compared with ₹ 690.3 crores in financial year 2011-12.

For the year ended September 30, 2013, the Company's profit before tax stood at ₹ 218.6 crores, down by 58% compared with ₹ 520.9 crores in the previous year. The profit after tax for the year was ₹ 194 crores, down by 43% compared with ₹ 343.2 crores in the previous year.

The Board of Directors has recommended a dividend of ₹ 5 per equity share of face value of ₹ 2 per share for the financial year ended September 30, 2013. The Company had paid a dividend of ₹ 6 per equity share during the previous financial year.

Performance analysis

Keeping the challenging economic conditions in perspective, all four Sectors – Energy, Healthcare, Industry and Infrastructure & Cities – performed at par with the market.

Among the highlights of the financial year 2012-13, the Energy Sector won an order to install a state-of-the-art distributed control system for the renovation and modernization of the Korba Stage-II plant of National Thermal Power Corporation. The Sector was awarded a contract by Bangladesh Steels Re-Rolling Mills Ltd. to supply the first private sector funded gas-insulated switchgear substation project in Bangladesh. It also established Global Engineering Centres in Coimbatore and Mumbai in order to strengthen its capability to support global customers with high quality, end-to-end solutions.

The Healthcare Sector received a major order from Sir HN Hospital and Research Centre, Mumbai (Reliance) for the complete imaging package. Additionally, NM Medical, a diagnostic imaging chain with a pan-India presence, selected Siemens MAGNETOM Spectra 3T MRI scanner for installation in its new diagnostic center at Sancheti Hospital in Pune. This will be one of the first installations of MAGNETOM Spectra with the newly introduced 3T MRI in the country. Other major highlights include the installation of India's first simultaneous PET MRI at Indraprastha Apollo, New Delhi and Somatom Definition Edge, the newly-introduced Cardiac CT scanner at PSG Hospital, Coimbatore.

The Industry Sector received an order from Rashtriya Ispat Nigam Ltd. to modernize the Visakhapatnam steel plant. The Steel Authority of India Ltd. signed a three-year Memorandum of Understanding (MoU) with the Sector's SITRAIN unit to provide training for its technical staff. The Sector also unveiled the Siemens Productivity Tour, a nationwide, multi-city mobile road show aimed at providing small and medium manufacturing enterprises across India with technologies that will enhance their productivity and efficiency.

The Infrastructure & Cities Sector secured two new contracts to construct 38 sub-stations that will improve power distribution throughout Bangladesh. The Sector continued to support Bangladesh's Rural Electrification Board in its efforts to provide reliable power supplies and improve economic development in western Bangladesh. In this connection, the Sector installed and upgraded existing power distribution facilities in the country. The Sector also won

orders to supply rolling stock, electrification and a signaling system for the Gurgaon Metro and Delhi Metro, thereby improving travel for over 30,000 passengers per hour.

The Company continued its focus on its localization initiatives under the SMART (simple-to-use, maintenance-friendly, affordable, reliable and timely-to-market) strategy and launched additional solutions such as SMART@MT packages for the metals industry and SMART numerical relays. The SMART products provide a competitive edge to the Company over local and Asian competitors through a combination of quality features and affordability.

Corporate Responsibility

Siemens Ltd. has been conscious of its responsibilities as a corporate towards all its key stakeholders – society, employees, customers and the environment.

During the financial year 2012-13, Siemens Ltd. increased its focus on the social and education sector through corporate citizenship initiatives. I am glad to inform you about the success of ‘Project Asha’, an integrated, sustainable development initiative that is transforming the lives of around 300 villagers in Amle village, around 130 kilometers from Mumbai.

Among other corporate citizenship initiatives at Siemens in India is Sanjeevan Mobile Clinic that provides accessible and affordable primary healthcare focusing on community outreach, health promotion, preventive education and curative services in remote rural areas. The Company has also undertaken upgradation of various Industrial Training Institutes (ITIs). The Company has also awarded scholarships for engineering students from less-privileged communities and continues to provide support for the development of children at the Welfare Society for Destitute Children, Mumbai. These initiatives are already content-wise, fully in line with the recent amendment to the Company’s Act.

In addition, our sustainability initiatives were also acknowledged by the Confederation of Indian Industry (CII), when the Company was ranked Number 1 in the Capital Goods Sector (as per BSE classification) and graded as a Sustainable Plus Platinum Company as part of CII’s Sustainability Rating. The Company was amongst the Top 6 out of the Top 100 listed companies in India.

People excellence

Siemens Ltd. continued to focus on the sustained development of its dynamic workforce, an important asset to the Company. New learning and development programs launched included the ‘Local Key Expert Career Program’ aimed at developing customized career paths linked to critical business roles in research and development, engineering and manufacturing.

Various HR processes were simplified and made flexible, such as medical insurance, group personal accident insurance, parents’ insurance and superannuation fund.

As of September 30, 2013, the Company’s employee strength was 11,539 as compared to 12,041 as of September 30, 2012. This includes an addition of 908 employees as a result of the merger of Siemens Power Engineering Pvt. Ltd. and Winergy Drive Systems India Pvt. Ltd. The new employees have been integrated into the Energy Sector and Industry Sector respectively.

During the financial year 2012-13, the Company initiated measures to optimize capacity and resource utilization across locations to counter the lack of market demand.

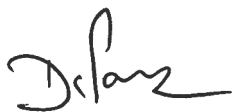
The Company continues to have a cordial relationship with its unions.

The road ahead – the outlook for Siemens Ltd.

While the company has already initiated measures to optimize its cost position and productivity in the factories, the growth of the Company is also dependent on the implementation of government policies to promote infrastructure development within the country and create an environment conducive to investment in capital goods.

It is therefore imperative that the government and the RBI work in unison to take urgent steps to create an investment friendly environment. The recent clearances given by the Project Monitoring Group and the Cabinet Committee on Investment for projects in the power and infrastructure space are positive signs, but more needs to be urgently done.

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 a very challenging year.



Deepak Parekh
Chairman

Notice

NOTICE is hereby given that the 56th 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 Thursday, 30th January, 2014, at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements for the year ended 30th September, 2013, 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. Deepak S. Parekh, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Keki B. Dadiseth, who retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Pradip V. Nayak, who retires by rotation and, being eligible, offers himself for re-appointment.
6. To re-appoint Messrs S.R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration Number : 101049W), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting upto the conclusion of the next Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

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

7. Appointment of Ms. Mariel von Drathen as a Director of the Company

As an Ordinary Resolution:

"RESOLVED THAT Ms. Mariel von Drathen who was appointed by the Board of Directors as an Additional Director with effect from 2nd August, 2013 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 257 of the Companies Act, 1956 proposing her candidature for the office of a Director be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation."

8. Appointment of Mr. Johannes Apitzsch as a Director of the Company

As an Ordinary Resolution:

"RESOLVED THAT Mr. Johannes Apitzsch who was appointed by the Board of Directors as an Additional Director with effect from 23rd November, 2013 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director be and is hereby appointed as a Director of the Company and shall be liable to retire by rotation."

9. Re-appointment of Mr. Sunil Mathur as an 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 198, 269, 309 read with Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and other applicable provisions of the Companies Act, 1956 / Companies Act, 2013, and subject to the approval of Central Government and such other approvals / permissions, if and as may be required, the Company hereby accords its approval to the re-appointment of Mr. Sunil Mathur, as an Executive Director and Chief Financial Officer of the Company, with effect from 22nd July, 2013 to 31st December, 2013, on the terms and conditions including those relating to remuneration as approved by the Members at their 55th Annual General Meeting held on 31st January, 2013."

"RESOLVED FURTHER THAT the Board of Directors (including any Committee thereof) be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

10. **Appointment of Mr. Sunil Mathur as the Managing Director and Chief Executive Officer of the Company and payment of remuneration to him**

As an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309 read with Schedule XIII to the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and other applicable provisions of the Companies Act, 1956 / Companies Act, 2013, and subject to the approval of Central Government, and such other approvals / permissions, if and as may be required, the Company hereby accords its approval to the appointment of Mr. Sunil Mathur as the Managing Director and Chief Executive Officer of the Company (MD and CEO) with effect from 1st January, 2014 to 31st December, 2018, on the terms and conditions including those relating to remuneration as set out under Serial No. 3 of the Statement setting out the material facts annexed to this Notice, with liberty to the Board of Directors (including any Committee thereof) to alter and vary any terms and conditions including remuneration in such manner as may be agreed to between Mr. Sunil Mathur and the Board from time to time."

"RESOLVED FURTHER THAT Mr. Sunil Mathur, as the MD and CEO, shall not be liable to retire by rotation."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including any 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."

By Order of the Board of Directors

For **Siemens Ltd.**



Ketan Thaker
Company Secretary

Registered Office:
130, Pandurang Budhkar Marg
Worli, Mumbai - 400 018
Mumbai
Friday, 22nd November, 2013

Notes:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE 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.
- b) The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, concerning the Special Business in the Notice is annexed hereto.
- c) Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
- d) Members / Proxies / Representatives should bring the enclosed Attendance Slip, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
- e) Profile 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.
- f) The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 17th January, 2014 to Thursday, 30th January, 2014 (both days inclusive).
- g) The Dividend, as recommended by the Board of Directors, if declared at the 56th Annual General Meeting, will be paid on Thursday, 6th February, 2014, 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 Thursday, 30th January, 2014.
In respect of shares held in electronic form, to the Beneficial Owners of the shares as at the close of business hours on Thursday, 16th January, 2014, as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

h) Unclaimed / Unpaid Dividend:

Pursuant to the provisions of Sections 205A and 205C of the Companies Act, 1956 and the relevant provisions of the Companies Act, 2013 (whenever notified), 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 dividend for the Financial Year 2004-05 and interim dividend for the Financial Year 2005-06 was transferred to IEPF. The unclaimed dividend for the Financial Year 2005-06 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.

Financial Year	Tentative date for transfer to IEPF	Financial Year	Tentative date for transfer to IEPF
2005 – 06		2008-09	
*Interim Dividend	11 th January, 2014	Dividend	6 th March, 2017
Final Dividend	23 rd February, 2014	*Dividend	5 th March, 2017
*Final Dividend	29 th July, 2014	2009-10	
2006 - 07		Dividend	7 th March, 2018
Dividend	8 th March, 2015	*Dividend	4 th March, 2018
*Dividend	29 th April, 2015	2010-11	
2007 – 08		Dividend	8 th March, 2019
Dividend	7 th March, 2016	2011-12	
*Dividend	4 th April, 2016	Dividend	8 th March, 2020

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

Members are requested to contact TSR Darashaw Pvt. Ltd. (TSRDPL), 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 and Ministry of corporate affairs at www.mca.gov.in

- i) 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 in case of holdings in dematerialised form or to TSRDPL in case of holdings in physical form, mentioning your correct reference folio number.
- j) 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 Depository Participant (DP) only. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and TSRDPL to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to TSRDPL.
- k) 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 TSRDPL for assistance in this regard.
- l) 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.
- m) The Annual Report 2013 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.siemens.co.in and also on the website of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com
- n) 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.
- o) 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 56th Annual General Meeting.

p) **Green Initiative**

The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars allowing paperless compliances by companies through electronic mode. The Members can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Member 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 our website www.siemens.co.in), with TSR Darashaw Pvt. Ltd., / Investors' relations team of the Company. The Members holding shares in electronic form are requested to register their email addresses with their Depository Participants only.

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

Statement setting out material facts under Section 102 of the Companies Act, 2013

1. Item No. 7

The Board of Directors appointed Ms. Mariel von Drathen as an Additional Director of the Company with effect from 2nd August, 2013. Pursuant to Section 161(1) of the Companies Act, 2013 and Article 104(b) of the Articles of Association of the Company, Ms. von Drathen holds office up to the date of this annual general meeting but is eligible for appointment as a Director. The Company has received a notice alongwith the requisite deposit under Section 257 of the Companies Act, 1956, from a Member signifying her intention to propose the appointment of Ms. von Drathen as a Director of the Company.

Ms. von Drathen is a post graduate in Economics and Management and has been working with Siemens AG since last 15 years and has held various senior level positions with Siemens AG, including Director, Strategy & Business Alliances – Information & Communication Mobile and Head of Mergers & Acquisitions, Group Investment Management, Special Projects – Communications Division. Currently, Ms. von Drathen is the Senior Vice President – Head of Investor Relations of Siemens AG.

Brief Profile of Ms. von Drathen in terms of Clause 49 of the Listing Agreement, is provided elsewhere in this Notice.

The Board of Directors are confident that her vast knowledge and varied experience will be of great value to the Company and hence commends the Resolution at Item No. 7 of the notice for your approval.

Ms. von Drathen is not related to any other Director of the Company.

None of the Directors, Key Managerial Personnel and relatives thereof other than Ms. von Drathen, are interested in the Resolution.

2. Item No. 8

The Board of Directors appointed Mr. Johannes Apitzsch as an Additional Director of the Company with effect from 23rd November, 2013. Pursuant to Section 161(1) of the Companies Act, 2013 and Article 104(b) of the Articles of Association of the Company, Mr. Apitzsch holds office up to the date of this annual general meeting but is eligible for appointment as a Director. The Company has received a notice alongwith the requisite deposit under Section 257 of the Companies Act, 1956, from a Member signifying her intention to propose the appointment of Mr. Apitzsch as a Director of the Company.

Mr. Apitzsch is a post graduate in Economics and Business Administration and has held various senior executive management positions with Siemens Group in Germany and abroad since last 22 years including various CFO functions in the business fields Industry, Automation and Energy within Siemens. Currently, Mr. Apitzsch is the CFO of Infrastructure & Cities Sector of Siemens AG. Prior to his appointment as an Additional Director, Mr. Apitzsch was an Alternate Director of Dr. Ronald Busch on the Company's Board of Directors since April 2012.

Brief Profile of Mr. Apitzsch in terms of Clause 49 of the Listing Agreement, is provided elsewhere in this Notice.

The Board of Directors are confident that his vast knowledge and varied experience will be of great value to the Company and hence commends the Resolution at Item No. 8 of the notice for your approval.

Mr. Apitzsch is not related to any other Director of the Company.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Apitzsch, are interested in the Resolution.

3. Item Nos. 9 and 10

The Members at their 51st Annual General Meeting held on 30th January, 2009, had appointed Mr. Sunil Mathur as the Whole time Director of the Company with effect from 22nd July, 2008 (Executive Director with effect from 1st October, 2008) for a period of five years. Considering his valuable contribution in the growth of the Company and his vast experience, the Board of Directors at its meeting held on 26th April, 2013, re-appointed Mr. Sunil Mathur as an Executive Director and Chief Financial Officer (ED & CFO) of the Company for a further period from 22nd July, 2013 to 21st July, 2018, on the terms and conditions including remuneration as approved by the Members at their 55th Annual General Meeting held on 31st January, 2013.

Pursuant to Section 302 of the Companies Act, 1956, the Abstract of the Terms of his re-appointment and Memorandum of Interest dated 2nd August, 2013, was sent to the Members for their information.

Mr. Mathur is a Chartered Accountant. He has been working with Siemens for over 25 years and prior to joining Siemens Ltd., in 2008, he has held various senior level positions in Siemens Group and was the CFO of Siemens Electrium Ltd., UK. Considering his rich and varied experience, the Board of Directors at its Meeting held on 25th October, 2013, appointed Mr. Sunil Mathur as the Managing Director and Chief Executive Officer of the Company (MD & CEO) for a period of five years with effect from 1st January, 2014, subject to the approval of Members and Central Government, if required.

Accordingly, Mr. Mathur's tenure as ED & CFO was revised for a period from 22nd July, 2013 to 31st December, 2013.

Pursuant to Section 302 of the Companies Act, 1956, an Abstract of the Terms of his appointment as the MD & CEO and Memorandum of Interest dated 25th October, 2013 was sent to the Members for their information.

Brief Profile of Mr. Mathur in terms of Clause 49 of the Listing Agreement, is provided elsewhere in this Notice.

The Remuneration Committee of Directors at its Meeting held on 22nd November, 2013, approved the terms and conditions of appointment including remuneration of Mr. Mathur as the MD & CEO of the Company with effect from 1st January, 2014.

The terms and conditions with respect to appointment of Mr. Sunil Mathur as MD & CEO including those relating to remuneration are given below:

I. Remuneration:

Salary per month (₹)	Salary Grade (₹)	Special Allowance per month (₹)
950,513	400,000 - 1,200,000	1,175,513

Annual Increments as may be decided by the Remuneration Committee of Directors / Board of Directors.

II. Perquisites:

- i. In addition to the above, he shall also be entitled to Perquisites and Allowances like Rent-free furnished / semi-furnished accommodation / House Rent Allowance / Stay in a hotel; Domiciliary Medical Reimbursement, Hospitalisation Expenses, Leave; Leave Travel Concession; Home Leave; Retirement benefits as per the laws applicable from time to time; Club Fees; Long Service Award; Company maintained two cars each with driver. Communication facility (Personal long distance calls will be borne by him), as per the Rules of the Company.

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.

- ii. Children's Education Expenses:

For Children studying in or outside India, the Education Expenses shall be paid by the Company directly to the school.

- iii. Holiday passage for children studying outside India / family staying abroad:

Return holiday passage is admissible once in a year by economy class or once in two years by first class to children from their place of study abroad to India and to the members of the family from the place of their stay abroad to India if they are not residing in India with him.

- iv. Reimbursement of expenses incurred on returning to home country after completion of tenure.

"Family" means the spouse and dependent children.

III. Performance Linked Incentive

He shall also be entitled to remuneration by way of Performance Linked Incentive based on the specific targets mutually set and approved by the Board of Directors / Remuneration Committee of Directors, from time to time.

IV. Equity based compensation programs of Siemens AG / Siemens Limited

He shall also be entitled to participate in the Equity based compensation programs of Siemens AG, Germany / Siemens Ltd., as applicable from time to time.

V. Commission

He shall also be entitled to remuneration by way of Commission as may be decided by the Board of Directors / Remuneration Committee of Directors from time to time.

VI. The Severance fees shall be payable as per the Rules of the Company.

VII. Minimum Remuneration

Notwithstanding anything hereinabove, where, in any Financial Year during the currency of his tenure as the MD & CEO, the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by way of Salary, Special Allowance, Perquisites, Performance Linked Incentive, benefit under the Equity based compensation programs of Siemens AG / Siemens Ltd., and Severance fees, as Minimum Remuneration to him.

No Sitting Fee shall be paid to him for attending the Meetings of the Board of Directors or any Committee thereof.

The above shall be treated as an abstract of the terms and conditions of appointment including remuneration of Mr. Mathur, pursuant to Section 302 of the Companies Act, 1956.

Pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII to the Companies Act, 1956, the approval of Members, is sought for re-appointment of Mr. Mathur as an ED & CFO for a period from 22nd July, 2013 to 31st December, 2013 and as the MD & CEO for a period from 1st January, 2014 to 31st December, 2018, on the terms and conditions including remuneration as mentioned hereinabove. The Board of Directors commends Item Nos. 9 and 10 for your approval.

Mr. Mathur is not related to any other Director of the Company.

None of the Directors, Key Managerial Personnel and relatives thereof other than Mr. Mathur are interested in the above Resolutions.

By Order of the Board of Directors

For **Siemens Ltd.**



Ketan Thaker
Company Secretary

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

Mumbai
Friday, 22nd November, 2013

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. Keki B. Dadiseth	Mr. Pradip V. Nayak
Date of Birth	18 th October, 1944	20 th December, 1945	6 th September, 1943
Date of Appointment	7 th November, 2003	27 th January, 2006	27 th January, 2006
Qualification	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 - 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	Strategic Business Management, Finance & Banking and Mergers & Acquisitions	Finance, Business Management and Mergers & Acquisitions	Human Resources and Corporate Communications
Directorships held in other Public companies in India	1. Housing Development Finance Corporation Ltd. 2. GlaxoSmithKline Pharmaceuticals Ltd. 3. HDFC Assest Management Company Ltd. 4. HDFC Ergo General Insurance Company Ltd. 5. HDFC Standard Life Insurance Company Ltd. 6. Mahindra & Mahindra Ltd. 7. The Indian Hotels Company Ltd. *8. Zodiac Clothing Company Ltd. *9. Exide Industries Ltd. *Alternate Director	1. Britannia Industries Ltd. 2. ICICI Prudential Life Insurance Company Ltd. 3. Piramal Enterprise Ltd. 4. ICICI Prudential Trust Ltd. 5. The Indian Hotels Company Ltd. 6. Godrej Properties Ltd. 7. JM Financial Ltd. 8. JM Financial Services Ltd.	1. GlaxoSmithKline Pharmaceuticals Ltd.
Membership of Committees held in other Public companies in India	<u>Audit Committee</u> 1. The Indian Hotels Company Ltd. Member 2. GlaxoSmithKline Pharmaceuticals Ltd. Member 3. Mahindra & Mahindra Ltd. - Chairman <u>Investor Grievances Committee</u> 1. GlaxoSmithKline Pharmaceuticals Ltd. Chairman	<u>Audit Committee</u> 1. Britannia Industries Ltd. - Member 2. ICICI Prudential Life Insurance Company Ltd. - Chairman 3. Piramal Enterprise Ltd. - Member 4. The Indian Hotels Company Ltd. Chairman 5. Godrej Properties Ltd. - Chairman	<u>Audit Committee</u> 1. GlaxoSmithKline Pharmaceuticals Ltd. Member
No. of Equity shares held in the Company	9,000	Nil	Nil

Particulars	Ms. Mariel von Drathen	Mr. Johannes Apitzsch	Mr. Sunil Mathur
Date of Birth	5 th July, 1971	3 rd December, 1957	6 th January, 1963
Date of Appointment	2 nd August, 2013	23 rd November, 2013	22 nd July, 2008
Qualification	Master in Economics	Master of Economics and Business Administration	B.Sc. Qualified Chartered Accountant
Expertise in specific functional areas	Mergers & Acquisitions and Investor relations	Finance, Mergers & Acquisitions, Business Management, Treasury & Accounts and Supply Chain Management & Sustainability	Finance, Mergers & Acquisitions, Business Management and Treasury & Accounts
Directorships held in other Public companies in India	Nil	Nil	Nil
Membership of Committees held in other Public companies in India	N.A.	N.A.	N.A.
No. of Equity shares held in the Company	Nil	Nil	Nil

Directors' Report

Dear Members,

The Directors have pleasure in presenting the 56th Annual Report of your Company and the Audited Accounts for the year ended 30th September, 2013.

1. Financial Performance

₹ in Million

	2012-13	2011-12
Turnover	113,526	129,199
Profit before exceptional items, prior period items and tax	1,861	7,208
Add: Exceptional Items	325	(1,200)
Add: Prior Period Items	-	(799)
Profit before Tax	2,186	5,209
Less: Tax	246	1,777
Net Profit after Tax	1,940	3,432
Balance in the Statement of Profit and Loss brought forward	6,110	4,771
Addition in the Statement of Profit and Loss due to the amalgamation of companies	134	705
Amount available for appropriation	8,184	8,908
Appropriations:		
General Reserve	194	343
Proposed Dividend	1,781	2,112
Dividend Distribution Tax	303	343
Balance in the Statement of Profit and Loss carried forward	5,906	6,110

2. Operations

The Turnover of the Company decreased by approximately 12% and stood at ₹ 113,526 million as compared to ₹ 129,199 million in the previous year. The Company's Profit from Operations for the year ended 30th September, 2013 was ₹ 1,705 million as compared to ₹ 6,903 million in the corresponding period of the previous year.

The Profit after Tax was ₹ 1,940 million, compared to ₹ 3,432 million during 2011-12.

3. Dividend

The Board of Directors recommends a dividend of ₹ 5 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 ₹ 6 per Equity Share of ₹ 2 each.

4. Amalgamations and Divestment

a. Amalgamation of Siemens Power Engineering Pvt. Ltd. (SPEL) and Winergy Drive Systems India Pvt. Ltd. (Winergy) with the Company

Key details of the aforesaid amalgamations are summarised as follows:

Particulars	SPEL	Winergy
High Court Order date	Bombay : 2 nd November, 2012 Punjab & Haryana : 23 rd November, 2012	Bombay : 22 nd March, 2013 Madras : 18 th February, 2013
Appointed Date	1 st October, 2011	1 st October, 2012
Effective Date	1 st January, 2013	31 st March, 2013
Share Exchange Ratio	6 Equity Shares of ₹ 2 each of the Company for every 13 Equity Shares of ₹ 10 each of SPEL	1 Equity Share of ₹ 2 each of the Company for every 72 Equity Shares of ₹ 10 each of Winergy
Equity Shares issued	3,461,538 to Siemens Aktiengesellschaft, Germany	625,139 to Siemens Aktiengesellschaft, Germany
Date of Allotment of new Equity shares	5 th February, 2013	24 th May, 2013

Directors' Report

b. Sale and transfer of Postal and Parcel Logistics Technologies & Airport Logistics Technologies businesses (LAS business)

Pursuant to the approval granted by the Members by way of Postal Ballot on 18th September, 2013, the LAS business of the Company was sold and transferred as a going concern on a slump sale basis to Siemens Postal Parcel & Airport Logistics Pvt. Ltd., a new 100% subsidiary of Siemens Aktiengesellschaft, Germany with effect from the close of business hours of 30th September, 2013, for a consideration of ₹ 1,285 million and recorded profit of ₹ 1,146 million, which forms part of exceptional items.

5. Share capital

During the year under review, the paid-up share capital of the Company increased from 340,295,025 Equity shares of ₹ 2 each (FY 2011-12) to 356,119,885 Equity shares of ₹ 2 each (FY 2012-13). The following are the details of the Equity shares issued and allotted during FY 2012-13:

Particulars	No. of Equity shares of the Face value of ₹ 2 each	Date of Allotment
Amalgamation of Siemens VAI Metals Technologies Pvt. Ltd. and Morgan Construction Company India Pvt. Ltd. with the Company	11,738,108	13.10.2012
Settlement of a Disputed case	75	01.02.2013
Amalgamation of Siemens Power Engineering Pvt. Ltd. with the Company	3,461,538	05.02.2013
Amalgamation of Winergy Drive Systems India Pvt. Ltd. with the Company	625,139	24.05.2013
Total	15,824,860	

The aforesaid 15,824,860 new Equity shares of ₹ 2 each rank *pari passu* in all respects with the existing Equity shares of the Company and shall be entitled for full amount of Dividend for the year ended 30th September, 2013, if declared by the Members at the forthcoming 56th Annual General Meeting. The said Equity shares have been listed on BSE Ltd. and National Stock Exchange of India Ltd.

6. Subsidiary company:

The Company has no subsidiary during the year.

7. Foreign Exchange Earnings and Expenditure

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

8. 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.

9. 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 Auditors' Certificate thereon forms part of this Report as **Annexure III**.

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

10. Business Responsibility Report

SEBI, vide its circular CIR/CFD/DIL/8/2012 dated 13th August, 2012, mandated inclusion of Business Responsibility Report (BRR) as part of the Annual Report for top 100 listed entities based on their market capitalisation on BSE Limited and National Stock Exchange of India Limited, as on 31st March, 2012. Clause 55 of the Listing agreement with the Stock Exchanges introduced in this regard, provides a suggested framework of a BRR, describing initiatives taken by the company from an environmental, social and governance perspective.

As a Green Initiative, we have hosted our full BRR for the year 2013 on our website, which can be accessed at http://www.siemens.co.in/en/about_us/index/sustainability.htm and http://www.siemens.co.in/en/index/investor/annual_report.htm

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

11. Employees

Your Directors place on record their deep appreciation for 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 Accounts 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.

12. 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 30th September, 2013 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.

13. Directors

Mr. Johannes Apitzsch automatically ceased to be an Alternate Director for Dr. Roland Busch with effect from 30th January, 2013 since Dr. Busch had visited the State of Maharashtra, where the Board Meetings of the Company are ordinarily held. Mr. Apitzsch was re-appointed as an Alternate Director for Dr. Busch with effect from 31st January, 2013. Further, Mr. Apitzsch ceased to be an Alternate Director for Dr. Busch with effect from the close of business hours of 22nd November, 2013.

Ms. Mariel von Drathen and Mr. Johannes Apitzsch have been appointed as Additional Directors of the Company with effect from 2nd August, 2013 and 23rd November, 2013, respectively. As per provisions of Section 161 of the Companies Act, 2013 and Article 104(b) of the Articles of Association of the Company, Ms. von Drathen and Mr. Apitzsch, hold office upto the date of the forthcoming 56th Annual General Meeting and are eligible for appointment. Notices under Section 257 of the Companies Act, 1956 have been received from a member signifying her intention to propose the appointment of Ms. von Drathen and Mr. Apitzsch as Directors of the Company.

Dr. Armin Bruck, on completion of his term, will cease to be the Managing Director & Chief Executive Officer (MD & CEO) and Director of the Company with effect from the close of business hours of 31st December, 2013. The Board places on record its appreciation for the services rendered by Dr. Bruck during his tenure with the Company.

Mr. Sunil Mathur was re-appointed as an Executive Director & Chief Financial Officer (ED & CFO) for a term of five years with effect from 22nd July, 2013. The Board of Directors at its meeting held on 25th October, 2013 appointed Mr. Mathur as the MD & CEO for a term of five years with effect from 1st January, 2014. Consequent to his appointment as MD & CEO, Mr. Mathur's tenure as ED & CFO was revised for a period from 22nd July, 2013 to 31st December, 2013. The terms and conditions of Mr. Mathur's re-appointment as ED & CFO and appointment as MD & CEO, including his remuneration, are subject to approval of the Members.

Directors' Report

At the Annual General Meeting, Mr. Deepak S. Parekh, Mr. Keki B. Dadiseth and Mr. Pradip V. Nayak retire by rotation and being eligible, offer themselves for re-appointment.

The above appointments and re-appointments forms part of the Notice of the 56th Annual General Meeting to be held on 30th January, 2014 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 Annual General Meeting.

14. Auditors

Messrs S.R. Batliboi & Associates LLP, Chartered Accountants, retire as the Statutory Auditors of the Company at the ensuing Annual General Meeting and offer themselves for re-appointment. A certificate from them has been received to the effect that their re-appointment as Statutory Auditors of the Company, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

15. 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.

16. Cost Auditors

The Board of Directors have appointed Messrs R. Nanabhoy & Co., Cost Accountants, for the Financial Year 2013-14, for conducting the audit of the cost accounts maintained by the Company for the various products mandated by the Central Government, pursuant to its order No 52/26/CAB-2010 dated 6th November 2012, subject to the approval of the Central Government. The Company had filed the Cost Audit Report for FY 2011-12 on 21st March, 2013, which is within the time limit prescribed under the Companies (Cost Audit Report) Rules, 2011.

17. 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
Friday, 22nd November, 2013

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

a. Measures taken:

- Installation of Energy efficient appliances.
- Use of solar energy to preheat dish washing machine water.
- Reduction in forklift movement across various shops.
- Maintaining Power factor up to 0.996 (unity).
- Recharge 2 nos. wells for rain water conservation to increase water table.

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

- Replacement of air purifier with energy efficient purifier and removal of leakages in system.
- Use of drip irrigation and removal of leakages.

c. Impact of Measures undertaken:

- Optimization of energy consumption.
- Savings in energy and fuel cost.
- Environment Protection.

B. Research and Development (R&D)

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

- Enhancement of our range in LV motors by manufacturing upto 1750kW 690V LV range motors in India.
- Introduction of IE2 and IE3 range of high efficiency motors in Indian market conforming to IS:12615.
- Development of special industrial motors in dual speed with single stator winding for rugged applications suitable for 1000 Ton Press-brake (with fluctuating torques), for auto-industry.
- Design and realization of current transformer operated thermal overload relay for 3RT Sirius family.
- Development of 36kV, 1250A / 2500A, 1AC 0.1sec / 1sec, 31.5kA indoor switchgear, switching device compartments for 12kV and 33kV ratings and ring main unit for ratings 12kV, 21kA / 1sec.

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

- Cost effective product
- Energy efficient products.
- Overall cost reduction.
- Opportunity to tap new 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.
- Saves space for the customers.

3. Future Plan of action:

- Development of Auxiliary Converter 500kVA for Electric Locomotives.
- Ramp up of current transformer operated thermal overload relay for 3RT Sirius family.
- Design and realization of improved contactors for switching capacitor banks.
- Sales release for 8DJH ST 310mm CB.
- Introduction of new products in markets.
- Development and localization of global platform products aimed at providing advantages and features presently available in European designs.

4. Expenditure on R&D:

- a. Capital Expenditure: ₹ 150 million
- b. Revenue Expenditure: ₹ 195 million
- c. Total Expenditure: ₹ 345 million
- d. Total R & D expenditure as a percentage of total turnover : 0.30%

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

C. Technology Absorption Adaption & Innovation

1. Efforts undertaken:

- Designs of Copper rotors for 1LA8 45 & 40 motors were replaced in aluminium die casting technology by adapting 1LA4 platform and still meeting or exceeding the copper bar rotor parameters of efficiency and temperature rise.
- Interaction & Training with external agencies / technology partners for exposure to the latest products / designs, manufacturing technologies, processes, analytical techniques and engineering protocols.
- Integration of induction brazing generator (source), customized induction coils with in-house designed & built operational interfacing mechanism.
- Local customization of Sensors communication products including test certification with high precision calibration equipments.

2. Benefits derived from the above:

- Reliability of operation, increase in speed and consistent quality enabling localization with global standard.
- Meeting the need of Customers who would like to witness calibration, lead time reduction.
- Reduced dependence on imported technology.
- Environment friendly process, reduction in hazardous waste.
- Overall cost reduction.
- Increased market coverage.
- Reduction of cost in product thus improving product competitiveness

3. Imported Technology:


Technology Imported	Year of Import	Has the technology been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.
Generator for Induction brazing	2012	Yes	Not Applicable
Calibrating equipments (Local customization of Sensors communication products including test certification with high precision calibration equipments.)	2012	Yes	Not Applicable

D. Foreign Exchange Earnings and Outgo

1. The Company manufactures products for the local market which could also be exported to other markets having similar requirements. Among the products being exported are GIS substations, high-performance and energy-efficient technologies such as control relay panels and substation automation systems, metals technologies, oil and gas, instrumentation and electricals, energy service and power transmission solutions.
2. The Company focused on implementing projects and installing solutions in new as well as existing markets of Bangladesh, Sri Lanka, various countries of South East Asia, Africa, Europe and the Middle East.
3. The Company actively pursues projects as well as product sales in overseas markets. We expect demand for products in our base-level or SMART portfolio.

On behalf of the Board of Directors

For Siemens Ltd.



Deepak S. Parekh
Chairman

Mumbai
Friday, 22nd November, 2013

Annexure II to the Directors' Report

Management's Discussion & Analysis

General performance review

India's gross domestic product (GDP) growth dropped to a four-year low of 4.4 per cent in the April-June quarter of 2013, one of the lowest growth periods in the last decade. The major factors contributing to this low rate of growth were high interest rates, weakening demand and uncertain economic conditions.

Interest rates in general remained elevated during the financial year 2012-13, dampening both consumption as well as investment demand. The latest Index of Industrial Production data was also disappointing, registering a growth of 0.6% in August 2013. The uncertain economic conditions were reflected in the fact that major infrastructure and power projects remained stalled during the year due to delayed decision-making and issues related to land acquisition, environmental clearances, liquidity and availability of raw material. According to Reserve Bank of India, the business confidence in India remains weak with companies scaling down their investment plans.

In addition, the past year witnessed volatility in commodity prices and exchange rates. This in turn affected India's current account deficit and consequently led to further liquidity tightening measures by the Reserve Bank of India. The Indian Rupee depreciated by almost 18 percent for the period October 2012 to September 2013, touching a low of ₹ 68.4 per US dollar in August 2013, with the volatility adding to the uncertainty in the business environment.

Siemens Ltd.'s results during financial year 2012-13 were also impacted due to these factors. New orders were up by 7% at ₹ 10,957.3 crores in financial year 2012-13, compared with ₹ 10,235.1 crores in financial year 2011-12. Sales were down by 12% to ₹ 11,145.2 crores, compared with ₹ 12,708.1 crores in financial year 2011-12, while profit after tax (PAT) was down by 43% at ₹ 194 crores compared with ₹ 343.2 crores in financial year 2011-12.

ENERGY SECTOR

The power segment continued to face issues related to land acquisition, environmental clearances, power tariffs and fuel linkages. During the financial year 2012-13, the market for power equipment was characterized by sharply reduced demand, overcapacities and consequently lower prices. Despite these challenges, the Energy Sector was in a position to retain its overall market share.

During the financial year, the Energy Sector set up Global Engineering Centres for Compressors and Oil & Gas Solutions

businesses in Mumbai and Coimbatore respectively. The Sector won an order worth ₹ 66 crores from National Thermal Power Corporation Ltd. to modernise its Korba Stage II plant. It also won an order worth ₹ 104.4 crores from Bangladesh Steels Re-Rolling Mills Ltd. (BSRM), the largest steel manufacturing company in Bangladesh, to build a Gas Insulated Switchgear (GIS) substation. This is the first private sector-funded GIS substation project and the largest order size in the GIS segment in Bangladesh.

Among other milestones, the Sector handed over the Unosugen combined cycle power plant in India to the customer, Torrent Power Ltd. The state-of-the-art and environmentally-friendly fossil fuel-fired power plant has an installed capacity of approximately 380 megawatts (MW) and an efficiency level of 57 percent, one of the highest in India. The Sector also successfully designed and developed, in collaboration with the parent company Siemens AG, a 1200kV double-break disconnector, the highest-rating disconnector in India, at its factory in Hyderabad.

During the financial year 2012-13, the Company completed the amalgamation of Siemens Power Engineering Pvt. Ltd., a 100% subsidiary of Siemens AG.

For financial year 2012-13, the new orders were up by 15% to ₹ 3,121 crores, sales fell by 24% to ₹ 3,937 crores, while profits from operations were ₹ 46 crores.

Outlook

The investment climate in the power sector is expected to remain subdued and projects are expected to get delayed due to various prevailing factors such as lack of fuel supply, delayed statutory clearances, liquidity constraints and land acquisition issues. The recent clearance of 28 stalled power and infrastructure projects involving an investment of ₹ 50,000 crores is a positive sign. However, further actions will be required to drive the investment in the sector. 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 growth of the overall healthcare market is directly linked to the growth of the economy as a majority of healthcare costs are paid for 'out-of-pocket' by patients – a fact attributed to the low penetration of insurance services in India. The Healthcare Sector was also affected by the exchange rate fluctuation.

Annexure II to the Directors' Report (Continued)

Management's Discussion & Analysis

Among the highlights of the financial year 2012-13, The Healthcare Sector received a major order from Sir HN Hospital and Research Centre, Mumbai (Reliance) for the complete imaging package including Computerized Tomography (CT) scan, Magnetic Resonance Imaging, Cath Labs and other imaging equipment such as Ultrasound and X-ray. Additionally, NM Medical, a diagnostic imaging chain with a pan-India presence, selected Siemens MAGNETOM Spectra 3T MRI scanner for installation in its new diagnostic center at Sancheti Hospital in Pune. This will be one of the first installations of Magnetom Spectra with the newly-introduced 3T MRI in the country. Other major highlights include the installation of India's first simultaneous PETMRI at Indraprastha Apollo Hospital, New Delhi and Somatom Definition Edge, the newly-introduced Cardiac CT scanner, at PSG Hospital, Coimbatore.

Other new solutions launched during the financial year include the Perspective 128 Slice CT system which consumes lower power and is easy to install; the Freestyle ultrasound system that features a wireless hands-free probe; and the X700 Economy ultrasound with high-end features.

In spite of the challenging macro-economic conditions, for financial year 2012-13, the new orders were up by 17% to ₹ 1,237 crores, sales grew by 3% to ₹ 1,115 crores, while profits from operations were ₹ 31 crores.

Outlook

The Healthcare Sector provides end-to-end solutions including diagnostics, imaging and therapy. With the market for healthcare services expected to grow in moderation, the Sector will seek to increase market penetration for its range of solutions by expanding its distribution channels and customer interface points. In addition, cost optimisation, profitability enhancement and strengthening the organisation's capabilities will remain key focus areas.

INDUSTRY SECTOR

During the financial year 2012-13, the Industry Sector was affected by issues such as lower capital investments by customers across verticals which led to delays in project closures and in the finalisation of new projects. Reduced access to capital, fluctuating exchange rates and consistently high interest rates further pushed up the cost of capital across key industry verticals. The Original Equipment Manufacturers, one of the key sales channel for the Industry Sector, were also affected by the slowdown which resulted in low order backlog and pile up of finished goods inventory.

Customer segments such as Food & Beverages, Cement and Chemical showed positive signs whereas Automobile, Metals, Power and Mining showed a decline.

During the financial year 2012-13, Industry Sector received an order worth ₹ 271 crores from the Rashtriya Ispat Nigam Ltd. (RINL) to modernise blast furnace No. 2 at Visakhapatnam Steel Plant (Vizag Steel). The Sector also signed a three-year Memorandum of Understanding with Steel Authority of India Ltd. whereby SITRAIN, the Industry Sector's training services unit, will provide technical training to all personnel of SAIL Plants involved in projects, maintenance and other technical departments.

Among other highlights of the financial year, the Industry Sector launched SMART@MT packages for the metals industry such as electric arc furnace and circular pelletization technology, expanding the SMART (simple-to-use, maintenance-friendly, affordable, reliable and timely-to-market) portfolio of locally-designed and manufactured solutions for the steel industry. The Sector also launched SIMATIC PCS 7 CPU410-5H Process Controller – the fastest and the most powerful process controller in the Indian market. Other key product launches were S7-1500 Programmable Logic Controller for medium to high-end machine and plant automation, and SINAMICS V20 inverter for standard applications in India.

With an aim to improve customer proximity and showcase its offerings for the small and medium enterprises, the Sector launched a mobile road show called "Siemens Productivity Tour" covering 204 locations in 86 cities. It also organised over 100 in-plant seminars across India to promote energy efficiency through the use of IE2 and IE3 efficiency class low-voltage motors.

During financial year 2012-13, the Company completed the amalgamation of Winergy Drive Systems India Pvt. Ltd.

For financial year 2012-13, the new orders were down by 9% to ₹ 3,048 crores, sales fell by 11% to ₹ 3,344 crores, while profits from operations were at ₹ 24 crores.

Outlook

The Industry Sector expects a continued moderation in demand. With key Original Equipment Manufacturers focusing on cost reduction due to various factors such as inflation, fluctuating exchange rates and high interest rates, the sector will continue to face pressure on costs.

Demand is expected to be driven through initiatives taken by various industry verticals for modernising their manufacturing systems. These initiatives are aimed at improving 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

Reflecting the challenging macro-economic environment, the Infrastructure & Cities Sector witnessed reduced investments in greenfield and modernisation projects in financial year 2012-13. This was largely due to the slow pace of government decision making and high interest rates. A few of the long-pending projects include the Navi Mumbai airport, elevated rail corridor, Mumbai Metro and the locomotive manufacturing factories by Indian Railways.

Among the orders won by the Infrastructure & Cities Sector during the financial year 2012-13 were: ₹ 176 crores order for the electrification of Phase III of the Delhi Mass Rapid Transit System (MRTS), a turnkey project worth ₹ 184.1 crores from IL&FS Rail Ltd. for the Gurgaon Metro South Extension project and two contracts aggregating ₹ 144 crores from the Rural Electrification Board, Bangladesh to build and modernise substations.

During the year, the Infrastructure & Cities Sector launched a device for the remote monitoring of locomotives in rail systems. Once installed, the device captures real-time data, which is transferred to the central monitoring unit using global positioning system (GPS). This solution delivers increased productivity and improved response time for maintenance activities. New solutions that were added to the portfolio included auxiliary relays, numerical relays, FRTUs and 33kV air-insulated switchgears.

During the financial year 2012-13, Siemens Ltd. initiated the sale and transfer of its Postal & Parcel Logistics Technologies and Airport Logistics Technologies business (both forming part of the Infrastructure and Cities Sector) to Siemens Postal Parcel & Airport Logistics Pvt. Ltd., a 100% subsidiary of Siemens AG, effective from the close of business on September 30, 2013 for a consideration of ₹ 129 crores and recorded profit of ₹ 115 crores.

For financial year 2012-13, the new orders were up by 15% to ₹ 3,521 crores, sales up by 2% to ₹ 2,750 crores, while profits from operations were ₹ 53 crores.

Outlook

The existing infrastructure capacity is under pressure due to a widening gap in demand and supply. The demand is driven

by the growing levels of urbanisation, industrialisation and population growth. The central and state governments have been increasing their focus on development and capacity expansion of all sectors of infrastructure including power transmission and distribution, roads, railways, ports and airports. This provides opportunities for the Infrastructure & Cities Sector in the areas of safety, modernisation and greenfield projects. However, project delays are foreseen due to the high cost of financing and slow decision making.

The market continues to remain highly challenging. The sustained liquidity issues could result in postponement of new projects and delays in executing existing projects. The Infrastructure & Cities Sector is focusing on further strengthening its processes, quality, productivity, safety and project execution capabilities.

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 2012-13, the Internal Control process was further improved through simplification of the assessment process, enhancing the knowledge of independent assessors and stronger focus on sustainable remediation of control weaknesses identified through the assessment process.

Siemens Ltd. has outsourced the internal audit function to Corporate 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.

Compliance

During the financial year 2012-13, Siemens Ltd. continued its focus on compliance in all areas of its business by rationalising and strengthening controls to ensure the adherence to compliance. Over 5,000 employees were trained on ethical behaviour as part of the Integrity Dialogue training. Approximately 500 employees underwent training on Anti-Trust topics which assumes relevance in the current business environment. The Compliance team further conducted training sessions to promote "Zero Tolerance approach" to key external stakeholders such as Custom House Agents, Business Partners and Vendors.

Annexure II to the Directors' Report (Continued)

Management's Discussion & Analysis

Siemens Ltd. continued to be actively involved in the Collective Action initiatives. The Company's Compliance Officer along with the parent company Siemens AG's Global Head of Collective Action presented Siemens initiatives against corruption at the 10th Principle against Corruption conference organised by Global Compact Network in New Delhi. The Compliance Officer also represented Siemens Ltd. at the 19th PACI (Partnering Against Corruption Initiative) Task Force meeting in New Delhi. The meeting was organised to share the best practices and the initiatives taken by PACI to combat corruption globally. Siemens Ltd. also partnered with Caux Initiatives of Business on "Sustaining Growth and Governance in the Industrial Context" across India. (Details on compliance activities are included in the Business Responsibility Report available on www.siemens.co.in)

Safety and environment

For the financial year 2012-13, Siemens Ltd. initiated various measures to achieve the goal of "Zero Fatality, Safe Workplace". The Company has adopted a four-level Environment, Health and Safety management structure with the overall objective being 'zero harm culture'. Contractors and customer managers play an integral role in the overall site EHS evaluation to ensure an optimum mix of trained resources are deployed to mitigate safety risks.

A total of 36,694 man hours of safety training was conducted during the financial year. The Company's manufacturing units in India have already implemented international EHS standards like ISO 14001 and OHSAS 18001. (Details on EHS activities are included in the Business Responsibility Report available on www.siemens.co.in)

Human Resources Initiatives

Committed and motivated employees are one of the most important assets for the Company. During the financial year 2012-13, Siemens Ltd. focused on various strategic learning programmes, employee engagement and health management initiatives aimed at the strategic development of this dynamic workforce.

To simplify existing HR processes and further reduce complexity, the concept of Lean was implemented in Human Resources. Some of the processes identified for implementing Lean were hiring, training and employee settlement.

To motivate, develop and retain its employees, the Company continued its emphasis on developing leaders at different levels and organised a variety of initiatives to support this objective.

- a. Q-LEEP (Quantum-Leadership Enhancement through Excellence in People management): 150 middle-level managers participated in the programme aimed at improving people management skills through self-awareness and coaching.
- b. People Business Management (PBM)-3, a Core Learning Programme, which focuses on preparing employees who would be taking on managerial responsibilities in the future.

Another key initiative Local Key Expert Career Programme was launched in line with the global process. The programme is aimed at developing customised career paths for employees and is linked to business-critical roles in Research & Development, Engineering and Manufacturing. The selection of the key experts is aligned with the technology landscape of the business.

Various HR processes were simplified and made flexible, such as medical insurance, group personal accident insurance, parents' insurance and superannuation fund.

As of September 30, 2013, the Company's employee strength was 11,539 as compared to 12,041 as of September 30, 2012. This includes an addition of 908 employees as a result of the merger of Siemens Power Engineering Pvt. Ltd. and Winergy Drive Systems India Pvt. Ltd. The new employees have been integrated into the Energy Sector and Industry Sector, respectively. During the financial year 2012-13, the Company initiated 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 for Siemens Ltd.

Siemens Ltd. operates in all the areas that contribute to modernising infrastructure, and has solutions for the entire energy matrix (generation, transmission and distribution), intra-city and inter-city mobility, industrial automation and healthcare.

The Company has a strong, established local manufacturing footprint with R&D facilities that has helped position Siemens Ltd. as a technology provider of choice for customers in India. The bundled financing solutions offered by Siemens Financial Services Pvt. Ltd., a non-banking finance company and a wholly-owned subsidiary of Siemens AG., are also an added advantage. On the basis of these strengths, the Company expects profitable and sustainable growth in the future.

However, to drive the growth of the overall economy, it is imperative that concrete steps are taken by the government, which will create an environment for increased capital expenditure across verticals. The revival of large stalled projects and the pipeline cleared by the Project Monitoring Group and the Cabinet Committee on Investment recently may sustain investment and overall activity during the next financial year.

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
November 22, 2013

Annexure III to the Directors' Report

Corporate Governance Report

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

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)

• Composition

During the year under consideration, the Board comprises of 11 experts (excluding Alternate Director) 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 and Special Director, are liable to retire by rotation.

The Company has 9 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 30th September, 2013, number of meetings held and attended during the Financial Year (FY) are as follows:

	Name	Category ⁽¹⁾	Board Meetings during the FY 2012-13		Attendance at last AGM held on 31.01.2013	Other Directorships in India ⁽²⁾	Other Committee positions in India ⁽³⁾	
			Held	Attended			Member	Chairman
1	Mr. Deepak S. Parekh (Chairman)	NED (I)	5	5	Yes	9	2	2
2	Mr. Darius C. Shroff	NED (I)	5	5	Yes	10	3	1
3	Mr. Yezdi H. Malegam	NED (I)	5	5	Yes	6	1	3
4	Mr. Narendra J. Jhaveri	NED (I)	5	5	Yes	8	2	3
5	Mr. Keki B. Dadiseth	NED (I)	5	4	Yes	9	2	3
6	Mr. Pradip V. Nayak	NED (I)	5	5	Yes	3	1	Nil
7	Dr. Armin Bruck	WTD	5	5	Yes	1	Nil	1
8	Mr. Sunil Mathur	WTD	5	5	Yes	Nil	N.A.	N.A.
9	Dr. Roland Busch ⁽⁴⁾⁽⁵⁾ (Nominee of Parent Company, Siemens AG)	NED	5	2	Yes	Nil	N.A.	N.A.
10	Mr. Johannes Apitzsch ⁽⁴⁾⁽⁶⁾ (Alternate for Dr. Roland Busch from 27.04.2012 to 30.01.2013 and thereafter from 31.01.2013)	NED	5	4	N.A.	Nil	N.A.	N.A.
11	Mr. Joe Kaeser ⁽⁴⁾	NED	5	3	Yes	Nil	N.A.	N.A.
12	Ms. Mariel von Drathen (appointed as an Additional Director from 02.08.2013) ⁽⁴⁾⁽⁷⁾	NED	1	1	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 Alternate Directorships and Directorships in private companies.
- (3) Includes only Audit Committee and Investors Grievance Committee of public limited companies.
- (4) In the whole-time employment of parent company, Siemens AG, Germany.
- (5) Special Director as per Article 110 of the Articles of Association of the Company and as such is not bound to retire by rotation.
- (6) Mr. Apitzsch attended the Board Meeting dated 23rd November, 2012 and 2nd August, 2013 as an Alternate Director for Dr. Roland Busch and attended the remaining two meetings as an invitee.
- (7) Details provided for the period for which the individual held Directorship of the Company.

- **Board Meetings**

During the Financial Year 2012-13, 5 Meetings were held on 13th October, 2012, 23rd November, 2012, 31st January, 2013, 26th April, 2013 and 2nd August, 2013.

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 present composition of the Audit Committee is as follows:

Name	From	No. of meetings during FY 2012-13	
		Held	Attended
Mr. Yezdi H. Malegam, Chairman	15.12.2000	5	5
Mr. Joe Kaeser	01.10.2006	5	3
Mr. Deepak S. Parekh	22.11.2004	5	5
Mr. Keki B. Dadiseth	01.02.2006	5	4

Mr. Ketan Thaker, Company Secretary, is a Secretary to the Committee.

During the Financial Year 2012-13, 5 Meetings were held on 13th October, 2012, 23rd November, 2012, 31st January, 2013, 26th April, 2013 and 2nd August, 2013.

The Chief Financial Officer, Siemens AG's Nominee Director / his or her Alternate Director, Head of Accounts, Internal Auditors and the Statutory Auditors are permanent invitees to the Meetings.

Terms of reference

The powers and terms of reference of the Audit Committee are as mentioned in the Clause 49 II (C), (D) & (E) of the Listing Agreement and Section 292A of the Companies Act, 1956.

Corporate Governance Report

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

The terms of reference are briefly described below:

- a. Oversight of the Company's financial reporting process and disclosure of financial information.
- b. Recommend the appointment, re-appointment and, if required, replacement or removal of Statutory Auditors, fixation of audit fees and approving payments for any other services.
- c. Review with management the annual and quarterly financial statements before submission to the Board.
- d. Review with management, performance of Statutory and Internal Auditors and adequacy of internal control systems.
- e. Review the adequacy of internal audit function.
- f. Discussions with Internal Auditors of any significant findings and follow-ups thereon.
- g. Review the findings of any internal investigations by the Internal Auditors.
- h. Discussions with Statutory Auditors before the audit commences, of the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- i. 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.
- j. Review the functioning of the Whistle Blower mechanism.
- k. Review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions;
 - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and remuneration of the Chief Internal Auditor; and
 - The financial statements, in particular, the investments made by unlisted subsidiary companies.

In addition to the above, the following disclosures are made to the Audit Committee, as and when applicable:

 - Basis of related party transactions;
 - Disclosure of Accounting Treatment; and
 - Utilisation / application of proceeds from public issues, rights issues, preferential issues, etc., if any.

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 55th Annual General Meeting held on 31st January, 2013.

ii. Investors Grievance Committee of Directors (Investors Grievance Committee)

Composition

The Investors Grievance Committee has been constituted to attend to and redress the investors' grievances.

The Chairman of the Investors Grievance Committee is a Non-executive and Independent Director. The present composition of the Investors Grievance Committee is as follows:

Name	From	No. of meetings during FY 2012-13	
		Held	Attended
Mr. Darius C. Shroff, Chairman	15.12.2000	2	2
Mr. Pradip V. Nayak	01.02.2006	2	2
Dr. Armin Bruck	01.01.2008	2	Nil

During the Financial Year 2012-13, the Committee met on 5th October, 2012 and 11th March, 2013.

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.

Details of Investors' Complaints

The Company and TSR Darashaw Pvt. 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 their 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 2012-13 is given below:

Nature of Complaints	Received	Cleared	Pending
Non-receipt of Share Certificates duly transferred	01	01	-
Non-receipt of dividend warrants	07	07	-
Letters from SEBI / SCORES Site	13	10	03*
Letters from Stock Exchanges	03	03	-
Letters from Depositories	01	01	-
Letters from Ministry of Corporate Affairs	-	-	-
Total	25	22	03*

*Since resolved

B. Non-Mandatory Committees

Remuneration Committee of Directors (Remuneration Committee)

The Chairman of the Remuneration Committee is a Non-executive and Independent Director. The present composition of the Remuneration Committee is as follows:

Name	From	No. of meetings during FY 2012-13	
		Held	Attended
Mr. Narendra J. Jhaveri, Chairman	15.12.2000	2	2
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 ⁽¹⁾	01.02.2013	Nil	N.A.

During the Financial Year 2012-13, the Committee met on 21st November, 2012 and 31st January, 2013.

(1) Details provided for the period for which the individual held Committee Membership.

Terms of reference

- Determine the Company's policy on specific remuneration packages for Whole-time Directors / Executive Directors including pension rights and any compensation payment.
- Decide the actual Salary, Salary Grades, Overseas Allowance, Perquisites, Retirals and Increment of Whole-time Directors.
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company and / or Siemens AG) and evaluate the performance and determine the amount of incentive of the Whole-time Directors for that purpose.
- Decide the amount of Commission payable to the Whole-time Directors.
- Periodically review and suggest revision of the total remuneration package of the Whole-time Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines, etc.

Annexure III to the Directors' Report (Continued)

Corporate Governance Report

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

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 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 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 Sections 198 and 309 of the Companies Act, 1956.

Remuneration paid / payable to the Whole-time Directors for the Financial Year 2012-13

(Amount in ₹)

	Dr. Armin Bruck	Mr. Sunil Mathur
Salary	12,868,500	9,351,900
Perquisites ⁽¹⁾	35,869,328	21,918,963
Performance Linked Incentive	39,695,722	27,618,098
Compensation under Stock Option Plan(s) of Siemens AG	9,462,290	8,415,469
Commission	Nil	Nil
Total	97,895,840	67,304,430
Tenure		
From	01.10.2007	22.07.2008
To	31.12.2013	31.12.2018*
Shares of ₹ 2 each held as on 30.09.2013	Nil	Nil

*subject to Members approval for the re-appointment as the Executive Director and Chief Financial Officer for the period from 22.07.2013 to 31.12.2013 and appointment as Managing Director and Chief Executive Officer for a period of five years w.e.f. 01.01.2014 in the ensuing Annual General Meeting.

Notes:

- (1) Perquisites include Company's contribution to Provident Fund and Superannuation Fund for Directors (except Dr. Bruck). Further, Overseas Allowance and Special Allowance are included in the perquisite for Dr. Bruck and Mr. Mathur, respectively.
- (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 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 Non-executive Directors are entitled to sitting fees for attending Board / Committee Meetings, as per the details given below:

Meetings	Sitting fees per Meeting (₹)
Board	20,000
Audit Committee	20,000
Investors Grievance Committee, Remuneration Committee, Corporate Governance Committee, Investment / Disinvestment Committee and Special Committee.	10,000

Commission

In terms of the Members' approval given at the 52nd Annual General Meeting held on 29th 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

Remuneration paid / payable to the Non-executive Directors for the Financial Year 2012-13:

Name	Sitting Fees* for Board / Committee Meetings attended	Commission* ⁽¹⁾	Total	Number of Equity Shares of ₹ 2 each held as on 30.09.2013
	(₹)	(₹)	(₹)	(₹)
Mr. Deepak S. Parekh	260,000	3,800,000	4,060,000	9,000
Mr. Yezdi H. Malegam	260,000	3,000,000	3,260,000	8,000
Mr. Darius C. Shroff	160,000	1,950,000	2,110,000	9,000
Mr. Narendra J. Jhaveri	120,000	1,950,000	2,070,000	5,000
Mr. Keki B. Dadiseth	170,000	1,950,000	2,120,000	Nil
Mr. Pradip V. Nayak	150,000	1,950,000	2,100,000	Nil
Mr. Joe Kaeser ⁽²⁾	N.A.	N.A.	N.A.	Nil
Dr. Roland Busch ⁽²⁾	N.A.	N.A.	N.A.	Nil
Mr. Johannes Aitzsch ⁽²⁾	N.A.	N.A.	N.A.	Nil
Ms. Mariel von Drathen ⁽²⁾	N.A.	N.A.	N.A.	Nil

* Exclusive of service tax.

Notes:

- (1) Subject to the approval of Annual Accounts for the Financial Year 2012-13 by the Members at the 56th Annual General Meeting to be held on 30th January, 2014.
- (2) Opted not to accept any Sitting Fees or Commission.

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

C. Other Committees of Directors

i. Corporate Governance Committee of Directors (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

Annexure III to the Directors' Report (Continued)

Corporate Governance Report

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

stakeholders. The Chairman of the Corporate Governance Committee is a Non-executive and Independent Director. The present composition of the Corporate Governance Committee is as follows:

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 / Mr. Johannes Apitzsch (Alternate Director for Dr. Roland Busch)	10.08.2012

During the Financial Year 2012-13, the Committee met on 13th October, 2012 and 26th April, 2013.

ii. Investment / Disinvestment Committee

The Committee has 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. The Chairman of the Investment / Disinvestment Committee is a Non-executive and Independent Director. The present composition of the Investment / Disinvestment Committee is as follows:

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 Kaeser	23.07.2007
Mr. Sunil Mathur	01.10.2008
Mr. Keki B. Dadiseth	01.02.2012
Dr. Roland Busch / Mr. Johannes Apitzsch (Alternate Director for Dr. Roland Busch)	10.08.2012

The Investment / Disinvestment Committee Meetings are held as and when required. During the Financial Year 2012-13, the Committee met on 22nd July, 2013.

IV. Committees of Management (Constituted by the Board of Directors)

i. Share Transfer Committee (STC)

Composition

Name	From
Dr. Armin Bruck, Chairman	01.01.2008
Mr. Sunil Mathur	01.10.2008
Mr. Ketan Thaker, Member & Secretary	02.08.2013

The STC notes and takes on record the transfer / transmission / transposition of shares and consolidation / splitting of folios, issue of share certificates in exchange for sub-divided, consolidated, defaced, etc., as approved by the authorised persons. 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 2012-13.

ii. Finance Committee (FC)

Composition

Name	From
Mr. Sunil Mathur, Chairman	01.10.2008
Dr. Armin Bruck	01.01.2008
Mr. Ketan Thaker, Member & Secretary	02.08.2013

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. 11 Meetings of FC were held during the Financial Year 2012-13.

iii. Delegation of Powers Committee (DPC)

Composition

Name	From
Dr. Armin Bruck, Chairman	01.01.2008
Mr. Sunil Mathur	27.07.2008
Mr. Ketan Thaker, Member & Secretary	02.08.2013

The DPC issues / revokes Powers of Attorney, fixes 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 2012-13.

V. Subsidiary companies

The Company does not have any Subsidiary as on 30th September, 2013.

VI. 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 Dr. Armin Bruck (Managing Director / CEO) and Mr. Sunil Mathur (Executive Director / CFO).

VII. 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.

VIII. 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 30th September, 2013. A certificate from Dr. Armin Bruck, Managing Director, to this effect, is attached to this Report. The BCGs can be viewed on the website of the Company www.siemens.co.in

IX. 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 1st 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.

X. 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 1st 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.

Annexure III to the Directors' Report (Continued)

Corporate Governance Report

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

XI. a. General Body Meetings

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2011-12	55th Annual General Meeting Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021	Thursday, 31 st January, 2013 2.30 p.m.	No special resolution was passed.
2010-11	54th Annual General Meeting Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021	Tuesday, 31 st 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	Extra-Ordinary General Meeting Indian Merchant's Chamber, Walchand Hirachand Hall, 4 th Floor, Indian Merchants Chamber Marg, Churchgate, Mumbai – 400 020	Thursday, 24 th 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.
2009-10	53rd Annual General Meeting Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021	Friday, 28 th January, 2011 3.00 p.m.	No special resolution was passed.

b, Pursuant to Section 192A of the Companies Act, 1956 and Companies (passing of resolution by postal ballot) Rules, 2011, the following Ordinary Resolution was passed by the Members by way of Postal Ballot:-

	Sale and transfer of the Company's Postal and Parcel Logistics Technologies and Airport Logistics Technologies businesses to 'Siemens Postal Parcel & Airport Logistics Pvt. Ltd.', a 100% subsidiary of Siemens Aktiengesellschaft, Germany, with effect from the close of business hours of 30 th September, 2013.	
Name of Scrutinizer	Mr. P. N. Parikh of M/s. Parikh Parekh & Associates, Practicing Company Secretaries	
Date of Report of Scrutinizer	17 th September, 2013	
Date of Declaration of Results / Date of Approval of Members	18 th September, 2013	
	Number of Postal Ballots	Number of Votes
Valid Ballots / Votes	3,563	278,782,136
In favour	3,277	271,868,968
Percentage (%)	91.97	97.52
Against	286	6,913,168
Percentage (%)	8.03	2.48
Invalid Ballots/ Votes	442	143,087

Thus, the above resolution has been passed by overwhelming majority of Members who cast their vote. In addition to physical voting, the members were provided with e-voting option to cast their vote.

Resolutions, if required, shall be passed by Postal Ballot during the year ending on 30th September, 2014, as per the prescribed procedure.

XII. Disclosures

- a. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.
- b. The Company has not entered into any other 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.
- c. 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.

XIII. 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 Ltd. 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

XIV. General Shareholder Information

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

XV. 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. Remuneration Committee: The Company has a 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 Company is in the regime of no audit qualification.
- 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 Ltd.**



Deepak S. Parekh
Chairman

Mumbai
Friday, 22nd November, 2013

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 30th September, 2013.

For Siemens Ltd.



Dr. Armin Bruck
Managing Director

Mumbai
Friday, 22nd November, 2013

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 Ltd.,

Dear Sirs,

- a) We have reviewed the financial statements and the cash flow of Siemens Ltd. ('the Company') for the year ended 30th September, 2013 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. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any 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



Sunil Mathur
Executive Director / CFO

Mumbai
Friday, 22nd November, 2013



Dr. Armin Bruck
Managing Director / CEO

Certificate of Compliance

To
The Members of Siemens Limited

We have examined the compliance of conditions of Corporate Governance by Siemens Limited ('the Company'), for the year ended on September 30, 2013, 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
ICAI Firm Registration Number:101049W
Chartered Accountants

per Sudhir Soni
Partner
Membership No.: 41870

Place : Mumbai
Date : November 22, 2013

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 2nd 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 23rd October, 1967 and thereafter to the present name on 31st March, 1987.

1. 56th Annual General Meeting

Day, date and time	Thursday, 30 th January, 2014 at 3.00 P.M.
Venue	Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021
Book closure dates	17 th January, 2014 to 30 th January, 2014 (both days inclusive)
Dividend payment date	6 th February, 2014

2. Financial Calendar

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

For the Financial Year 2013-14, Financial Results will be announced as per the following tentative schedule:

1 st quarter ending 31 st December, 2013	Fifth week of January, 2014
2 nd quarter ending 31 st March, 2014	Fourth week of April, 2014
3 rd quarter ending 30 th June, 2014	Third week of August, 2014
Year ending 30 th September, 2014	Fifth week of November, 2014

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 2013-14 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 2013-14 has been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

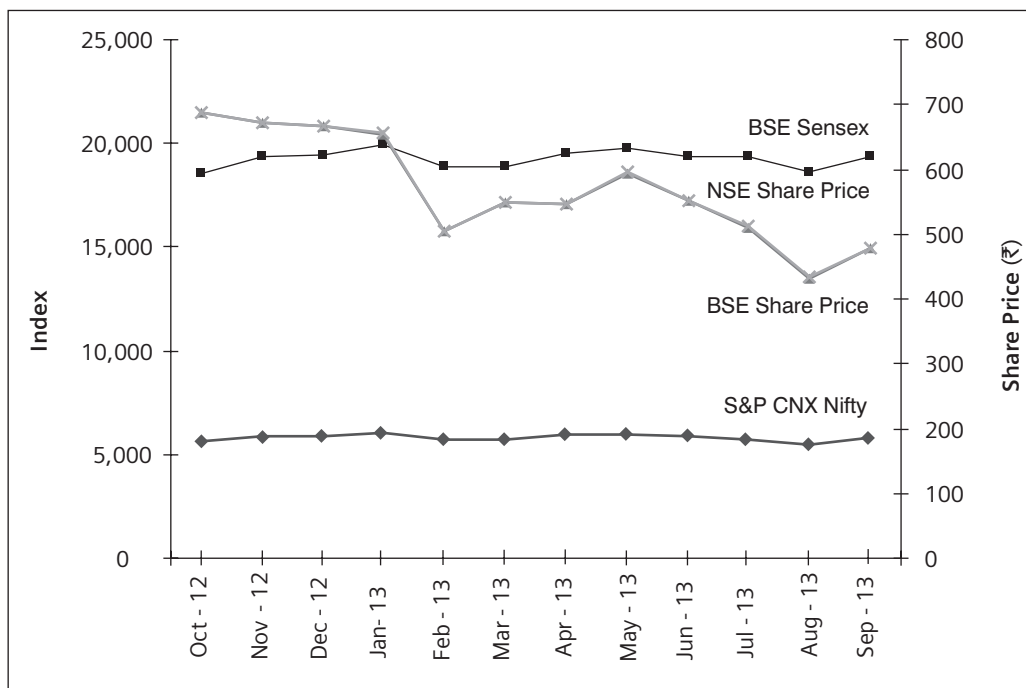
6. Market Price Data

- (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 1st October, 2012 to 30th September, 2013 are as follows:

Face Value of ₹ 2 each

	BSE			NSE		
	High	Low	Volume	High	Low	Volume
	₹	₹	Nos.	₹	₹	Nos.
October 2012	749.95	675.00	663,342	750.00	675.10	5,496,750
November 2012	712.20	649.60	960,101	712.95	649.00	4,991,402
December 2012	698.75	656.35	365,697	698.50	656.25	2,805,334
January 2013	695.25	630.65	548,356	695.70	632.00	3,175,606
February 2013	656.75	502.20	680,943	657.45	501.00	3,614,853
March 2013	592.00	482.35	1,060,814	594.00	482.35	7,266,922
April 2013	563.75	467.00	1,466,946	564.00	466.65	8,309,679
May 2013	628.00	531.50	1,505,483	628.00	531.45	7,760,215
June 2013	600.10	501.55	527,465	600.80	501.10	3,772,741
July 2013	590.90	487.10	659,838	591.10	486.00	4,892,061
August 2013	519.80	416.00	1,034,807	519.50	414.00	6,175,898
September 2013	568.00	414.05	1,985,042	569.00	416.00	10,590,477

- (2) The Company's closing share price movement during the Financial Year 2012-13 on BSE and NSE vis-à-vis respective indices:



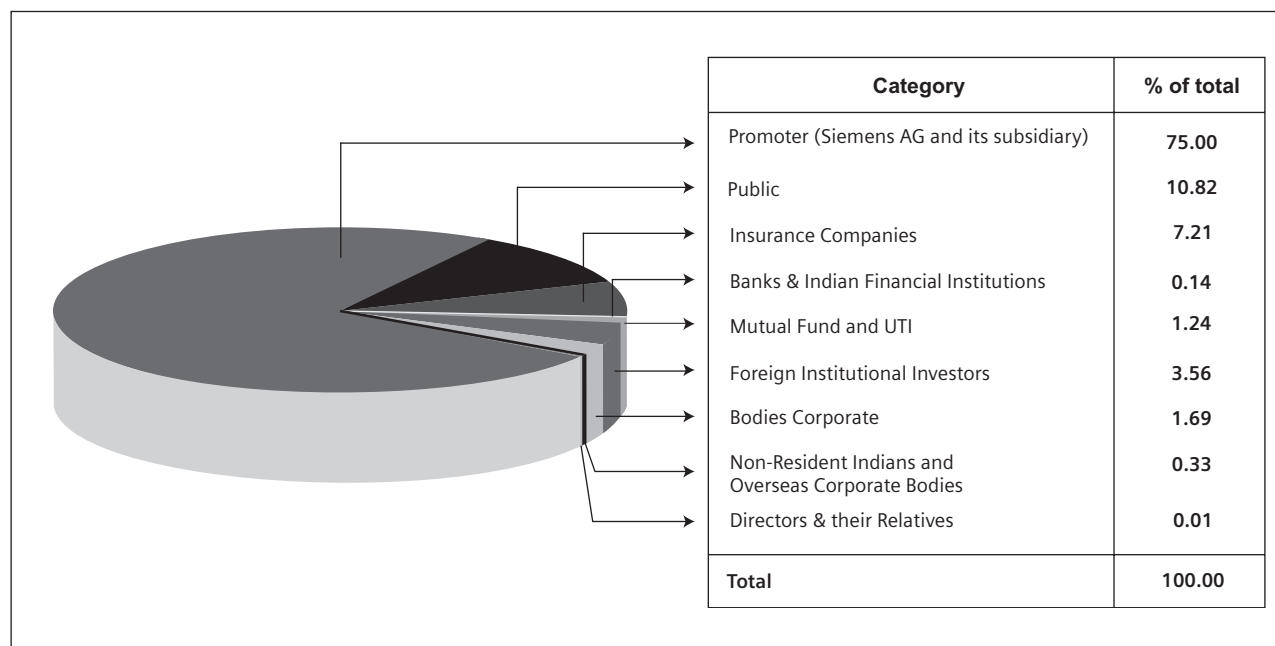
Annexure IV to the Directors' Report (Continued)

General Shareholder Information

7. Distribution of Shareholding as on 30th September, 2013

Number of Equity Shares held (Face Value ₹ 2 each)	Shareholders		Shares	
	Number	% of total	Number	% of total
1-500	139,083	99.04	28,279,351	7.94
501-1000	772	0.55	5,408,702	1.52
1001-2000	327	0.23	4,532,781	1.27
2001-3000	71	0.05	1,719,462	0.48
3001-4000	41	0.03	1,467,981	0.41
4001-5000	25	0.02	1,147,969	0.32
5001-10000	45	0.03	3,118,820	0.88
10001 & above	71	0.05	310,444,819	87.18
Total	140,435	100.00	356,119,885	100.00

8. Shareholders' Profile as on 30th September, 2013



No. of shareholders as on 30 th September	2013	2012
	140,435	137,143

9. Top Ten Shareholders of the Company as on 30th September, 2013

Sr. No.	Name of the Shareholder	Category	Number of Shares of ₹ 2 each	% of total Capital *
1	Siemens Aktiengesellschaft, Germany ⁽¹⁾	Promoter	267,089,913	75.00
2	Life Insurance Corporation of India	Financial Institution	20,247,974	5.69
3	Bharat Bijlee Limited	Body Corporate	2,138,160	0.60
4	General Insurance Corporation of India	Financial Institution	1,767,503	0.50
5	Vanguard Emerging Markets Stock Index Fund, a series of Vanguard International Equity Index Fund	Foreign Institutional Investor	1,752,273	0.49
6	HDFC Standard Life Insurance Company Limited	Body Corporate	1,378,811	0.39
7	Bajaj Allianz Life Insurance Company Ltd.	Body Corporate	1,188,348	0.33
8	IDFC Premier Equity Fund	Mutual Fund	1,029,000	0.29
9	Abu Dhabi Investment Authority - Gulab	Foreign Institutional Investor	1,001,942	0.28
10	Reliance Capital Trustee co. Ltd. – A/C Reliance Tax Saver (ELSS) Fund	Mutual Fund	654,996	0.18
Total			298,248,920	83.75

*Total Paid-up Equity Share Capital is ₹ 712,239,770 i.e. 356,119,885 Equity Shares of ₹ 2/- each.

(1) 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 30th September, 2013 are given hereunder:

Particulars of Equity Shares	Equity Shares of ₹ 2 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL*	345,855,234	97.12	99,157	70.61
CDSL	5,336,335	1.50	32,908	23.43
Sub-total	351,191,569	98.62	132,065	94.04
Physical Form	4,928,316	1.38	8,370	5.96
Total	356,119,885	100.00	140,435	100.00

* including 75.00% 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 Pvt. 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.

Annexure IV to the Directors' Report

General Shareholder Information (Continued)

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 Pvt. Ltd. (TSRDPL).

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

- | | |
|--|--|
| <p>➤ TSR Darashaw Private Ltd.
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: csg-unit@tsrdarashaw.com
Website: www.tsrdarashaw.com
Contact Person:- Ms. Mary George</p> | <p>➤ TSR Darashaw Private Ltd.
503 Barton Centre, 5th 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: tsrdlbg@tsrdarashaw.com
Contact Person: - Mr. Jaymohan K.</p> |
| <p>➤ TSR Darashaw Private Ltd.
Tata Centre 1st 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: tsrdlcal@tsrdarashaw.com
Contact Person:- Mr. Rijit Mukherjee</p> | <p>➤ TSR Darashaw Private Ltd.
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: tsrdldel@tsrdarashaw.com
Contact Person:- Mr. Shyamalendu Shome</p> |
| <p>➤ Shah Consultancy Services Ltd
Agents : TSR DARASHAW PRIVATE LIMITED
3, Sumatinath Complex,
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
Telefax : +91 (79) 2657 6038
Email: shahconsultancy8154@gmail.com
Contact Person:- Mr. Suresh Shah</p> | <p>➤ TSR Darashaw Private Ltd.
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
Fax: +91(657) 2426937
Email: tsrdljrs@tsrdarashaw.com
Contact Person:- Mr. Subrato Das</p> |

13. Share Transfer System

Documents for transfer of shares in physical form can be lodged with TSR Darashaw Pvt. Ltd. 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	<ol style="list-style-type: none"> 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, Thane - 400 601 5. Plot No. R-508 , TTC, Industrial Area, MIDC, Rabale, Thane- 400 701 6. 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- 400 705
Goa	L-6, Verna Industrial Area, Panjim-Margao Highway, Verna, Goa – 403 722
Gujarat	<ol style="list-style-type: none"> 1. R.S. No: 144, Maneja Village, Opp. Makarpura Rly. Station, Vadodara – 390 013 2. 589 Sayajipura, Ajwa Road, Vadodara – 390 019
Andhra Pradesh	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	<ol style="list-style-type: none"> 1. MMG Manufacturing Group - Unit -I, R.S No 16/8, Kurumbapet Village, Villianur Commune, Puducherry - 605 009 2. MMG Manufacturing Group - 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 Ltd.

130, Pandurang Budhkar Marg

Worli, Mumbai - 400 018, India

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

Website: www.siemens.co.in

Investor Relations Team:

Contact Person: Ms. Sarika Amlekar

E-mail: Corporate-Secretariat.in@siemens.com

Phone: +91 (22) 3967 7547 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 Legal Department 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

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.

Annexure IV to the Directors' Report (Continued)

General Shareholder Information

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 1,617 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 / TSRDPL – 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.
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 10th 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 and 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 Ltd.**



Deepak S. Parekh
Chairman

Mumbai
Friday, 22nd November, 2013

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

Business Responsibility Report - Overview

Sustainability at Siemens is integrated across all business activities and proactively extends to influence the value chain. The three aspects of sustainable development – environment, business and society – are well ingrained in our values, ethos, policies and practices to drive our sustainability agenda. We are guided by Siemens AG's Sustainability Program (SSP) to steer our efforts in creating long term stakeholder value while minimizing environmental and social impacts.

We have institutionalised a well-defined governance structure supported by relevant policies, internal regulations and procedures to ensure consistent implementation of SSP. We have a Sustainability Council which is chaired by the CEO and Sustainability Workgroups which exist across our four sectors of our major operations of Energy, Healthcare, Industry, and Infrastructure & Cities.

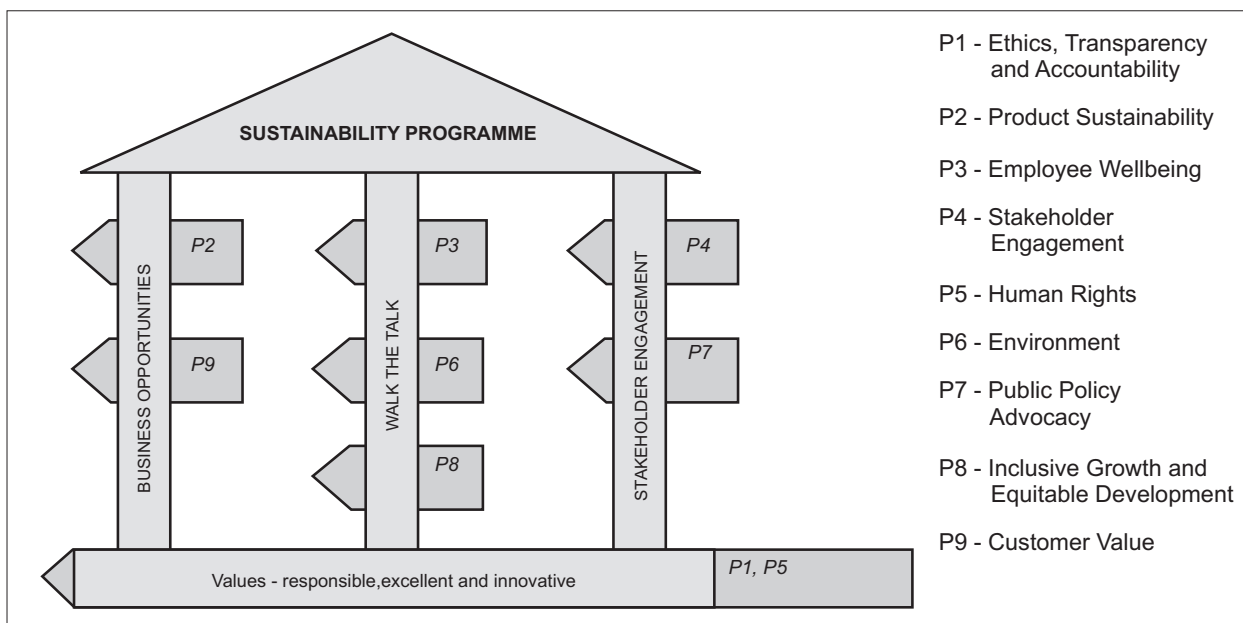
Materiality serves as a guiding principle for us to map issues that are of significance to our long term sustainable business success as well as those that reflect stakeholder concerns and expectations. These issues are aligned to global megatrends – urbanization, climate change, demographic change, and globalization – which we believe will shape the way businesses will operate in the near future. Our Sustainability Program is developed to seize these future opportunities and minimize risks for business, environment and society. The SSP has clear linkages to the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business.

Recognition for sustainability

2012	Siemens Limited was ranked no. 1 (Capital Goods Sector – BSE Classification) in CII Sustainability Rankings and rated Platinum Plus
2013	Siemens is again ranked as the world's leading industrial company in the Dow Jones Sustainability Index (DJSI)

Innovation is at the core of Siemens market leadership position, in providing sustainable technologies that help customers reduce energy costs and protect the environment. We have developed an Environmental Portfolio (EP) to deliver green technologies to help our customers address energy and environmental issues. EP products and services are designed to address Renewable Energies, Fossil Power Generation, Power Transmission and Distribution, Industry Solutions, Mobility, Building Automation and Healthcare.

We believe in positively influencing our value chain by extending our sustainability agenda to suppliers, vendors and channel partners. We have adopted a risk based supplier selection and approval framework which enables us to proactively identify the risks associated including those on sustainability issues. The framework consists of sustainability self-assessments by suppliers, risk evaluation conducted by the buyer, sustainability module as part of supplier quality audits, and sustainability audits by external auditors.



Business Responsibility Report - Overview

Employees are our key assets. Promoting employee diversity through integration of women at all levels within organisation is one of key focus areas of our people agenda. Towards promoting diversity, we have developed a definitive Diversity Plan till 2015. Learning & Development (L&D) framework at Siemens is designed to address the business requirements as well as personal development aspirations of employees. We also support in continual education of our employees and workmen who wish to pursue higher education. We have a Structured Leadership Development framework which identifies high potential candidates and grooms them for future leadership positions.

Environment Protection and Safety at Siemens are given utmost priority. We have adopted Corporate Occupational Health, Safety and Environment policy, Standard on Environmentally Compatible Product and Systems Design and Product Safety Guidelines that reaffirm our commitment to minimise the impacts of our products, operations and services on the environment. We have established well defined EHS management systems at all our plants. Safety management at our project sites at client premises is a significant challenge owing to various complexities of client maturity, contractor capabilities, floating contractual workforce, language and cultural barriers etc. To address these challenges, we have

adopted a four level EHS management structure with a 'Zero Harm Culture' defining our overall objective

We believe that inclusive growth and equitable development are vital components of community prosperity which is sustainable. To further strategically align our community development agenda with our business model, we have developed a Corporate Citizenship Strategy. The strategy serves to focus more 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.

Sustainability at Siemens has been and will continue to be at the core of our DNA to help us continue to do what we do the best – innovate for a sustainable society. We have published our Business Responsibility Report 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 2013 on our website, which can be accessed at http://www.siemens.co.in/en/about_us/index/sustainability.htm and http://www.siemens.co.in/en/index/investor/annual_report.htm



Siemens Ltd. delivered the core rail systems for Rapid Metro Rail Gurgaon. Supporting infrastructural development in India through such projects resonate our vision of transforming cities for the better through sustainable technology.



Project Asha is an integrated, sustainable development initiative that uses Siemens technology for transforming the lives of around 300 villagers in Amle village, around 130 kilometres from Mumbai.

INDEPENDENT AUDITOR'S REPORT

To the Members of Siemens Limited

1. Report on the Financial Statements

We have audited the accompanying financial statements of Siemens Limited ("the Company"), which comprise the Balance Sheet as at September 30, 2013, and 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.

2. 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 referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). 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.

3. 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. 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.

4. 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 September 30, 2013;
- (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.

5. Report on Other Legal and Regulatory Requirements

- i. 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.
- ii. 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 purpose 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 referred to in subsection (3C) of section 211 of the Companies Act, 1956 (read with the General Circular 15/2013 dated 13/9/2013 issued by the Ministry of Corporate Affairs);
 - (e) On the basis of written representations received from the directors as on September 30, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2013, 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 Sudhir Soni

Partner

Membership Number: 41870

Place: Mumbai

Date: November 22, 2013

Annexure referred to in paragraph 5(i) 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) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed, 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 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.
- (e) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties 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, 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) (a) 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.
- (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, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (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 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, Penalty	17	1993-99, 2000-07, 2008-10 and 2011-12	Asst.Comm / Dy. Comm / Comm / Comm (Appeals)
		539	1980-81, 1987-93, 1993-02, 2003-10 and 2011-12	Tribunal
State & Central Sales Tax Acts	Tax, Interest & Penalty	1,097	1962-69, 1970-74, 1975-81, 1982-90, 1991-96, 1997-03 and 2004-08	Assistant / Additional Commissioner
		223	1962-88, 1989-98, 1999-07, 2008-09 and 2009-11	Dy. Comm / Comm / Joint / Spl. Comm.
		654	1962-77, 1989-96, 1997-03, 2003-07 and 2007-08	Tribunal
		531	1962-85, 1996-04, 2005-07, 2008-10 and 2011-12	High Court
		2	2003-04	Supreme Court
Customs Act, 1962	Duty	120	1998-99	High Court
		22	2010-11	Commissioner
		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) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to bank. The Company did not have any outstanding dues in respect of financial institution or by way of debentures during the year.
- (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 Order are not applicable to the Company.
- (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 Order are not applicable to the Company.
- (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.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by public issues 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 Sudhir Soni
Partner
Membership Number: 41870

Place: Mumbai
Date: November 22, 2013

Balance Sheet

as at 30 September 2013

(Currency: Indian rupees millions)

	Notes	2013	2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	712	681
Share capital suspense account		-	23
Reserves and surplus	4	39,591	38,922
Non-current liabilities			
Other long-term liabilities	5	837	1,048
Long-term provisions	6	2,535	3,075
Current liabilities			
Trade payables	7	25,518	26,542
Other current liabilities	8	15,700	22,079
Short-term provisions	9	13,547	14,077
TOTAL		98,440	106,447
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	13,559	13,901
Intangible assets	10	230	221
Capital work-in-progress (net)		889	850
Non-current investments	11	432	410
Deferred tax assets (net)	12	4,297	3,176
Long-term loans and advances	13	6,164	5,341
Other non-current assets	14	6,705	7,773
Current assets			
Inventories	15	9,334	9,431
Trade receivables	16	37,668	39,124
Cash and cash equivalents	17	6,038	9,768
Short-term loans and advances	18	4,909	5,690
Other current assets	19	8,215	10,762
TOTAL		98,440	106,447
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 Sudhir Soni
Partner
Membership No: 41870

Mumbai
Date: 22 November 2013

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

Deepak S. Parekh	Chairman
Dr. Armin Bruck	Managing Director
Sunil Mathur	Executive Director
Yezdi H. Malegam	Director & Chairman of Audit Committee
Ketan Thaker	Company Secretary

Mumbai
Date: 22 November 2013

Statement of profit and loss for the year ended 30 September 2013 (Currency: Indian rupees millions)

	Notes	2013	2012
Income			
Revenue from operations (gross)		117,054	132,957
Less: Excise duty		(3,528)	(3,758)
Revenue from operations (net)	20	113,526	129,199
Other income	21	345	575
Total revenue		113,871	129,774
Expenses			
Raw materials consumed	33	26,056	25,984
Purchase of traded goods	32	23,629	24,398
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods		224	(1,014)
Project bought outs and other direct costs	22	35,459	49,115
Employee benefits expense	23	13,524	11,959
Finance costs	24	189	270
Depreciation and amortization expense	10	2,502	2,010
Other expenses	25	10,427	9,844
Total expenses		112,010	122,566
Profit before exceptional items, prior period items and tax		1,861	7,208
Exceptional items	43	325	(1,200)
Prior period items	44	-	(799)
Profit before tax		2,186	5,209
Tax expenses			
Current tax		(1,051)	(2,958)
Deferred tax credit / (charge)		805	1,181
Total tax expense		(246)	(1,777)
Profit for the year		1,940	3,432
Earnings per share ('EPS')			
(Equity share of face value ₹ 2 each)			
- Basic and diluted (in ₹)	41	5.45	9.75

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 Sudhir Soni
Partner
Membership No: 41870

Mumbai
Date: 22 November 2013

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

Deepak S. Parekh	Chairman
Dr. Armin Bruck	Managing Director
Sunil Mathur	Executive Director
Yezdi H. Malegam	Director & Chairman of Audit Committee
Ketan Thaker	Company Secretary

Mumbai
Date: 22 November 2013

Cash Flow Statement

for the year ended 30 September 2013

(Currency: Indian rupees millions)

	Notes	2013	2012
<u>Cash flow from operating activities</u>			
Profit before tax		2,186	5,209
Adjustments for:			
Finance costs	24	189	270
Bad debts	25	213	167
Provision for doubtful debts / advances, net	25	541	124
Depreciation and amortization expense	10	2,502	2,010
(Profit) / Loss on sale of fixed assets, net	21 / 25	(14)	12
Profit on sale of LAS business	43	(1,146)	-
Impairment loss	43	355	1,200
Other liabilities written back	21	(130)	-
Unrealised exchange loss / (gain), net		1,644	(180)
Interest income	21	(201)	(575)
Liabilities written back	20a	-	(227)
Operating profit before working capital changes		6,139	8,010
(Increase) / Decrease in inventories		1,079	(1,078)
(Increase) / Decrease in trade and other receivables		7,366	(768)
Increase / (Decrease) in trade payables and other liabilities		(10,193)	(728)
Increase / (Decrease) in provisions		(1,543)	(1,446)
Net change in working capital		(3,291)	(4,020)
Cash generated from operations		2,848	3,990
Direct taxes paid, net		(1,830)	(3,557)
Net cash generated from operating activities		1,018	433
<u>Cash flow from investing activities</u>			
Purchase of fixed assets		(2,239)	(4,114)
Proceeds from sale of fixed assets and advance received		365	329
Proceeds from sale of investments - LAS business		1,228	-
Interest received		206	664
Inter corporate deposits given		(23,835)	(28,825)
Refund of Inter corporate deposits given		22,085	30,531
Refund of Deposits (with maturity more than 3 months) with banks		-	1,125
Net cash used in investing activities		(2,190)	(290)

Cash Flow Statement (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

	Notes	2013	2012
<u>Cash flow from financing activities</u>			
Interest paid		(290)	(226)
Dividend paid (including tax thereon)		(2,451)	(2,368)
Proceeds from short-term borrowings		15,850	-
Repayment of short-term borrowings		(15,954)	-
Net cash used in financing activities		(2,845)	(2,594)
Net (decrease) / increase in cash and cash equivalents		(4,017)	(2,451)
Cash and cash equivalents at beginning of the year		9,768	11,625
Cash and cash equivalents acquired on amalgamation of SVAI		-	237
Cash and cash equivalents acquired on amalgamation of Morgan		-	312
Cash and cash equivalents acquired on amalgamation of Winergy (Refer note 2.2)		65	-
Cash and cash equivalents acquired on amalgamation of SPEL (Refer note 2.1)		172	-
Effect of exchange gain / (loss) on cash and cash equivalents		50	45
Cash and cash equivalents at the end of the year	17	6,038	9,768

Notes:

1. Cash and cash equivalents at the end of the period include unpaid dividend account balances with banks of ₹ 34 (2012: ₹ 30) which are restricted in use.
2. The figures of the current year include changes in the cash flow of the erstwhile SPEL and Winergy (Refer note 2.1 and 2.2), which were amalgamated with the Company w.e.f. 1 October 2011 and 1 October 2012 respectively and are therefore to that extent not comparable with previous year's figures.
3. The amalgamation of SPEL and Winergy (Refer note 2.1 and 2.2) with the Company is a non cash transaction and hence, has no impact on the Company's cash flow for the year.

As per our report of even date

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

per Sudhir Soni
Partner
Membership No: 41870

Mumbai
Date: 22 November 2013

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

Deepak S. Parekh	<i>Chairman</i>
Dr. Armin Bruck	<i>Managing Director</i>
Sunil Mathur	<i>Executive Director</i>
Yezdi H. Malegam	<i>Director & Chairman of Audit Committee</i>
Ketan Thaker	<i>Company Secretary</i>

Mumbai
Date: 22 November 2013

Notes to the financial statements for the year ended 30 September 2013 (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').

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:

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

Asset	Useful life
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 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 operation of the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

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.

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

1.5 *Investments (Continued)*

Investment property (Continued)

Depreciation on investment property is calculated on a straight line basis 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 "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.

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.

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

1.10 Foreign currency transactions (*Continued*)

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.

1.13 Provision (Continued)

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.

2. Amalgamations

2.1. Amalgamation of Siemens Power Engineering Pvt. Ltd. (SPEL)

Pursuant to the scheme of amalgamation ('the scheme') of erstwhile SPEL with the Company under sections 391 to 394 of the Companies Act, 1956 sanctioned by the Honorable High Court of Bombay and Punjab & Haryana on 2 November 2012 and 23 November 2012 respectively, the assets and liabilities of SPEL were transferred to and vested in the Company with effect from 1 October 2011. Accordingly, the scheme has been given effect to in these accounts.

The operations of SPEL include drawings and designing for planning and setting up of power plant worldwide, by using standard and specifically customized software.

The amalgamation has been accounted for under the "pooling of interests" method as prescribed by AS - 14 'Accounting for Amalgamations'. Accordingly, the accounting treatment has been given as under-

- i. The assets, liabilities and reserves of SPEL as at 1 October 2011 have been incorporated at their book values in the financial statements of the Company.
- ii. 7,500,000 equity shares of ₹ 10 each fully paid up of SPEL stand cancelled and 3,461,538 equity shares of ₹ 2 each of the Company have been issued to the shareholders of SPEL on 5 February 2013. The excess amount of ₹ 68 of the share capital of SPEL over the face value of share capital issued has been credited to the Capital Reserve of the Company.
- iii. The profit (net of dividend) of SPEL for the year ended 30 September 2012 amounting to ₹ 47 has been added to the General Reserve of the Company.

The financial statements include the operations of SPEL for the year ended 30 September 2013 and are reflected in the Energy segment.

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

2. Amalgamations (*Continued*)

2.2. Amalgamation of Winergy Drive Systems India Pvt. Ltd. (*Winergy*)

Pursuant to the scheme of amalgamation ('the scheme') of Winergy with the Company under sections 391 to 394 of the Companies Act, 1956 sanctioned by the Honorable High Court of Bombay and Madras on 22 March 2013 and 18 February 2013 respectively, the assets and liabilities of Winergy were transferred to and vested in the Company with effect from 1 October 2012. Accordingly, the scheme has been given effect to in these accounts.

The operations of Winergy include manufacture of wind turbine gear unit, turbo gear unit and coupling assembly to cater to the wind mill and providing design and engineering services for manufacture of power transmission items.

The amalgamation has been accounted for under the "pooling of interests" method as prescribed by AS - 14 'Accounting for Amalgamations'. Accordingly, the accounting treatment has been given as under-

- i. The assets, liabilities, reserves and credit balance of profit and loss of Winergy as at 1 October 2012 have been incorporated at their book values in the financial statements of the Company.
- ii. 45,010,000 equity shares of ₹ 10 each fully paid up of Winergy stand cancelled and 625,139 equity shares of ₹ 2 each of the Company have been issued to the shareholders of Winergy on 24 May 2013. The excess amount of ₹ 449 of the share capital of Winergy over the face value of share capital issued has been credited to the Capital Reserve of the Company.
- iii. The Company has reassessed the useful lives of certain assets of Winergy as of the effective date of the amalgamation i.e. 1 October 2012. Additional depreciation of ₹ 116 (₹ 77 net of tax) has been adjusted to the opening balance of statement of profit and loss, transferred from Winergy.
- iv. The Company has recognised deferred tax assets of ₹ 201 relating to timing differences between accounting income and taxable income of Winergy, which was previously not recorded by Winergy owing to absence of virtual certainty. The same has been adjusted to the opening balance of statement of profit and loss of the Company.

The financial statements include the operations of Winergy for the year ended 30 September 2013 and are reflected in the Industry segment.

	2013	2012
3 Share capital		
Authorised		
1,000,000,000 Equity Shares of ₹ 2 each (2012: 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>
Issued		
356,983,950 Equity Shares of ₹ 2 each (2012: 341,159,165 Equity shares of ₹ 2 each)	<u>714</u>	<u>682</u>
	<u>714</u>	<u>682</u>
Subscribed and fully paid-up		
356,119,885 Equity Shares of ₹ 2 each fully paid-up (2012: 340,295,025 Equity shares of ₹ 2 each fully paid-up)	<u>712</u>	<u>681</u>
	<u>712</u>	<u>681</u>

a) Shares held by Holding Company and subsidiary of Holding Company:

255,351,805 (2012: 251,265,128) Equity shares of ₹ 2 each, fully paid-up, are held by the Holding Company, Siemens AG, Germany;

11,738,108 (2012: Nil) 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:

	2013		2012	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	340,295,025	681	340,294,900	681
Shares issued / subscribed during the year	15,824,860	31	125	*
Shares outstanding at the end of the year	<u>356,119,885</u>	<u>712</u>	<u>340,295,025</u>	<u>681</u>

During the year, the paid up share capital of the Company increased consequent to the issue of 15,824,785 (2012: Nil) equity shares on the amalgamation of SVAI, SPEL and Winergy and allotment of 75 (2012: 125) equity shares to member upon settlement of a disputed case.

* denotes figures less than a million

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

	2013		2012	
Name of shareholder	No. of shares held	% of Holding	No. of shares held	% of Holding
Siemens Aktiengesellschaft, Germany and its subsidiary	267,089,913	75.00%	251,265,128	73.84%
Life Insurance Corporation of India	20,247,974	5.69%	17,067,385	5.02%

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.

Notes to the financial statements (*Continued*)

as at 30 September 2013

(Currency: Indian rupees millions)

3 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	2013	2012
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. in accordance with the scheme of amalgamation	11,738,108	-
Fully paid up to the shareholders of Siemens Power Engineering Pvt. Ltd. in accordance with the scheme of amalgamation	3,461,538	-
Fully paid up to the shareholders of Winergy Drive Systems India Pvt. Ltd. in accordance with the scheme of amalgamation	625,139	-
Fully paid up by way of bonus shares	-	168,580,100

- 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 2013, the amount of per share dividend recognised for distribution to equity shareholders is ₹ 5 (2012: ₹ 6)

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.

	2013	2012
4 Reserves and surplus		
a) Capital reserve		
- Balance brought forward	21	21
- Addition on amalgamation of Winergy (Refer note 2.2)	449	-
- Addition on amalgamation of SPEL (Refer note 2.1)	68	-
	<u>538</u>	<u>21</u>
b) Amalgamation reserve	56	56
c) Capital redemption reserve	*	*
d) Securities premium account	1,567	1,567
e) Revaluation reserve		
- Balance brought forward	11	12
- Additional depreciation on building due to revaluation transferred from the statement of profit and loss	(1)	(1)
	<u>10</u>	<u>11</u>
f) Cash flow hedge reserve		
- Balance brought forward	(3)	33
- Transferred to the statement of profit and loss	3	(33)
- Additions during the year [net of tax ₹ 12 (2012: ₹ *)]	20	(3)
	<u>20</u>	<u>(3)</u>

* denotes figures less than a million

	2013	2012
4 Reserves and surplus (Continued)		
g) General reserve		
- Balance brought forward	31,160	31,021
- Excess of the book value of the investments held by SVAI in the equity share capital of Morgan Ltd. over the face value of such share capital and excess of share capital of SVAI over the amount credited by the Company to the share capital suspense account	-	(204)
- Addition on amalgamation of SPEL (Refer note 2.1)	93	-
- Profit of SPEL for the period from 1 October 2011 (appointed date) to 30 September 2012 (Refer note 2.1)	47	-
- Transferred from surplus balance in the statement of profit and loss	194	343
	<u>31,494</u>	<u>31,160</u>
h) Surplus in the statement of profit and loss		
- Balance brought forward	6,110	4,771
- Addition on amalgamation of SVAI as on 1 October 2011	-	156
- Addition on amalgamation of Morgan as on 1 October 2011	-	549
- Addition on amalgamation of Winergy as on 1 October 2012 (Refer note 2.2)	10	-
- Reassessment of useful lives on amalgamation of Winergy (net of tax of ₹ 40) (Refer note 2.2)	(77)	-
- Opening deferred tax assets created on amalgamation of Winergy (Refer note 2.2)	201	-
- Profit for the year	1,940	3,432
Less: Appropriations		
- Proposed dividend	(1,781)	(2,112)
- Tax on proposed dividend	(303)	(343)
- Transfer to general reserve	(194)	(343)
Total appropriations	<u>(2,278)</u>	<u>(2,798)</u>
Net surplus in the statement of profit and loss	5,906	6,110
Total reserves and surplus	<u>39,591</u>	<u>38,922</u>
5 Other long-term liabilities		
a) Trade payables	518	865
b) Others		
- Long-term employee incentives	195	47
- Derivative contracts	48	-
- Other liabilities	76	136
	<u>319</u>	<u>183</u>
	<u>837</u>	<u>1,048</u>

Notes to the financial statements (*Continued*)
as at 30 September 2013
(Currency: Indian rupees millions)

	2013	2012
6 Long-term provisions		
a) Provision for employee benefits		
- Pension (Refer note 39)	144	144
- Leave wages	427	374
- Medical benefits (Refer note 39)	243	237
- Silver jubilee and star awards	310	278
- Retention bonus	7	-
b) Others		
- Warranty (Refer note 34)	820	788
- Liquidated damages (Refer note 34)	160	780
- Other matters (Refer note 34)	424	474
	<u>2,535</u>	<u>3,075</u>
7 Trade payables		
- Micro and Small Enterprises (Refer note 42)	688	1,340
- Others	24,830	25,202
	<u>25,518</u>	<u>26,542</u>
8 Other current liabilities		
Advances from customers	3,418	5,608
Billing in excess / Income received in advance	7,593	11,624
Unclaimed dividend	34	30
Security deposits	64	60
Other liabilities		
- Accrued salaries and benefits	2,155	1,766
- Derivative contracts	866	742
- Liability for capital goods	454	648
- Interest accrued and due	181	323
- Others	935	1,278
	<u>15,700</u>	<u>22,079</u>
9 Short-term provisions		
(a) Provision for employee benefits		
- Pension (Refer note 39)	31	29
- Leave wages	54	58
- Medical benefits (Refer note 39)	32	31
- Gratuity (Refer note 39)	-	76
- Silver jubilee and star awards	18	15
- Retention bonus	6	-
(b) Others		
- Warranty (Refer note 34)	1,910	2,093
- Loss order (Refer note 34)	3,526	3,580
- Liquidated damages (Refer note 34)	3,155	2,821
- Other matters (Refer note 34)	2,731	2,919
- Proposed dividend	1,781	2,112
- Tax on proposed dividend	303	343
	<u>13,547</u>	<u>14,077</u>

10 Fixed assets

	Tangible assets				Intangible assets			
	Land (Refer note i)	Buildings (Refer note i and iii)	Plant and equipment and fixtures (Refer note iii and iv)	Furniture and fixtures (Refer note iii)	Office equipment (Refer note iii)	Vehicles	Total	Previous year
Gross block								
At 1 October 2012	1,164	5,510	14,118	711	1,899	36	23,438	18,740
Additions on amalgamation of Morgan	-	-	-	-	-	-	-	168
Additions on amalgamation of SVAL	-	-	-	-	-	-	-	87
Additions on amalgamation of SPEL (Refer note 2.1)	-	-	3	1	211	2	217	-
Additions on amalgamation of Winery (Refer note 2.2)	31	257	881	10	33	1	1,213	-
Additions	8	133	1,829	67	83	2	2,122	4,728
Deductions / adjustments	(1)	(1)	(1,103)	(11)	(28)	(1)	(1,145)	(245)
Assets held for sale	(1)	(22)	(11)	-	-	-	(11)	-
Transferred to investment property	-	-	-	-	-	-	(23)	(40)
At 30 September 2013	1,201	5,877	15,717	778	2,198	40	25,811	23,438
Accumulated depreciation / amortisation								
At 1 October 2012	60	953	6,665	495	1,334	30	9,537	7,692
Additions on amalgamation of Morgan	-	-	-	-	-	-	-	65
Additions on amalgamation of SVAL	-	-	-	-	-	-	-	58
Additions on amalgamation of SPEL (Refer note 2.1)	-	-	1	1	137	2	141	-
Additions on amalgamation of Winery (Refer note 2.2)	-	76	495	4	21	1	597	-
Charge for the year (Refer note ii)	10	223	1,824	76	299	4	2,436	1,944
Impairment loss (Refer note 4.3)	-	-	346	4	2	-	352	-
Deductions / adjustments	-	(1)	(757)	(10)	(25)	(1)	(794)	(209)
Assets held for sale	-	-	(10)	-	-	-	(10)	-
Transferred to investment property	-	(7)	-	-	-	-	(7)	(13)
At 30 September 2013	70	1,244	8,564	570	1,768	36	12,252	9,537
Net block								
At 30 September 2013	1,131	4,633	7,153	208	430	4	13,559	13,901
At 30 September 2012	1,104	4,557	7,453	216	565	6	13,901	-

Notes :-

i Included in the gross block of land at 30 September 2013 is freehold land of ₹ 504 (2012: ₹ 471) and buildings includes ₹ 431 (2012: ₹ 393) representing 525 shares of ₹ 50 each and 10 shares of ₹ 100 each (2012: 330 shares of ₹ 50 each and 10 shares of ₹ 100 each) in various co-operative housing societies.

ii Depreciation and amortisation expense:

	2013	2012
Depreciation on tangible assets	2,436	1,944
Amortisation of intangible assets	59	61
Depreciation on investment property	8	6
Less : Transferred to revaluation reserve	(1)	(1)
As per the statement of profit and loss	2,502	2,010

iii Assets include assets given on operating lease:

Particulars	2013				2012			
	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Buildings	Plant and equipment	Furniture and fixtures	Office equipment
Gross Block	112	62	18	8	490	633	177	80
Written Down Value	89	30	5	2	405	355	59	22
Depreciation charge for the year	4	6	2	1	15	61	22	8

iv Plant and equipments includes gross block of ₹ 25 (2012: ₹ 25) and Net Block of ₹ 12 (2012: ₹ 15) 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 2013
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	2013	2012
11 Non-current investments		
Investment property less accumulated depreciation		
Land and building (at cost)	486	446
Less: Accumulated depreciation	(54)	(36)
Net block	<u>432</u>	<u>410</u>
12 Deferred tax assets (net)		
Deferred tax assets		
Arising on account of timing differences in:		
Provision for doubtful debts and advances	744	442
Expenditure debited to the statement of profit and loss but allowable for tax purposes in following years	3,777	3,138
Other provisions	<u>53</u>	<u>42</u>
	4,574	3,622
Less - Deferred tax liability		
Arising on account of timing differences in:		
Depreciation	277	446
Deferred tax assets (net)	<u>4,297</u>	<u>3,176</u>
13 Long-term loans and advances (unsecured considered good, unless otherwise stated)		
Advances recoverable in cash or kind	711	565
Capital advances	134	286
Security deposits		
- considered good	354	331
- considered doubtful	<u>22</u>	<u>22</u>
	376	353
Provision for doubtful security deposits	<u>(22)</u>	<u>(22)</u>
	354	331
Advance payments of income tax [net of provision for tax ₹ 27,442 (2012: ₹ 26,066)]	4,965	4,159
	<u>6,164</u>	<u>5,341</u>

	2013	2012
14 Other non-current assets		
Long-term trade receivables (unsecured, considered good)	6,571	7,720
Derivative contracts	134	53
	<u>6,705</u>	<u>7,773</u>
15 Inventories (at lower of cost and net realisable value)		
Raw materials [includes Goods in Transit ₹ 677 (2012: ₹ 345)]	2,753	2,847
Work-in-progress	3,920	3,409
Finished goods	873	1,319
Traded goods [includes Goods in Transit ₹ 1,172 (2012: ₹ 667)]	1,788	1,856
	<u>9,334</u>	<u>9,431</u>
16 Trade receivables (unsecured)		
Trade receivables outstanding		
- for a period exceeding six months from the date they are due for payment	6,374	5,834
- other receivables	<u>33,328</u>	<u>34,458</u>
	39,702	40,292
Of which		
- considered good	37,668	39,124
- considered doubtful	<u>2,034</u>	<u>1,168</u>
	39,702	40,292
Provision for doubtful receivables	(2,034)	(1,168)
	<u>37,668</u>	<u>39,124</u>
17 Cash and cash equivalents		
Balances with banks:		
- On current accounts	1,625	3,533
- Bank deposits with original maturity of less than 3 months	4,050	4,715
- On unpaid dividend account	34	30
Cash on hand	4	7
Cheques / drafts on hand	325	1,483
	<u>6,038</u>	<u>9,768</u>

Notes to the financial statements (*Continued*)
as at 30 September 2013
(Currency: Indian rupees millions)

	2013	2012
18 Short-term loans and advances (unsecured considered good, unless otherwise stated)		
Advances recoverable in cash or kind		
- considered good	2,905	2,582
- considered doubtful	158	64
	<u>3,063</u>	<u>2,646</u>
Provision for doubtful advances	(158)	(64)
	<u>2,905</u>	<u>2,582</u>
Security deposits		
- considered good	259	351
- considered doubtful	46	45
	<u>305</u>	<u>396</u>
Provision for doubtful security deposits	(46)	(45)
	<u>259</u>	<u>351</u>
Loans and advances to related parties (Refer note 37)		
- Inter corporate deposits	350	1,065
- Interest accrued on inter corporate deposits	*	2
	<u>350</u>	<u>1,067</u>
Balances with excise, customs etc.	1,395	1,690
	<u>4,909</u>	<u>5,690</u>
Advances recoverable in cash or kind include gratuity excess funded of ₹ 36 (2012: Nil) (Refer note 39)		
19 Other current assets		
Project excess cost and unbilled revenue	7,440	10,183
Assets held for sale	1	15
Derivative contracts	703	534
Interest accrued on bank deposits	*	4
Other receivables	71	26
	<u>8,215</u>	<u>10,762</u>

* denotes figures less than a million

	2013	2012
20 Revenue from operations, net of excise duty (Refer note 30)		
Sale of products	49,136	47,869
Sale of services	7,813	5,456
Commission income	570	326
Revenue from construction contracts (Refer note 35 and note 44)	53,933	73,430
	<u>111,452</u>	<u>127,081</u>
Other operating revenues (Refer note 20a)	2,074	2,118
	<u>113,526</u>	<u>129,199</u>
20a Other operating revenues		
Export incentives	131	93
Recoveries from group companies	1,532	1,126
Rental income	245	491
Liabilities written back	-	227
Others	166	181
	<u>2,074</u>	<u>2,118</u>
21 Other income		
Interest income	201	575
Profit on sale of fixed assets, net	14	-
Other liabilities written back	130	-
	<u>345</u>	<u>575</u>
22 Project bought outs and other direct costs		
Spares and stores consumed	295	635
Project bought outs	31,000	43,633
Other costs (Refer note 44)	4,164	4,847
	<u>35,459</u>	<u>49,115</u>
Included in other costs, change in excise duty on closing stock of finished goods	(21)	73
23 Employee benefits expense		
Salaries, wages and bonus, net	11,977	10,464
Contribution to provident and other funds	804	804
Staff welfare expenses	743	691
	<u>13,524</u>	<u>11,959</u>
24 Finance costs		
Interest costs	162	243
Other costs	27	27
	<u>189</u>	<u>270</u>

Notes to the financial statements (*Continued*)
for the year ended 30 September 2013
(Currency: Indian rupees millions)

	2013	2012
25 Other expenses		
Exchange loss / (gains), net	40	465
Travel and conveyance	1,673	1,946
Software license fees and other information technology related costs	1,137	692
Rates and taxes	684	269
Communications	293	293
Packing and forwarding	1,080	1,096
Power and fuel	549	533
Insurance	461	439
Rent	965	1,013
Repairs		
- on building	202	387
- on machinery	223	241
- others	138	189
Legal and professional	703	608
Advertising and publicity	2	257
Office supplies, printing and stationery	109	114
Research and development expenditure	195	73
Bank guarantee commission / bank charges	237	224
Donation	6	12
Commission to directors	15	17
Directors' fees	1	1
Bad debts	213	167
Provision for doubtful debts and advances, net	541	124
Loss on sale of fixed assets, net	-	12
Miscellaneous expenses (Refer note 27)	960	672
	<u>10,427</u>	<u>9,844</u>
26 Contingent liabilities		
(a) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	682	1,606
(b) Contingent liabilities		
Income tax (excluding interest)	201	159
Excise / sales tax liabilities, under dispute	1,945	1,804
Customs liabilities, under dispute	120	120
Claims against the Company not acknowledged as debts	105	149
In respect of above contingent liabilities, the future cash outflows are determinable only on receipt of judgements pending at various forums / authorities.		

	2013	2012
27 Auditors' remuneration (for Audit services exclusive of service tax)		
- Audit fees	29	23
- Tax audit fees	5	5
- Other audit related attestations	2	3
- Reimbursement of expenses	3	2
	<u>39</u>	<u>33</u>
28 Earnings and expenditure in foreign currency (on accrual basis)		
(a) Earnings in foreign currency		
- Exports of goods direct on FOB basis	5,101	3,283
- Project business (based on actual billing)	7,128	14,067
- Commission	570	326
- Service charges and others	2,672	1,141
(b) Expenditure in foreign currency		
- Travelling	173	176
- Installation charges	9	70
- Expenditure on contracts at foreign sites	2,822	6,119
- Service charges	3,779	2,832
- Others	3,503	1,608
(c) Value of imports calculated on CIF basis		
- Raw materials, components, spare parts and traded goods	34,869	39,859
- Capital goods	445	1,031
29 Net dividend remitted in foreign exchange		
Siemens Ltd.		
Period to which the dividend relates	1.10.2011 to 30.09.2012	1.10.2010 to 30.09.2011
Number of non-resident shareholders	Two	Two
Number of equity shares held on which dividend was due:		
- Siemens AG	251,265,128	253,066,759
- Siemens Diagnostic Holdings II B.V., Netherlands	-	2,154,416
- Siemens VAI Metals Technologies GmbH	11,738,108	-
Amount remitted:		
- Siemens AG	1,508	1,518
- Siemens Diagnostic Holdings II B.V., Netherlands	-	13
- Siemens VAI Metals Technologies GmbH	70	-
Erstwhile Siemens Power Engineering Pvt. Ltd.		
Period to which the dividend relates	1.10.2011 to 30.09.2012	1.10.2010 to 30.09.2011
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	-

Notes to the financial statements (Continued)

for the year ended 30 September 2013

(Currency: Indian rupees millions)

30 Revenue from operations

	2013 Value	2012 Value
Sale of products		
Switchgear items	6,522	6,359
Switchboards, control boards and miscellaneous accessories	11,884	12,674
Industrial turbines	5,599	12,254
Others	25,131	16,582
Revenue from construction contracts		
Other engineering project goods	53,933	73,430
Sale of services		
Maintenance, repairs and other services	7,813	5,456
	<u>110,882</u>	<u>126,755</u>
Commission income	570	326
Other operating revenues	2,074	2,118
	<u>113,526</u>	<u>129,199</u>

31 Imported and indigenous raw materials and stores & spares consumed

	2013		2012	
	Value	% of total consumption	Value	% of total consumption
Imported	12,069	46%	9,521	36%
Indigenous	14,282	54%	17,098	64%
	<u>26,351</u>	<u>100%</u>	<u>26,619</u>	<u>100%</u>

32 Purchase of traded goods

	2013 Value	2012 Value
Medical healthcare equipments	6,164	5,989
Others	17,465	18,409
	<u>23,629</u>	<u>24,398</u>

33 Raw materials consumed

Copper flats, strips and profiles	807	1,112
Enamelled copper wire	224	271
Brass sheets and strips	58	42
Aluminium ingots, profiles and castings	335	353
Iron and steel castings and shafts	926	844
Dynamo steel sheets, strips and laminations	324	244
Hot rolled & cold rolled steel sheets, strips	363	522
Cables and wires	328	207
Silver components	384	450
Ball and roller bearings	348	370
Thyristors, diodes and transistors	35	34
X-ray tubes	32	42
Amphenol terminals	74	66
Vacuum tubes	340	499
Integrated circuits	24	225
Capacitors and condensers	81	75
Printed circuit boards	16	35
Turbine components	1,249	1,825
Others	20,108	18,768
	<u>26,056</u>	<u>25,984</u>

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

34 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.

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:

	Warranties		Liquidated damages		Loss orders		Other matters	
	2013	2012	2013	2012	2013	2012	2013	2012
Balance as at 1 October	2,881	3,651	3,601	7,219	3,580	916	3,393	2,964
Additions on amalgamation of SVAI	-	-	-	9	-	112	-	-
Additions on amalgamation of Morgan	-	65	-	238	-	2	-	20
Additions on amalgamation of Winergy (Refer note 2.2)	34	-	-	-	-	-	22	-
Provisions :								
- Created	1,456	1,293	1,183	1,640	2,749	3,511	1,450	1,065
- Utilised	(791)	(643)	(266)	(108)	(2,523)	(781)	(234)	(182)
- Reversed	(850)	(1,485)	(1,203)	(5,397)	(280)	(180)	(1,476)	(474)
Balance as at 30 September	2,730	2,881	3,315	3,601	3,526	3,580	3,155	3,393
- Current	1,910	2,093	3,155	2,821	3,526	3,580	2,731	2,919
- Non-current	820	788	160	780	-	-	424	474

35 Disclosure pursuant to Accounting Standard - 7 'Construction Contracts'

	2013	2012
(i) Contract Revenue recognised for the year ended 30 September (net of prior period ₹ Nil (2012: ₹ 572), Refer note 44)	53,933	72,858
(ii) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress as at 30 September	212,127	220,833
(iii) Amount of advances received	6,128	7,592
(iv) Amount of retentions	15,722	19,683
(v) Amounts due from customers	10,827	12,700
(vi) Amounts due to customers	6,157	9,652

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

36 Disclosure pursuant to Accounting Standard - 19 'Leases'

Lease payments on non cancellable lease arrangement debited to the statement of profit and loss and the future lease payments in respect of non cancellable operating lease are summarised below:

	2013	2012
(i) Amount due not later than one year from the balance sheet date	359	360
(ii) Amount due later than one year and not later than five years	911	1,622
(iii) Amount due later than five years	220	338
	<u>1,490</u>	<u>2,320</u>

Lease rent debited to the statement of profit and loss ₹ 965 (2012: ₹ 1,013)

Sub-lease payments recognised in the statement of profit and loss ₹ 74 (2012: ₹ 339)

There is no contingent rent recognised in the statement of profit and loss

General description of the leasing arrangement:

- (i) The Company has entered into operating lease arrangements for its office premises, storage locations, residential premises and motor cars for its employees.
- (ii) The future lease rental payments are determined on the basis of the monthly lease payment terms as per the agreements.
- (iii) At the expiry of the non cancellable lease period the option of renewal rests with the Company.
- (iv) Some of the lease agreements have escalation clause ranging from 5% to 15%. There are no exceptional / restrictive covenants in the lease agreements.

37 Related party transactions

37.1 Parties where control exists

Siemens AG Holding Company

37.2 Other related parties where transactions have taken place during the year

Fellow Subsidiaries	Name	Country
	Siemens S.A.	Argentina
	Siemens Spa	Algeria
	Siemens Ltd.	Australia
	ETM professional control GmbH	Austria
	SAGO dARE Transformers Austria (erstwhile Siemens Transformers Austria GmbH & Co KG)	Austria
	SAGOE dARE Plant Rail Systems	Austria
	Siemens Aktiengesellschaft Österreich	Austria
	Siemens Convergence Creators GmbH	Austria
	Siemens Gebäudemanagement & -Services G.m.b.H.	Austria
	Siemens VAI Metals Technologies GmbH	Austria
	Siemens VAI Metals Technologies GmbH & Co	Austria
	Trench Austria GmbH	Austria
	Siemens W.L.L.	Bahrain
	Siemens Bangladesh Ltd.	Bangladesh
	Siemens Healthcare Diagnostics SA	Belgium
	Siemens S.A./N.V.	Belgium
	Siemens Eletroeletronica Limitada	Brazil

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

Fellow Subsidiaries	Name	Country
	Siemens Ltd.a.	Brazil
	Siemens EOOD	Bulgaria
	RuggedCom Inc.	Canada
	Siemens Hearing Instruments Inc.	Canada
	Trench 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 Industrial Turbomachinery (Huludao) Co. Ltd.	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
	Siemens Switchgear Co. Ltd.	China
	Siemens Transformer (Guangzhou) Co., Ltd.	China
	Siemens Transformer (Wuhan) Company Ltd.	China
	Siemens VAI Metals Technologies Co., Ltd., Shanghai	China
	Siemens Water Technologies Ltd.	China
	Siemens Wind Power Blades (Shanghai) Co., Ltd.	China
	Siemens Wiring Accessories Shandong Ltd.	China
	Siemens X-Ray Vacuum Technology Ltd.	China
	Trench High Voltage Products Ltd., Shenyang	China
	Winergy Drive Systems (Tianjin) Co. Ltd.	China
	Siemens S.A.	Columbia

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

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

Fellow Subsidiaries	Name	Country
	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	Finnland
	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
	LINCAS Export Services GmbH	Germany
	Loher GmbH	Germany
	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 IT Solutions and Services 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
	Weiss Spindeltechnologie GmbH	Germany
	Winergy AG	Germany

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

Fellow Subsidiaries	Name	Country
	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
	Eviop-Tempo A.E. Electrical Equipment Manufacturers	Greece
	Siemens Healthcare Diagnostics Ltd.	Hongkong
	Siemens Ltd.	Hongkong
	Compact Automotive Lamp Pvt. Ltd.	India
	eMeter India Pvt. Ltd.	India
	OSRAM Automotive Lamps Pvt. Ltd. (merged with OSRAM India Pvt. Ltd. w.e.f. 26 March 2013)	India
	OSRAM India Pvt. Ltd. (upto 5 July 2013)	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.	India
	Siemens Power Engineering Pvt. Ltd. (merged w.e.f 1 Oct 2011)	India
	Siemens VAI Metals Technologies Pvt. Ltd. (merged w.e.f 1 Oct 2011)	India
	Siemens Postal Parcel & Airport Logistics Pvt. Ltd.	India
	Siemens Technology and Services Pvt. Ltd.	India
	Winergy Drive System India Pvt. Ltd. (merged w.e.f 1 Oct 2012)	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

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

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

Fellow Subsidiaries	Name	Country
	Siemens S.p.A.	Italy
	Trench Italia S.r.l.	Italy
	Siemens Healthcare Diagnostics K.K.	Japan
	Siemens Japan K.K.	Japan
	Yaskawa Siemens Automation & Drives Corp.	Japan
	Siemens TOO	Kazakhstan
	Siemens Kenya Ltd.	Kenya
	Siemens Ltd. Seoul	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
	Siemens Plant Operations Tahaddart SARL	Morocco
	Siemens S.A.	Morocco
	Siemens Nederland N.V.	Netherland
	Siemens Nederland N.V. - dependent ARE SIT	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
	OOO Siemens	Russia
	Arabia Electric Ltd. (Equipment)	Saudi-Arabia
	ISCOSA Industries and Maintenance Ltd.	Saudi-Arabia
	Siemens Ltd.	Saudi-Arabia
	Siemens Electronics Assembly Systems Pte. Ltd.	Singapore
	Siemens Healthcare Diagnostics Pte. Ltd.	Singapore
	Siemens IT Solutions and Services Operations Pte. Ltd.	Singapore
	Siemens Pte. Ltd.	Singapore
	Siemens s.r.o.	Slovakia
	Siemens d.o.o.	Slovenia
	Siemens (Proprietary) Ltd.	South Africa

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

Fellow Subsidiaries	Name	Country
	Fábrica Electrotécnica Josa, S.A.	Spain
	Siemens S.A.	Spain
	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 Tanzania Ltd.	Tanzania
	Siemens IT Solutions and Services Ltd.	Thailand
	Siemens Ltd.	Thailand
	Siemens S.A.	Tunisia
	Siemens Sanayi ve Ticaret A.S.	Turkey
	Siemens Sanayi ve Ticaret A.S. Gebze R&D Center	Turkey
	Siemens Ukraine (erstwhile DP Siemens Ukraine)	Ukraine
	SD (Middle East) LLC	United Arab Emirates
	Siemens LLC	United Arab Emirates
	Morgan Construction Company	USA
	Siemens Corporation	USA
	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 Industry, Inc.	USA
	Siemens Medical Solutions USA, Inc.	USA
	S' Industry - WT	USA
	Siemens Water Technologies LLC	USA
	SMS Inc. - Customer Solutions Group	USA
	Winergy Drive Systems Corporation	USA
	Siemens S.A.	Venezuela
	Siemens Automation Systems Ltd.	Vietnam
	Siemens Ltd.	Vietnam

37.3 Key Managerial Personnel

Whole-time Directors	Dr. Armin Bruck
	Mr. Sunil Mathur

Notes to the financial statements (*Continued*)

for the year ended 30 September 2013

(Currency: Indian rupees millions)

37.4 Related party transactions

Description	2013			2012		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
Revenue (net of taxes)						
- Siemens AG	5,458	-	-	3,090	-	-
- Siemens Technology and Services Pvt. Ltd.	-	64	-	-	31	-
- Siemens Industry, Inc.	-	157	-	-	546	-
- Siemens W.L.L.	-	1,996	-	-	466	-
- Others	-	3,390	-	-	2,471	-
Commission income						
- Siemens AG	405	-	-	304	-	-
- Siemens Industrial Turbomachinery AB	-	10	-	-	6	-
- Siemens Concentrated Solar Power Ltd.	-	26	-	-	5	-
- Siemens Industrial Turbomachinery Ltd.	-	42	-	-	-	-
- TLT-Turbo GmbH	-	21	-	-	1	-
- S' Industry- WT	-	1	-	-	5	-
- Others	-	65	-	-	4	-
Recoveries from group companies						
- Siemens AG	657	-	-	571	-	-
- Siemens Technology and Services Pvt. Ltd.	-	169	-	-	161	-
- Siemens Schweiz AG, Building Technologies Division, International Headquarters	-	454	-	-	357	-
- Siemens VAI Metals Technologies GmbH	-	157	-	-	45	-
- Siemens Wind Power A/S	-	-	-	-	118	-
- Siemens Wind Power Blades (Shanghai) Co., Ltd.	-	12	-	-	11	-
- Others	-	90	-	-	80	-
Reimbursement of expenses						
- Siemens AG	2,699	-	-	2,572	-	-
- Siemens VAI Metals Technologies GmbH	-	201	-	-	53	-
- Siemens S. p.A Metals Technologies, Milano	-	411	-	-	30	-
- Siemens VAI Metals Technologies SAS	-	68	-	-	189	-
- Siemens Power Engineering Pvt. Ltd. (merged w.e.f.1 October 2011)	-	-	-	-	6	-
- Siemens Schweiz AG, Building Technologies Division, International Headquarters	-	57	-	-	5	-
- Siemens Wind Power Blades (Shanghai) Co., Ltd.	-	-	-	-	91	-
- Others	-	183	-	-	153	-
Purchase of goods and services						
- Siemens AG	25,870	-	-	30,221	-	-
- Siemens Industrial Turbomachinery Ltd.	-	837	-	-	-	-
- Siemens Technology and Services Pvt. Ltd.	-	430	-	-	347	-

37.4 Related party transactions (Continued)

Description	2013			2012		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
Purchase of goods and services (Continued)						
- Koncar Power Transformers Ltd.	-	12	-	-	115	-
- Siemens Electrical Apparatus Ltd.	-	776	-	-	851	-
- Siemens Medical Solutions USA, Inc.	-	590	-	-	498	-
- Winergy Drive Systems India Pvt. Ltd. (merged w.e.f.1 October 2012)	-	-	-	-	636	-
- Others	-	5,695	-	-	6,797	-
Rent received						
- Siemens AG	-	-	-	3	-	-
- Siemens Technology and Services Pvt. Ltd.	-	127	-	-	111	-
- Siemens Financial Services Pvt. Ltd.	-	36	-	-	31	-
- Siemens Power Engineering Pvt. Ltd. (merged w.e.f.1 October 2011)	-	-	-	-	255	-
- Others	-	20	-	-	6	-
Interest income						
- Osram India Pvt. Ltd.	-	-	-	-	80	-
- Winergy Drive Systems India Pvt. Ltd. (merged w.e.f.1 October 2012)	-	-	-	-	105	-
- OSRAM Automotive Lamps Pvt. Ltd.	-	-	-	-	5	-
- Siemens Financial Services Pvt. Ltd.	-	11	-	-	1	-
Interest expenses						
- Siemens AG	47	-	-	28	-	-
- Siemens Technology and Services Pvt. Ltd.	-	37	-	-	82	-
- Siemens Industry Software (India) Pvt. Ltd.	-	4	-	-	-	-
Bank guarantee charges						
- Siemens AG	76	-	-	93	-	-
Liabilities written back						
- Siemens AG	-	-	-	15	-	-
- Siemens Industry, Inc.	-	-	-	-	19	-
- Siemens VAI Metals Technologies Co., Ltd., Shanghai	-	-	-	-	11	-
Dividend paid						
- Siemens AG	1,875	-	-	1,518	-	-
- Siemens Diagnostics Holding II B.V.	-	-	-	13	-	-
- Siemens VAI Metals Technologies GmbH, Germany	-	70	-	-	-	-

Notes to the financial statements (*Continued*)
for the year ended 30 September 2013
(Currency: Indian rupees millions)

37.4 Related party transactions (*Continued*)

Description	2013			2012		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
Purchase of fixed assets / Capital work in progress						
- Siemens AG	137	-	-	356	-	-
- Beijing Siemens Cerberus Electronics Ltd.	-	9	-	-	-	-
- Siemens Wiring Accessories Shandong Ltd.	-	8	-	-	44	-
- Siemens Medical Solutions USA, Inc.	-	-	-	-	18	-
- Siemens Water Technologies Ltd.	-	-	-	-	39	-
- Siemens Transmission & Distribution SAS	-	-	-	-	10	-
- Others	-	5	-	-	16	-
Sale of fixed assets						
- Siemens Water Technologies LLC	-	47	-	-	-	-
Sale of business (Refer note 43)						
- Siemens Postal Parcel & Airport Logistics Pvt. Ltd.	-	1,285	-	-	-	-
Issue of share capital (in accordance with scheme of amalgamation)						
- Siemens VAI Metals Technologies Pvt. Ltd. (merged w.e.f.1 October 2011)	-	23	-	-	-	-
- Siemens Power Engineering Pvt. Ltd. (merged w.e.f.1 October 2011) (Refer note 2.1)	-	7	-	-	-	-
- Winergy Drive Systems India Pvt. Ltd. (merged w.e.f.1 October 2012) (Refer note 2.2)	-	1	-	-	-	-
Managerial Remuneration						
- Dr.Armin Bruck	-	-	98	-	-	81
- Mr.Sunil Mathur	-	-	67	-	-	58
Inter Corporate Deposits given						
- Osram India Pvt. Ltd.	-	-	-	-	100	-
- Winergy Drive Systems India Pvt. Ltd. (merged w.e.f.1 October 2012)	-	-	-	-	19,175	-
- OSRAM Automotive Lamps Pvt. Ltd.	-	-	-	-	50	-
- Siemens Financial Services Pvt. Ltd.	-	4,975	-	-	700	-
Refund of Inter Corporate Deposits given						
- Osram India Pvt. Ltd.	-	-	-	-	1,770	-
- Winergy Drive Systems India Pvt. Ltd. (merged w.e.f.1 October 2012)	-	-	-	-	19,810	-
- Siemens Financial Services Pvt. Ltd.	-	5,125	-	-	200	-
- OSRAM Automotive Lamps Pvt. Ltd.	-	-	-	-	101	-

37.4 Related party transactions (Continued)

Description	2013			2012		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
Inter Corporate Deposit taken						
- Siemens Technology and Services Pvt. Ltd.	-	14,565	-	-	8,650	-
- Siemens Industry Software (India) Pvt. Ltd.	-	2,395	-	-	-	-
Inter Corporate Deposit repaid						
- Siemens Technology and Services Pvt. Ltd.	-	16,465	-	-	8,800	-
- Siemens Industry Software (India) Pvt. Ltd.	-	2,395	-	-	-	-
Outstanding Balances						
Receivables						
- Siemens AG	384	-	-	352	-	-
- Siemens S. p.A Metals Technologies, Milano	-	145	-	-	-	-
- Siemens Bangladesh Ltd.	-	78	-	-	1	-
- Siemens Postal Parcel & Airport Logistics Pvt. Ltd.	-	58	-	-	-	-
- Siemens W.L.L.	-	5	-	-	5	-
- Siemens Schweiz AG, Building Technologies	-	1	-	-	27	-
- Siemens Technology and Services Pvt. Ltd.	-	39	-	-	74	-
- Others	-	297	-	-	102	-
Payables						
- Siemens AG	5,479	-	-	7,519	-	-
- Siemens Technology and Services Pvt. Ltd.	-	12	-	-	71	-
- Siemens Power Engineering Pvt. Ltd. (merged w.e.f.1 October 2011)	-	-	-	-	51	-
- Koncar Power Transformers Ltd.	-	4	-	-	10	-
- Siemens Industrial Turbomachinery Ltd.	-	225	-	-	254	-
- TLT-Turbo GmbH	-	90	-	-	14	-
- Trench Germany GmbH	-	169	-	-	17	-
- Siemens Healthcare Diagnostics Inc, USA	-	140	-	-	87	-
- Others	-	1,649	-	-	1,250	-
Inter Corporate Deposits						
- Winergy Drive Systems India Pvt. Ltd. (merged w.e.f.1 October 2012)	-	-	-	-	565	-
- Siemens Financial Services Pvt. Ltd.	-	350	-	-	500	-
Interest receivable on Inter Corporate Deposits						
- Winergy Drive Systems India Pvt. Ltd. (merged w.e.f.1 October 2012)	-	-	-	-	2	-
- Siemens Financial Services Pvt. Ltd.	-	-	-	-	-	-
Managerial Remuneration Payable						
- Dr. Armin Bruck	-	-	49	-	-	27
- Mr. Sunil Mathur	-	-	36	-	-	18

Notes to the financial statements (*Continued*)
for the year ended 30 September 2013
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38 (i) Information about business segments

	Revenue						Results	
	External revenue		Inter segmental revenue		Total		2013	2012
	2013	2012	2013	2012	2013	2012		
Infrastructure and Cities (Refer note below)	28,336	27,567	2,097	3,574	30,433	31,141	1,188	1,655
Energy (Refer note below)	39,559	52,284	356	245	39,915	52,529	560	2,157
Industry (Refer note below)	33,888	37,915	4,840	4,767	38,728	42,682	(5)	1,633
Healthcare (Refer note below)	11,297	10,815	-	-	11,297	10,815	316	61
Eliminations	-	-	(7,293)	(8,586)	(7,293)	(8,586)	-	-
Total	113,080	128,581	-	-	113,080	128,581	2,059	5,506
Interest expenses							(189)	(243)
Interest income							201	575
Unallocable corporate items	446	618	-	-	446	618	115	170
Profit before prior period items and tax							2,186	6,008
Prior period items (Refer note 44)							-	(799)
Profit before tax							2,186	5,209
Income tax							(1,051)	(2,958)
Deferred tax							805	1,181
Profit after tax							1,940	3,432
Consolidated Total	113,526	129,199	-	-	113,526	129,199	1,940	3,432

Details of exceptional items, segment wise are as follows :

	Infrastructure and Cities		Energy		Industry		Healthcare		Unallocated		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Profit on sale of Postal & Parcel Logistics Technologies and Airport Logistics Technologies	1,146	-	-	-	-	-	-	-	-	-	1,146	-
CENVAT credit for earlier years availed	55	-	111	-	138	-	20	-	28	-	352	-
Impairment loss	(327)	-	-	(1,200)	(28)	-	-	-	-	-	(355)	(1,200)
Employee costs	(234)	-	(35)	-	(451)	-	(26)	-	(73)	-	(818)	-
Total	640	-	76	(1,200)	(341)	-	(6)	-	(45)	-	325	(1,200)

38 (i) Information about business segments (Continued)

	Assets		Liabilities		Capital Expenditure		Non cash expenditure			
	2013	2012	2013	2012	2013	2012	Depreciation & amortisation / Impairment		Others	
Infrastructure and Cities	15,367	16,807	9,753	9,951	198	1,616	747	362	699	(33)
Energy (Refer Note 2.1)	35,285	39,137	22,788	28,266	668	1,316	776	1,671	152	(116)
Industry (Refer Note 2.2)	24,944	24,904	16,006	17,801	664	878	811	533	1,054	105
Healthcare	4,173	4,046	3,944	4,781	580	453	382	302	351	126
Total	79,769	84,894	52,491	60,799	2,110	4,263	2,716	2,868	2,256	82
Unallocable corporate items	18,671	21,553	5,645	6,022	94	144	141	174	142	29
Consolidated total	98,440	106,447	58,136	66,821	2,204	4,407	2,857	3,042	2,398	111

38 (ii) Secondary segment information

	Revenue based on location of customers		Carrying amount of segment assets by location		Additions to tangible assets and intangible assets	
	2013	2012	2013	2012	2013	2012
Within India	95,174	111,102	87,707	93,956	2,204	4,407
Outside India	18,352	18,097	10,733	12,491	-	-
Total	113,526	129,199	98,440	106,447	2,204	4,407

38 (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.

(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 four 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.
- **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.
- **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.
- **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.

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

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

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

(i) Defined Contribution Plans

Amount of ₹ 240 (2012: ₹ 216) is recognised as an expense and included in "employee benefits expense" (Refer note 23) in the statement of profit and loss.

(ii) Defined Benefit Plans

a) Amounts for the current period are as follows :

		Gratuity		Pension		Medical	
		2013	2012	2013	2012	2013	2012
I	Change in defined benefit obligation						
	Liability at the beginning of the year	1,205	1,013	173	182	268	252
	Interest cost	116	95	14	13	23	21
	Current service cost	136	109	-	-	11	10
	Past service cost	-	-	-	-	11	-
	Transfer from other Company	81	32	-	-	-	-
	Transfer to other Company	(5)	-	-	-	-	-
	Benefits paid	(170)	(51)	(34)	(31)	(21)	(35)
	Actuarial (gain) / loss on obligations	(103)	7	22	9	(17)	20
	Liability at the end of the year	1,260	1,205	175	173	275	268
II	Fair value of plan assets						
	Fair value of plan assets at the beginning of the year	1,129	1,008	-	-	-	-
	Expected return on plan assets	101	87	-	-	-	-
	Contributions	196	87	-	-	-	-
	Transfer from other Company	73	24	-	-	-	-
	Transfer to other Company	-	-	-	-	-	-
	Benefits paid	(170)	(51)	-	-	-	-
	Actuarial gain / (loss) on plan assets	(33)	(26)	-	-	-	-
	Fair value of plan assets at the end of the year	1,296	1,129	-	-	-	-
III	Actual return on plan assets						
	Expected return on plan assets	101	87	-	-	-	-
	Actuarial gain / (loss) on plan assets	(33)	(26)	-	-	-	-
	Actual return on plan assets	68	61	-	-	-	-
IV	Amount recognised in the balance sheet						
	Defined benefit obligation at the end of the year	1,260	1,205	175	173	275	268
	Fair value of plan assets at the end of the year	1,296	1,129	-	-	-	-
	Amount recognised in the balance sheet	(36)	76	175	173	275	268

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

		Gratuity		Pension		Medical	
		2013	2012	2013	2012	2013	2012
V	Expenses recognised in the statement of profit and loss						
	Interest cost	116	95	14	13	23	21
	Current service cost	136	109	-	-	11	10
	Expected return on plan assets	(101)	(87)	-	-	-	-
	Past service cost	-	-	-	-	11	-
	Net actuarial (gain) / loss recognised	(70)	33	22	9	(17)	20
	Expense recognised in employee benefits expense (Refer note 23)	81	150	36	22	28	51
VI	Balance sheet reconciliation						
	Opening net liability	76	5	173	182	268	252
	Expense as above	81	150	36	22	28	51
	Transfer from other Company	8	8	-	-	-	-
	Transfer to other Company	(5)	-	-	-	-	-
	Less Employers contribution	196	87	34	31	21	35
	Amount recognised in the balance sheet	(36)	76	175	173	275	268
	- Current	(36)	76	31	29	32	31
	- Non current	-	-	144	144	243	237
VII	Actuarial Assumptions						
	Discount Rate	9.00%	8.60%	9.00%	8.60%	9.00%	8.60%
	Rate of Return on Plan Assets	9.00%	8.60%	-	-	-	-
	Attrition rate:						
	upto 30 years	15.00%	15.00%	-	-	15.00%	-
	31-50 years	3.00%	3.00%	-	-	3.00%	-
	above 50 years	2.00%	2.00%	-	-	2.00%	-
	Salary Escalation / Medical cost increase rate	7.00%	7.00%	-	-	7.00%	7.00%
VIII	Sensitivity						
	Change in Liability for 1% increase in discount rate	-	-	-	-	250	252
	Change in Liability for 1% decrease in discount rate	-	-	-	-	305	285
	Change in Liability for 1% increase in inflation rate	-	-	-	-	260	285

Notes to the financial statements (*Continued*)
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39 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' (*Continued*) :

		Gratuity		Pension		Medical	
		2012	2011	2012	2011	2012	2011
VIII	Sensitivity (<i>Continued</i>)						
	Change in Liability for 1% decrease in inflation rate	-	-	-	-	292	251
	Change in Service Cost for 1% increase in discount rate	-	-	-	-	7	8
	Change in Service Cost for 1% decrease in discount rate	-	-	-	-	10	10
	Change in Interest Cost for 1% Increase in discount rate	-	-	-	-	24	22
	Change in interest Cost for 1% decrease in discount rate	-	-	-	-	24	25

IX	Amount for the Current and Previous periods as per AS15 Para 120(n) are as follows:					
		Gratuity				
		2013	2012	2011	2010	2009
	Liability at the end of the year	1,260	1,205	1,013	819	605
	Fair value of plan assets at the end of the year	1,296	1,129	1,008	850	648
	Difference	(36)	76	5	(32)	(43)
	Experience Adjustment on Plan Liabilities (gain) / loss	(65)	17	99	(73)	10
	Experience Adjustment on Plan Assets (loss) / gain	(33)	(25)	(27)	5	(14)
		Pension				
		2013	2012	2011	2010	2009
	Experience Adjustment on Plan Liabilities (gain) / loss	25	9	36	-	-
	Experience Adjustment on Plan Assets (loss) / gain	-	-	-	-	-
		Medical				
		2013	2012	2011	2010	2009
	Experience Adjustment on Plan Liabilities (gain) / loss	(9)	21	55	-	-
	Experience Adjustment on Plan Assets (loss) / gain	-	-	-	-	-

39 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 (2012: ₹ 100) to gratuity fund in 2013-14.
- 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 ₹ 449 (2012: ₹ 396) towards provident fund during the year ended 30 September 2013. 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 no shortfall as at 30 September 2013 and 2012 respectively.

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

	As at 30 September	
	2013	2012
Present value of benefit obligation at year end	6,335	5,549
Fair value of plan assets at year end	6,340	5,654
Shortfall	-	-

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

	As at 30 September	
	2013	2012
Government of India securities (GOI) bond yield	9.00%	8.60%
Remaining term of maturity (in years)	14.20	10.23
Expected guaranteed interest rate	8.50%	8.60%

(iii) General descriptions of significant defined plans

I Gratuity Plan

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.

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

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

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

Particulars	2013	2012
Government of India securities	17%	15%
State Government securities	30%	28%
Public sector unit bonds	33%	34%
Special Discount scheme	20%	23%
Total Plan Assets	100%	100%

40 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
US Dollar						
2013	342	117	7,323	205	177	11,072
2012	251	141	7,438	151	198	10,447
Euro						
2013	411	157	13,272	113	44	3,686
2012	281	245	16,810	64	37	2,500
Qatari Riyal						
2013	-	-	-	8	323	5,553
2012	-	-	-	11	454	6,595
Japanese Yen						
2013	7	12	7	-	-	-
2012	1	1	1	-	-	-
Pound Sterling						
2013	37	4	366	8	1	132
2012	13	2	205	6	1	97
CHF						
2013	7	1	61	1	*	6
2012	7	2	107	1	*	5

* denotes figures less than a million

40 Derivative Instruments (Continued)

a) Forward Contracts (Continued)

Currency	Buy			Sell		
	Number of contracts	Amount	Indian rupees equivalent	Number of contracts	Amount	Indian rupees equivalent
SEK						
2013	5	11	105	-	-	-
2012	6	12	100	-	-	-
SGD						
2013	-	-	-	-	-	-
2012	4	2	72	-	-	-
AED						
2013	-	-	-	-	-	-
2012	1	*	1	-	-	-
AUD						
2013	-	-	-	-	-	-
2012	1	1	63	-	-	-

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

	Foreign currency		Indian rupees	
	2013	2012	2013	2012
Payables:				
BDT	14	11	12	7
DKK	*	*	2	1
JPY	-	15	-	10
KWD	*	*	1	1
LKR	117	83	56	34
NOK	*	*	1	1
ZAR	-	*	-	*
GHS	*	-	12	-
USD	-	*	-	23
EUR	-	1	-	72
GBP	-	*	-	1
CAD	*	*	3	3
CNY	*	-	2	-
SGD	*	-	8	-
AUD	*	-	6	-
Receivables:				
SEK	-	*	-	*
LKR	68	-	32	-
BDT	*	-	*	-
GHS	*	-	12	-
SGD	-	*	-	*

* denotes figures less than a million

Notes to the financial statements (*Continued*) for the year ended 30 September 2013 (Currency: Indian rupees millions)

40 Derivative Instruments (*Continued*)

The forward contracts have been converted in Indian rupees, at the spot rates, as at 30 September 2013 to facilitate reading purposes only.

The Company has a policy of hedging its foreign currency exposure on a net basis. Accordingly, unhedged balances of receivables and payables are disclosed on a net basis.

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
2013	Copper	4,159	4,159,000 Kgs	Buy
	Silver	93	2,790 Kgs	Buy
2012	Copper	3,353	3,353,000 Kgs	Buy
	Silver	136	4,080 Kgs	Buy

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

41 Earnings per share:

	2013	2012
Profit after tax (net profit attributable to Equity shareholders)	1,940	3,432
Shares :-		
Weighted average number of equity shares outstanding during the year		
Number of equity shares outstanding	356,119,885	340,295,025
Number of equity shares in share capital suspense account	-	11,738,108
Total number of shares	356,119,885	352,033,133
Earnings per share (Basic and diluted)	5.45	9.75

42 Micro and Small Enterprises Development Act, 2006 ('MSMED')

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

	2013	2012
Principal amount due to suppliers under MSMED Act	688	1,340
Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid	*	41
Payment made to suppliers (other than interest) beyond the appointed day during the year	1,062	2,550
Interest paid to suppliers under the MSMED Act	-	-
Interest due and payable towards suppliers under MSMED Act towards payments already made	181	272
Interest accrued and remaining unpaid at the end of the accounting year	181	323

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

43 Exceptional items

	2013	2012
Profit on sale of Postal & Parcel Logistics Technologies and Airport Logistics Technologies (LAS) business [Note (a)]	1,146	-
CENVAT credit on certain services for earlier years availed	352	-
Impairment loss [Note (b)]	(355)	(1,200)
Employee costs [Note (c)]	(818)	-
Total	325	(1,200)

- (a) The Company has transferred its LAS business to Siemens Postal Parcel & Airport Logistics Pvt. Ltd., a 100% subsidiary of Siemens AG, effective 30 September 2013, for a consideration of ₹ 1,285. The profit recorded on such sale is ₹ 1,146.
- (b) In accordance with periodic impairment assessment, the Company has re-assessed the usability of certain assets and consequently recognized impairment loss of ₹ 355 (2012: impairment loss of ₹ 1,032 and other consequential provisions of ₹ 168).
- (c) During the current year, the Company has incurred additional compensation cost pursuant to separation of certain employees aggregating ₹ 818 on rationalisation of operations.

44 Prior period items

Prior period items for the year ended 30 September 2012 relates to certain updates in projects relating to an earlier year. The impact of the same in the statement of profit and loss is ₹ 799 (Decrease in revenue from construction contracts ₹ 572 and Increase in 'other costs' under the head project bought outs and other direct costs ₹ 227).

45 Prior year comparatives

Pursuant to the amalgamation of SPEL and Winergy (Refer note 2.1 and 2.2), the figures of the current year are not strictly comparable to those of the previous year. 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 Sudhir Soni
Partner
Membership No: 41870

Mumbai
Date: 22 November 2013

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

Deepak S. Parekh	<i>Chairman</i>
Dr. Armin Bruck	<i>Managing Director</i>
Sunil Mathur	<i>Executive Director</i>
Yezdi H. Malegam	<i>Director & Chairman of Audit Committee</i>
Ketan Thaker	<i>Company Secretary</i>

Mumbai
Date: 22 November 2013

SIEMENS LIMITED

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

Dear Member(s),

Sub.: Green Initiative in Corporate Governance - Electronic Mode of service of documents

The Ministry of Corporate Affairs (MCA) has, vide its Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011, allowed companies to serve all notices and correspondences to members including Annual Reports i.e., Audited Financial Statements, Directors' Report, Auditors' 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. Keeping in view of the theme underlying the Circulars issued by MCA, we propose to henceforth send documents like notices, intimation under Section 302 of the Companies Act, 1956, Annual Reports, Financial Results, etc., to our members through electronic mode.

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 Information Slip below for registering your e-mail ID and send it to our Registrar & Share Transfer Agent (RTA), TSR Darashaw Pvt. Ltd. You can also send us an e-mail from your e-mail ID to Corporate-Secretariat.in@siemens.com / csg-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 Information Slip 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 Information Slip should be signed by the first / sole-holder as per the specimen signature recorded with the RTA. If you do not register your e-mail ID, a physical copy of the Annual Report and other communication / documents will be sent to you free of cost, as per the current practice. These documents will also be available on the Company's website 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

TSR Darashaw Pvt. 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 st 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 1st Holder: _____

Note: Shareholders 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 Ltd.

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

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 SHAREHOLDER
Client Id/ Folio No.		
No. of Shares		

I hereby record my presence at the 56th 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 Thursday, 30th January, 2014, 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.

[Signature]

Siemens Ltd.

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

PROXY FORM

I / We, _____
of _____ being a Member / Members of Siemens Ltd.
hereby appoint _____ of _____
or failing him / her _____ of _____

as my / our Proxy to vote for me / us and on my / our behalf at the 56th 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 Thursday, 30th January, 2014, at 3.00 p.m. and at any adjournment thereof.

Registered Folio / DP. ID. & Client ID.:

No. of Shares held:

Signed this _____ day of _____, 20__

Affix a
15 paise
Revenue
Stamp

Signature(s) of the Member(s)

Notes:

- Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the time of the Meeting.
- A Member entitled to attend and vote at this Meeting is entitled to appoint a proxy and the proxy need not be a Member.

Siemens Ltd.

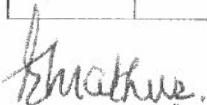
130, Pandurang Budhkar Marg,
Worli, Mumbai - 400018.

Tel.: +91 22 3967 7000

Fax: +91 22 3967 7500

Form A

1	Name of the Company	Siemens Limited
2	Annual financial statements for the year ended	30 th September, 2013
3	Type of Audit observation	Un-qualified / Matter of Emphasis: None
4	Frequency of observation	Not Applicable



Sunil Mathur

Executive Director / CFO



Sudhir Soni

Partner

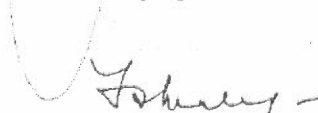
S.R. Batlibol & Associates LLP

Membership No. 41870



Dr. Armin Bruck

Managing Director / CEO



Yezdi H. Malegam

Chairman – Audit Committee