

National Stock Exchange of India Ltd.  
BSE Ltd.

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Date 9<sup>th</sup> January, 2017

## Scrip Code-

National Stock Exchange of India Ltd.: SIEMENS EQ  
BSE Ltd.: 500550

## Information pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sirs,

Pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this is to inform you that the Register of Members and the Share Transfer Books of the Company shall remain closed for payment of final dividend for FY 2015-16, if declared by the Members at the forthcoming 59<sup>th</sup> Annual General Meeting (AGM), as per the details mentioned below:

| Type of Security and paid-up value         | Book Closure Date                                                                                                        | Purpose                                          |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| Equity Shares of Rs. 2 each, fully paid-up | From: Thursday, 2 <sup>nd</sup> February, 2017<br>To: Wednesday, 8 <sup>th</sup> February, 2017<br>(both days inclusive) | For the payment of final dividend for FY 2015-16 |

Also please note the following:

### 1) Particulars of 59<sup>th</sup> AGM:

|                    |                                                                                                                                       |
|--------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| Day, date and time | Wednesday, 8 <sup>th</sup> February, 2017, at 3.00 p.m.                                                                               |
| Venue              | Yashwantrao Chavan Pratishthan Auditorium,<br>Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021 |

Siemens Ltd.  
CIN: L28920MH1957PLC010839

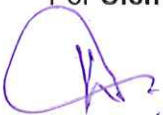
130, Pandurang Budhkar Marg, Worli Tel.: +91 (22) 2498 7000  
400018 Mumbai Website: [www.siemens.co.in](http://www.siemens.co.in)  
India E-mail- Corporate-Secretariat.in@siemens.com

Registered Office: 130, Pandurang Budhkar Marg, Worli, Mumbai 400 018. Telephone +91 22 3967 7000. Fax +91 22 3967 7500.  
Sales Offices: Ahmedabad, Bangalore, Chandigarh, Chennai, Coimbatore, Hyderabad, Kharghar, Kolkata, Lucknow, Mumbai, Nagpur, New Delhi, Pune, Vadodara.

- 2) The payment of final dividend, as recommended by the Board of Directors, if declared at the 59<sup>th</sup> AGM, would commence from **Monday, 13<sup>th</sup> February, 2017**, 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 **Wednesday, 8<sup>th</sup> February, 2017** and in respect of shares held in electronic form, to the Beneficial Owners of the shares as at the close of business hours on **Wednesday, 1<sup>st</sup> February, 2017**, as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

We are sending herewith a copy of Annual Report of the Company for the year ended 30<sup>th</sup> September 2016 and the Notice convening 59<sup>th</sup> AGM of the Members of the Company, scheduled to be held as per the details mentioned above.

Yours faithfully,  
For **Siemens Limited**



**Ketan Thaker**  
Company Secretary

Encl: a/a

# SIEMENS

*Ingenuity for life*

## Annual Report 2016

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



# Financial Highlights - Siemens Limited

(₹ in Million)

|                                                                          | 2015-16 | 2014-15 | 2013-14 | 2012-13 | 2011-12 |
|--------------------------------------------------------------------------|---------|---------|---------|---------|---------|
| <b>Orders received</b>                                                   | 121,199 | 101,322 | 103,238 | 109,573 | 102,351 |
| <b>Income, Profit and Dividend</b>                                       |         |         |         |         |         |
| Revenue from operations                                                  | 108,089 | 105,124 | 106,783 | 113,526 | 129,199 |
| Profit Before depreciation, interest, exceptional items and tax (PBDIET) | 11,371  | 11,340  | 6,982   | 4,552   | 8689    |
| Depreciation                                                             | 2,264   | 2,156   | 2,291   | 2,502   | 2,010   |
| Interest                                                                 | 59      | 73      | 82      | 189     | 270     |
| Profit before exceptional items and tax (PBET)                           | 9,048   | 9,136   | 4,609   | 1,861   | 6,409   |
| Exceptional Items                                                        | 29,923  | 7,828   | 3,827   | 325     | (1,200) |
| Profit Before Tax (PBT)                                                  | 38,971  | 16,964  | 8,436   | 2,186   | 5,209   |
| Tax                                                                      | 10,091  | 5,131   | 2,404   | 246     | 1,777   |
| Profit After Tax (PAT)                                                   | 28,880  | 11,833  | 6,032   | 1,940   | 3,432   |
| Interim dividend - %                                                     | 1,375%  | -       | -       | -       | -       |
| Interim dividend - ₹ Per Share                                           | 27.5    | -       | -       | -       | -       |
| Dividend - %                                                             | 300%    | 500%    | 300%    | 250%    | 300%    |
| Dividend - ₹ Per Share                                                   | 6       | 10      | 6       | 5       | 6       |
| <b>Share Capital, Assets and Book Value</b>                              |         |         |         |         |         |
| Share Capital                                                            | 712     | 712     | 712     | 712     | 681     |
| Share capital suspense account                                           | -       | -       | -       | -       | 23      |
| Reserves & Surplus                                                       | 65,107  | 50,554  | 43,044  | 39,591  | 38,922  |
| Net Worth (Shareholders' Fund)                                           | 65,819  | 51,266  | 43,756  | 40,303  | 39,626  |
| Loans                                                                    | -       | -       | -       | -       | -       |
| Total Capital Employed                                                   | 65,819  | 51,266  | 43,756  | 40,303  | 39,626  |
| Capital Represented by:                                                  |         |         |         |         |         |
| Fixed Assets                                                             | 12,747  | 13,854  | 13,965  | 14,678  | 14,972  |
| Investments                                                              | 550     | 550     | -       | -       | -       |
| Net Current Assets & Other Assets                                        | 52,522  | 36,862  | 29,791  | 25,626  | 24,654  |
| Net Assets                                                               | 65,819  | 51,266  | 43,756  | 40,303  | 39,626  |
| Book Value - ₹                                                           | 184.82  | 143.96  | 122.87  | 113.17  | 112.56  |
| <b>Returns</b>                                                           |         |         |         |         |         |
| On Revenue from operations (PBET) - %                                    | 8.37    | 8.69    | 4.32    | 1.64    | 4.96    |
| On Capital Employed (PBIT) - %                                           | 59.21   | 33.23   | 19.47   | 5.89    | 13.83   |
| On Shareholders Fund (PAT) - %                                           | 43.88   | 23.08   | 13.79   | 4.81    | 8.66    |
| Per Share (PAT) - ₹                                                      | 81.1    | 33.23   | 16.94   | 5.45    | 9.75    |

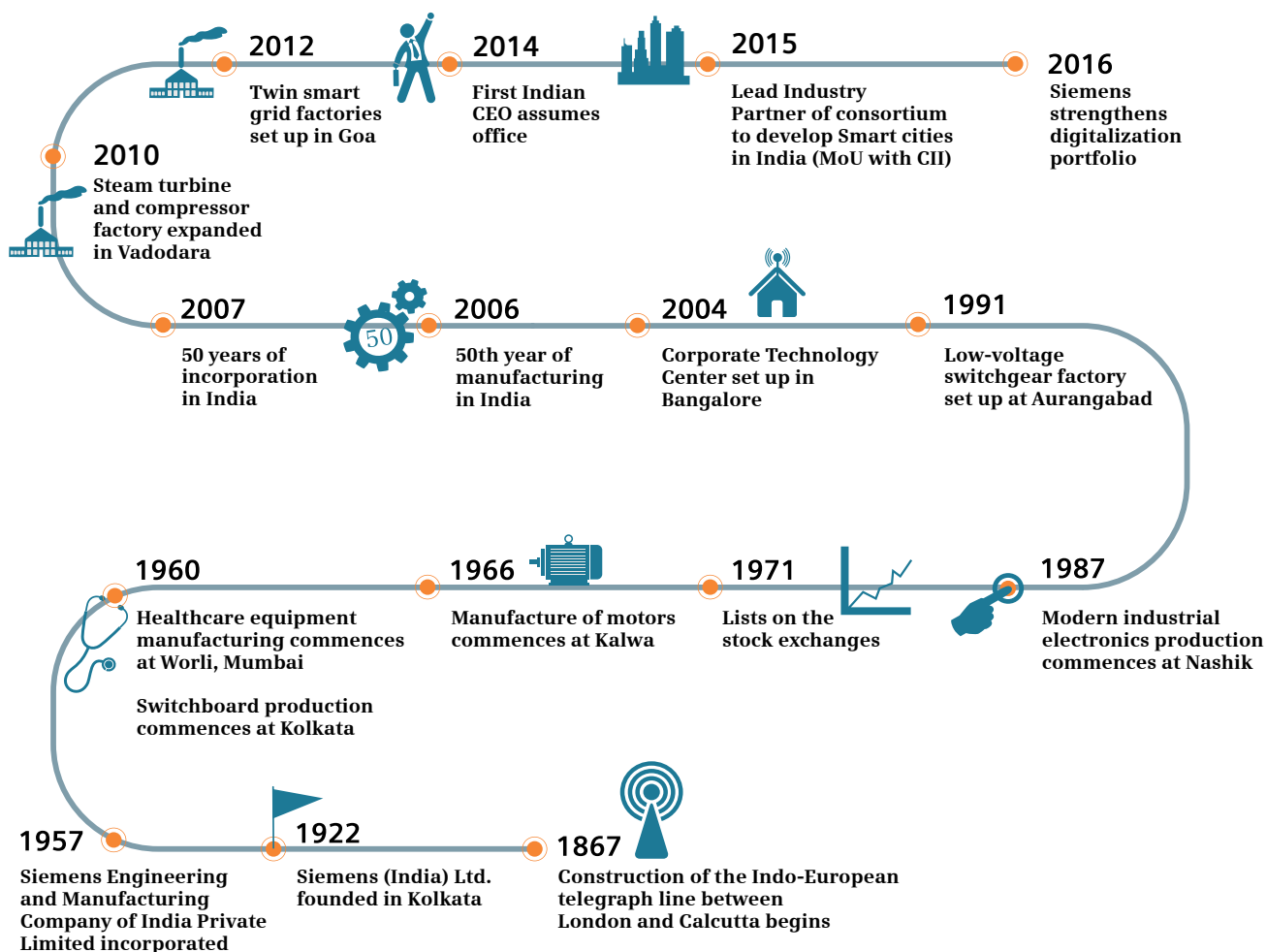
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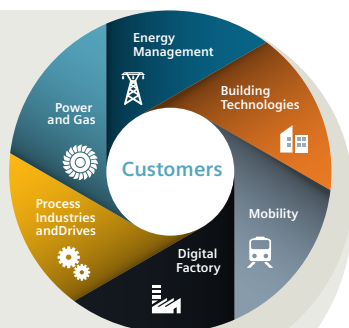
# Enduring partnership since 1867

Siemens has partnered India – from setting up the Indo-European telegraph line in 1867



Siemens offers integrated solutions for India's sustainable future - efficient manufacturing, integrated automation, intelligent infrastructure, complete mobility and sustainable energy.

## Our customer-oriented Division setup



Corporate Core and Corporate Services

Executive Management

### Digital Factory Division

offers software products and automation technologies for industrial applications covering the entire life cycle, from product design and production to after-sales service for discrete manufacturing industries such as automotive, F&B

#### Our products and solutions

- Automation systems
- Industrial control
- Industrial communication
- LV and MV Drives
- Geared motors
- Motion control
- CNC solutions
- Low voltage switchgear for switching, protection and control
- PLM software and services

### Process Industries and Drives

offers a comprehensive portfolio for industrial application and solutions in the field of automation and drives for process industries such as cement and steel

#### Our products and solutions

- Process automation
- Integrated Drive Systems (IDS)
- Sensor systems
- Plant engineering software
- LV motors (upto frame size 560)
- MV motors (upto frame size 630)
- Traction motors
- Mechanical drives
- Windmill generators ( $\leq 1875$  MW)
- Gear boxes

### Building Technologies Division

provides solutions for safe, secure and energy-efficient infrastructure and buildings

#### Our products and solutions

- Building automation systems
- HVAC products
- Building control
- Security systems
- Fire safety systems
- Energy efficiency systems
- Total Building Solutions
- Integrated systems and solutions for specific markets and industries such as data centers, utilities, airports, hospitals and hotels

### Power and Gas Division

offers products and solutions for reliable, efficient and clean power generation from fossil fuels and for oil & gas applications

#### Our products and solutions

- Gas turbines ( $\leq 400$  MW)
- Steam turbines ( $\leq 1900$  MW)
- Generators ( $\leq 2235$  MVA)
- Condensers
- Turbo compressors
- Instrumentation and control
- Electrical balance of plant
- Integrated power plant solutions
- **Energy solutions** : Power block, Power island, complete lumpsum turnkey power plants on EPC basis

### Energy Management Division

is a supplier of products, solutions and services for the transmission and distribution of electrical energy

#### Our products and solutions

- Power transformers ( $\leq 750$  MVA)
- Shunt reactors ( $\leq 125$  MVar)
- Protection relays and devices
- AIS upto 800 kV
- GIS upto 800 kV
- Circuit breakers ( $\leq 800$  kV)
- Disconnectors ( $\leq 765$  kV)
- Instrument transformers
- Control and relay panel ( $\leq 765$  kV)
- LV /MV switchboards ( $\leq 40$  kV)

### Mobility Division

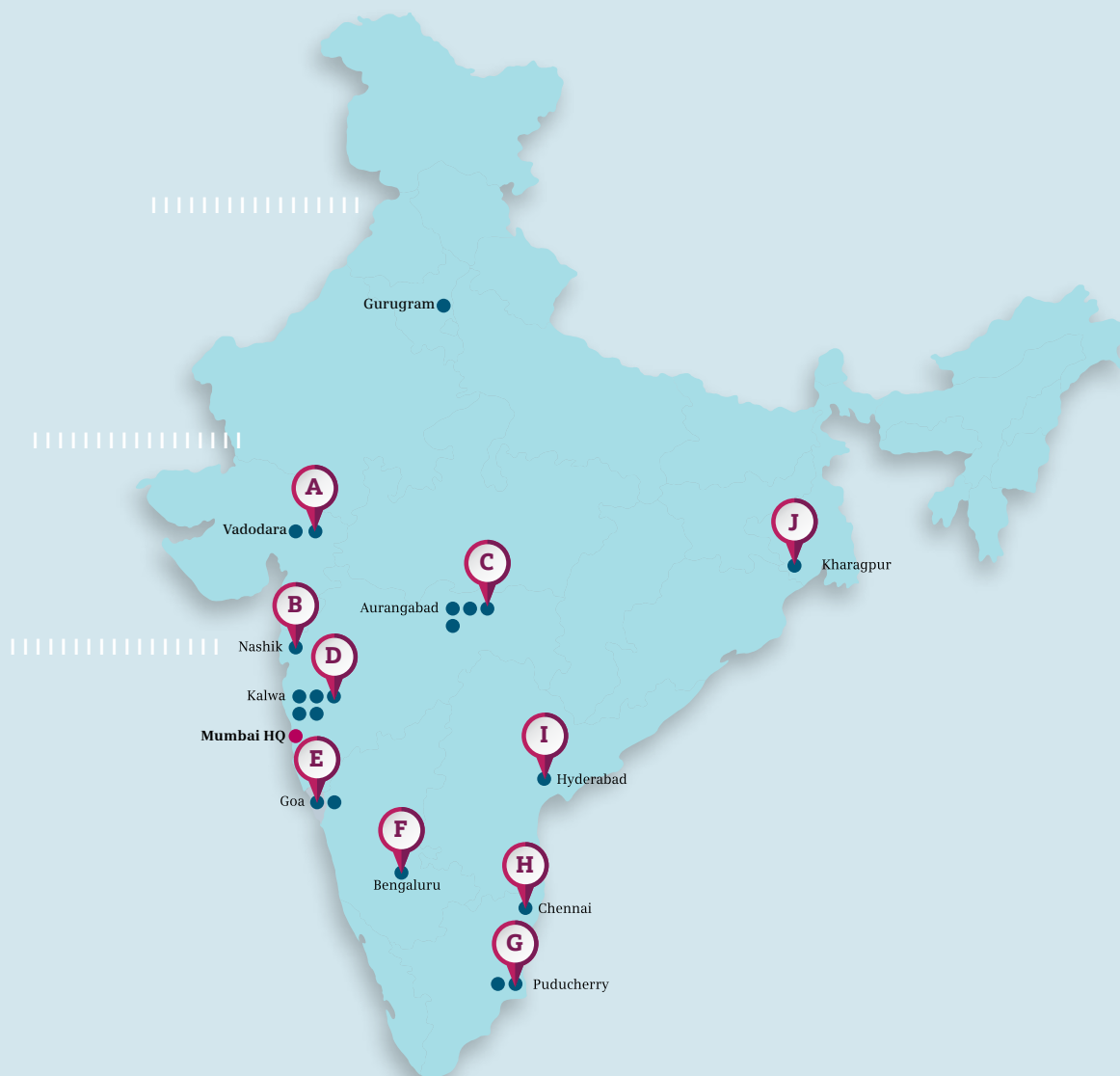
supplies solutions for passenger and freight transportation, including rail vehicles, rail automation and rail electrification systems

#### Our products and solutions

- Propulsion systems
- Inverters
- Rail Signaling
- Rail electrification
- Rail automation
- Intelligent Traffic Management
- Light Rail
- Metro Rail
- Passenger coaches

# We make in India: State-of-the-art factories

We make real what matters, by setting the benchmark in the way we electrify, automate and digitalize the world around us. Ingenuity drives us and what we create is yours. Together we deliver.



**A** Steam Turbines  
Turbo Compressors

**B** Cabinets for Low Voltage Drives & Programmable Logic  
Controllers and Traction Converters

**C** High Voltage Circuit Breakers  
Gas Insulated Switchgear  
Instrument Transformers  
Miniature Circuit Breakers, Fuses, and Residual Current Circuit  
Breakers

**D** LV/MV Switchboards, Vacuum Circuit Breakers  
Power Transformers  
Power Contactor, Overload Relay, Starters  
ACB, LBS and accessories of MCCBs

LV/MV Motors, Traction Motors, Wind Mill Generators

**E** Protection Relays  
MV GIS, RMU, CSS

**F** Service Center for Maintenance, Overhaul and Repair

**G** Detectors, Controllers  
Fire Suppression Systems

**H** Geared Motors, Industrial Gear Boxes and Wind Gear Boxes

**I** Disconnectors and Earthing Switches

**J** Components for Industrial Gear Boxes and Wind Gear Boxes



Siemens Ltd offers its customers enhanced Digital services to enable greater efficiency and flexibility



and mobile



Smart data and analytics



Cloud technologies



Connectivity and Web-of-systems



Cyber-Security



## Siemens Digitalization

Improved productivity & time-to-market

Higher flexibility & resilience

Increased availability & efficiency

Design & engineering

Automation & operation

Maintenance & services



Combining the virtual & physical world ...  
... across entire customer value chains



Reliable power ensures no shutdowns, only startups.  
That's Ingenuity for life.

Across nine states, millions of people like Vishal work tirelessly to achieve their dreams. Northern Regional Load Despatch Center (NRLDC) together with Siemens, ensures that these dreams are supplied with continuous power, come day or night. That's Ingenuity for life.

[siemens.co.in/ingenuityforlife](https://www.siemens.co.in/ingenuityforlife)



**SIEMENS**  
*Ingenuity for life*

When inner peace can be found even in rush hour.  
That's Ingenuity for life.

Uma, and millions of commuters like her, can travel to work and back in bliss. Thanks to Rapid Metro Gurgaon (RMGL) and Siemens' intelligent mobility solutions they enjoy a futuristic, pollution-free, and comfortable ride; and above all, 99.8% punctuality. That's Ingenuity for life.

[siemens.co.in/ingenuityforlife](https://siemens.co.in/ingenuityforlife)

## Board of Directors



**Deepak S Parekh**  
Chairman



**Darius C. Shroff**  
Independent Director



**Yezdi H. Malegam**  
Independent Director



**Keki B. Dadiseth**  
Independent Director



**Joe Kaeser**  
Director



**Dr. Roland Busch**  
Special Director (Nominee of  
Siemens Aktiengesellschaft,  
Germany)



**Mariel von Schumann**  
Director



**Johannes Apitzsch**  
Director



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



**Christian Rummel**  
Executive Director and  
Chief Financial Officer

## Management



**Dominik Hofmann**  
Head, Power & Gas



**Harald Griem**  
Head, Energy Management



**Devidas Kulkarni**  
Head, Building Technologies



**Tilak Raj Seth**  
Head, Mobility



**Ashish Bhat**  
Head, Digital Factory



**Bhaskar Mandal**  
Head, Process Industries  
and Drives

## Committees of Directors

### Audit Committee

Mr. Yezdi H. Malegam - Chairman

Mr. Deepak S. Parekh

Mr. Keki B. Dadiseth

Mr. Johannes Apitzsch

### Risk Management Committee

Mr. Yezdi H. Malegam - Chairman

Mr. Deepak S. Parekh

Mr. Keki B. Dadiseth

Mr. Johannes Apitzsch

### Nomination and Remuneration Committee

Mr. Yezdi H. Malegam - Chairman

Mr. Darius C. Shroff

Mr. Deepak S. Parekh

Mr. Joe Kaeser

Ms. Mariel von Schumann

### Corporate Governance Committee

Mr. Keki B. Dadiseth - Chairman

Mr. Deepak S. Parekh

Mr. Yezdi H. Malegam

Mr. Darius C. Shroff

Mr. Joe Kaeser

Dr. Roland Busch

### Stakeholders Relationship Committee

Mr. Darius C. Shroff - Chairman

Mr. Sunil Mathur

Mr. Johannes Apitzsch

Mr. Sunil Mathur

### Corporate Social Responsibility Committee

Mr. Deepak S. Parekh - Chairman

Mr. Sunil Mathur

Mr. Christian Rummel

Ms. Mariel von Schumann

### Share Transfer Committee

Mr. Sunil Mathur - Chairman

Mr. Christian Rummel

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### Company Secretary

Mr. Ketan Thaker

### Registered and Corporate Office:

Siemens Limited  
130, Pandurang Budhkar Marg,  
Worli, Mumbai - 400 018  
Phone: +91 22 3967 7000 Fax: +91 22 3967 7500  
CIN: L28920MH1957PLC010839  
Website: [www.siemens.co.in](http://www.siemens.co.in)

### Registrar and Share Transfer Agent:

TSR Darashaw Limited  
6-10, Haji Moosa Patrawala Industrial Estate,  
20, Dr. E. Moses Road, Nr. Famous Studio,  
Mahalaxmi, Mumbai - 400 011  
Time: 10.00 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](mailto:csg-unit@tsrdarashaw.com)  
Website: [www.tsrdarashaw.com](http://www.tsrdarashaw.com)

### Investor Relations Team:

Contact Person: Mr. Vinayak Deshpande

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

### Details of 59<sup>th</sup> Annual General Meeting

**Day and Date** : Wednesday, 8<sup>th</sup> February, 2017

**Time** : 3.00 p.m.

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

# Chairman's Statement

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Dear Shareholders,

During the financial year 2015-16, the global macro-economic situation was impacted by various events, which also had an effect on the business environment in India. While the Indian economy is in a strong position compared to the continued tepid global economic growth, many sectors such as infrastructure, power generation, transmission and distribution, mobility, steel and cement are in need of investments to drive their growth. Similarly, the manufacturing industry across verticals also witnessed sub-optimal capacity utilization and new investments are expected to happen only after this situation improves.

The growth of Siemens Limited is linked to the overall growth of the Indian economy and sustainable public capital expenditure. Keeping in view the market conditions, the Company performed well across businesses, delivering strong order growth.

## Performance Highlights

For the financial year ended 30<sup>th</sup> September, 2016, the Company received New Orders valued at ₹ 121,199 million, a 20 percent increase over ₹ 101,322 million in the financial year ended 30<sup>th</sup> September, 2015. Sales (excluding Other Operating Revenues) were up by 3 percent to ₹ 105,442 million, compared with ₹ 102,831 million in the previous year.

The Order Backlog as of 30<sup>th</sup> September, 2016 stood at ₹ 99,463 million – an increase of 4 percent compared with ₹ 95,894 million in the previous year. Profits from Operations stood at ₹ 7,468 million compared to ₹ 7,580 million in the previous year.

For the year ended 30<sup>th</sup> September, 2016, the Company's Profit before Tax stood at ₹ 38,971 million (including exceptional income of ₹ 29,923 million) compared to ₹ 16,964 million (including exceptional income of ₹ 7,828 million) in the previous year -- an increase of 130 per cent. The Profit after Tax for the year was ₹ 28,880 million, up by 144 percent compared with ₹ 11,833 million in the previous year.

The Board of Directors has recommended a final dividend of ₹ 6/- per equity share of face value of ₹ 2/- each (300%) for the financial year ended 30<sup>th</sup> September, 2016, which together with the special dividend (interim dividend) of ₹ 27.50 per equity share paid in August 2016, aggregates to a dividend of ₹ 33.50 per equity share for FY 2015-16. In the previous year, the Company had declared a dividend of ₹ 10/- per equity share (including a special dividend of ₹ 4/- per equity share).

## Performance Analysis

From an operational perspective, the Company continued to focus on profitable growth and operational excellence, which was evident by the growth in New Orders.

Among the key highlights during the financial year, the Energy Management Division won an order to supply switch yard equipment for a 500 MW High Voltage Direct Current (HVDC) Station for Power Grid Company of Bangladesh and for supply and installation of Synchronous Compensator (STATCOM) solutions from Power Grid Corporation of India Limited. Other orders won included an order from PSI International for Gas Insulated Switchgear and an order for Air Insulated Switchgear from Rajasthan Rajya Vidyut Prasaran Nigam Limited. It also dispatched the largest-ever 'Made in India' single-phase Generator Transformer. The State Load Dispatch Center implemented by the Energy Management Division for Uttar Pradesh Power Transmission Corporation Limited in Lucknow was inaugurated by the Honorable Chief Minister of the state.

The Mobility Division won multiple orders for traction motors and Alternating Current Traction Systems to be supplied to the Indian Railways' Diesel Locomotive Works, Varanasi.

The Building Technologies Division set up the "Smart Buildings" Experience & Training Centre at Kalwa to showcase systems and solutions that make buildings smart, safe, secure, comfortable and energy-efficient.

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In the area of Smart Cities, Siemens signed a Memorandum of Understanding with Infrastructure Leasing & Financial Services (IL&FS) and Gujarat International Finance Tec-City Company Limited (GIFTCL) to develop Smart Mobility Solutions.

Digitalization at Siemens drives productivity for customers across the whole value chain. Siemens is working on marquee projects across key sectors to help customers leverage the opportunities of digitalization.

### **Business Responsibility**

Siemens' focus on Corporate Social Responsibility (CSR) includes rehabilitation work in 17 villages, introduction of an apprenticeship training program under the German Dual Vocational Educational Training concept, four year scholarships and mentorship for over 130 students, amongst several other CSR activities. Work in these areas is expected to be enhanced further in the years ahead. The board has followed and fully supported these initiatives through the year.

### **People Excellence**

During the financial year, the Company continued to focus on nurturing its employees. Many initiatives have been undertaken by the Company to make Siemens the most preferred engineering company in India. These initiatives are ongoing and focus on learning and development, health management, environmental protection and safety.

### **Outlook**

As regards the outlook of the Company, the growth driver continues to lie in increased public sector investments in power generation, transmission and distribution as well as mobility and smart cities. Private sector capital expenditure will pick up once capacity utilization improves. The Company continues to actively seek opportunities in areas such as Smart Cities, Metros, Electric Multiple Unit Locomotives, High-Voltage Direct Current solutions and Ultra-Mega Power Projects.

With the introduction of a digital platform "Mindsphere", the Company is in a position to offer its customers enhanced digital services to enable greater efficiency and flexibility, higher productivity as also increased cost benefits. As Indian industry expands, these benefits across all of Siemens verticals will enable the Company's customers to compete effectively at an international level.

While there are challenges in any business environment, India's overall macro fundamentals are strong. India is a consumption driven economy and given the strong demand, the country has tremendous growth potential. India will remain amongst the world's fastest growing economies with immense investment opportunities. Against this milieu, the Company will continue to focus on sustaining profitable growth in new orders, maintain operational excellence and be selective in pursuing large orders.

With the Company's strength and competence in electrification, automation and digitalization, I am confident that it can deliver on the government's initiatives of Make in India, 24/7 Power for All, Digital India, Smart Cities Mission and Rail Vision 2030. In conclusion, I would like to sincerely thank our customers, the board, management, unions and most importantly, the dedicated employees for their constant support and commitment to Siemens Limited.

**Deepak Parekh**

Chairman

# Notice

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NOTICE is hereby given that the 59<sup>th</sup> Annual General Meeting of the Members of Siemens Limited will be held at Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021, on Wednesday, 8<sup>th</sup> February, 2017, at 3.00 p.m. to transact the following businesses:

## ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - (a) the Audited Financial Statements of the Company for the Financial Year ended 30<sup>th</sup> September, 2016, together with the Reports of the Directors and the Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 30<sup>th</sup> September, 2016 and the Report of the Auditors thereon.
2. Dividend:
  - (a) To confirm the payment of Special Dividend (Interim Dividend) of ₹ 27.50 per Equity Share of ₹ 2/- each declared by the Board of Directors on 4<sup>th</sup> August, 2016.
  - (b) To declare a Final Dividend on Equity Shares for the financial year ended 30<sup>th</sup> September, 2016. {The Board of Directors has recommended a Final Dividend of ₹ 6/- per Equity Share of ₹ 2/- each.}
3. To appoint a Director in place of Ms. Mariel von Schumann (DIN 06625674), who retires by rotation and being eligible, offers herself for re-appointment.
4. To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) or re-enactments thereof for the time being in force) and pursuant to the approval of Members at the 57<sup>th</sup> Annual General Meeting, the appointment of Messrs S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003), as Statutory Auditors of the Company, be and is hereby ratified to hold office as such from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company, on such remuneration as may be decided by the Board of Directors of the Company."

## SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolutions:

5. **Payment of remuneration to Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 7464), the Cost Auditors of the Company for FY 2016-17**

### As an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) or re-enactments thereof for the time being in force), Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 7464), appointed as Cost Auditors by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending on 30<sup>th</sup> September, 2017, be paid a remuneration of ₹ 17,68,000/- (Rupees Seventeen Lakh Sixty Eight Thousand only) per annum plus applicable service tax and out of pocket expenses that may be incurred during the course of audit.

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

6. **Approval of transactions with Siemens Healthcare Private Limited**

### As an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby accorded to the Board of Directors (including its Committee thereof), for transactions entered into by the Company with Siemens Healthcare Private Limited as per the details provided under the statement setting out the material facts annexed to this Notice dated 23<sup>rd</sup> November, 2016 for Item No. 6.

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**RESOLVED FURTHER THAT** all actions and decisions taken by the Board of Directors (including its Committee thereof), in this connection be and are hereby approved, ratified and confirmed in all respects and the Board of Directors of the Company (including its Committee thereof) is further authorized to do all such acts, deeds, matters and things as may be considered necessary, expedient and desirable and execute such agreements, documents and writings to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board, be and is, hereby authorised to delegate all or any of the powers herein conferred, to any Director, Committee or Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

By Order of the Board of Directors  
For **Siemens Limited**

**Ketan Thaker**  
Company Secretary  
ACS No.: 16250

**Registered Office:**

130, Pandurang Budhkar Marg,  
Worli, Mumbai - 400 018  
CIN: L28920MH1957PLC010839  
Tel.: +91 22 3967 7000; Fax: +91 22 3967 7500  
Email / Contact: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)/ [www.siemens.co.in/contact](http://www.siemens.co.in/contact)  
Website: [www.siemens.co.in](http://www.siemens.co.in)

New Delhi  
Wednesday, 23<sup>rd</sup> November, 2016

**Notes:**

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM" OR "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable, issued on behalf of the nominating organisation.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

- b) The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, ("the Act") concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
- c) Institutional Members / Corporate Members (i.e. other than Individuals, HUF, NRI, etc.) intending to send their authorised representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to attend and vote at the AGM.
- d) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

- e) Members / Proxies / Authorised Representatives should bring the enclosed Attendance Slip, duly filled in, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
- f) Profile of the Director seeking re-appointment, as required in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings issued by The Institute of Company Secretaries of India, is annexed to this Notice.
- g) The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 2<sup>nd</sup> February, 2017** to **Wednesday, 8<sup>th</sup> February, 2017** (both days inclusive).
- h) The payment of final dividend, as recommended by the Board of Directors, if declared at the 59<sup>th</sup> AGM, would commence from **Monday, 13<sup>th</sup> February, 2017**, 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 **Wednesday, 8<sup>th</sup> February, 2017** and in respect of shares held in electronic form, to the Beneficial Owners of the shares as at the close of business hours on **Wednesday, 1<sup>st</sup> February, 2017**, as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
- i) **Unclaimed / Unpaid Dividend:**

During the financial year the unclaimed dividend declared by the Company as also of the erstwhile Siemens Healthcare Diagnostics Ltd. (since amalgamated with the Company) for Financial Year 2007-08 was transferred to Investor Education and Protection Fund (IEPF). The Ministry of Corporate Affairs has vide Notification dated 5<sup>th</sup> September, 2016 brought into force certain provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") with effect from 7<sup>th</sup> September, 2016. Pursuant to the provisions of Section 124 of the Act 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 IEPF of the Central Government. The unclaimed dividend for the Financial Year 2008-09 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.

| Financial Year   | Tentative date for transfer to IEPF | Financial Year   | Tentative date for transfer to IEPF |
|------------------|-------------------------------------|------------------|-------------------------------------|
| <b>2008 - 09</b> |                                     | <b>2011-12</b>   |                                     |
| Dividend         | 6 <sup>th</sup> March, 2017         | Dividend         | 8 <sup>th</sup> March, 2020         |
| *Dividend        | 5 <sup>th</sup> March, 2017         | <b>2012-13</b>   |                                     |
| <b>2009-10</b>   |                                     | Dividend         | 8 <sup>th</sup> March, 2021         |
| Dividend         | 7 <sup>th</sup> March, 2018         | <b>2013-14</b>   |                                     |
| *Dividend        | 4 <sup>th</sup> March, 2018         | Dividend         | 8 <sup>th</sup> March, 2022         |
| <b>2010-11</b>   |                                     | <b>2014-15</b>   |                                     |
| Dividend         | 8 <sup>th</sup> March, 2019         | Dividend         | 7 <sup>th</sup> March, 2023         |
|                  |                                     | <b>2015-16</b>   |                                     |
|                  |                                     | Interim Dividend | 11 <sup>th</sup> September, 2023    |

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

Further, pursuant to the provisions of Section 124 of the Act and IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPF suspense account (in the name of the Company) within thirty days of such shares becoming due for transfer to the Fund.

The Members / claimants whose shares, unclaimed dividend, sale proceeds of fractional shares etc. have been transferred to the Fund may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on [iepf.gov.in](http://iepf.gov.in)) along with requisite fee as decided by the Authority from time to time. The Member / claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

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

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

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

- j) SEBI has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission / transposition of shares. Members are requested to submit the PAN details to their Depository Participant (DP) in case of holdings in dematerialised form or to TSRDL in case of holdings in physical form, mentioning your correct reference folio number. As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to TSRDL.
- k) As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH.13 with TSRDL. In respect of shares held in demat form, the nomination form may be filed with the respective DP.
- l) Members holding shares in dematerialised form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their DP only. Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and TSRDL to provide efficient and better services.
- m) Members holding shares in physical form are requested to intimate such changes to TSRDL.
- n) Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease in portfolio management. Members can contact TSRDL for assistance in this regard.
- o) 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.
- p) The Annual Report 2015-16 of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.siemens.co.in](http://www.siemens.co.in)
- q) 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.
- r) 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 59<sup>th</sup> AGM.
- s) Route Map showing directions to reach to the venue of the 59<sup>th</sup> AGM is given at the end of this Annual Report.
- t) **Green Initiative**

The Ministry of Corporate Affairs has allowed paperless compliances by companies through electronic mode by providing the same under the Act and rules framed there under. The Members can 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 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](http://www.siemens.co.in)), with TSRDL / Investors' relations team of the Company. The Members holding shares in electronic form are requested to register their e-mail addresses with their DP only.

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

In accordance with the provisions of Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014 as amended, the copy of Annual Report of the Company for the Financial Year 2015-16 and this Notice inter-alia indicating the process and manner of remote e- voting along with Attendance Slip and proxy form are being sent by e-mail, unless any member has requested for a physical copy of the same, to those Members who have

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registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the Depositories.

In case you wish to get a physical copy of the Annual Report, you may send your request to [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) mentioning your Folio No. / DP ID and Client ID or write to us.

u) **Voting Options:**

- (1) **Remote E-voting:** In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice.

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

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

- (i) Open e-mail and open the attached PDF file "siemens.remote.e-voting.pdf" giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as default password which contains your "User ID" and "Password for remote e-voting".
- (ii) Open internet browser by typing the URL: <http://www.evoting.nsdl.com>
- (iii) Click on "Shareholder – Login".
- (iv) Insert your User ID and password as initial password as mentioned in step (i) above and Login. In case you are already registered with NSDL, you can use your existing User ID and password for casting your vote.
- (v) "Password Change" menu appears. Change the password with the new password of your choice with minimum 8 digits / characters or combination thereof. Please note your new password. We strongly recommend that you do not share your new password and take utmost care to keep your password confidential.
- (vi) Home page of "e-voting" opens. Click on "e-voting-Active Voting Cycles".
- (vii) Select "EVEN" (E-Voting Event Number) of Siemens Limited for casting your votes in favour of or against the resolutions. For an EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolutions or till the end of voting period i.e. upto **5.00 p.m. IST on Tuesday, 7<sup>th</sup> February, 2017**.
- (viii) Now you are ready for "e-voting" as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Upon confirmation, the message, "Vote cast successfully" will be displayed. Once you have voted on the resolution, you will not be allowed to modify your vote.
- (x) Institutional Members / Corporate Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority Letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at [siemens.scrutinizer@gmail.com](mailto:siemens.scrutinizer@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

Please note that:

- Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot Password' option available on the site to reset the password.
- Your login ID and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are a Member.

- It is strongly recommended that you do not share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting User Manual for Shareholders available at the "Downloads" section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call NSDL on 1800-222-990.

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

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

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

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

- (i) The Company, in order to enable its Members, who do not have access to remote e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a Ballot Form along with Annual Report.
  - (ii) A Member desiring to exercise voting by using Ballot Form shall complete the enclosed Ballot Form with assent (**FOR**) or dissent (**AGAINST**) and send it to the Scrutinizer, Mr. P. N. Parikh of Messrs Parikh Parekh & Associates, Practising Company Secretaries, duly appointed by the Board of Directors of the Company, in the enclosed postage prepaid self-addressed envelope. Ballot Forms deposited in person or sent by post or courier at the expense of the Member will also be accepted at the Registered Office of the Company.
  - (iii) Please convey your assent in Column "**FOR**" and dissent in the column "**AGAINST**" by placing a tick (✓) mark in the appropriate column in the Ballot Form only. The assent / dissent received in any other form / manner will not be considered.
  - (iv) Duly completed and signed Ballot Forms shall reach the Scrutinizer before the close of working hours (**5.00 p.m. IST**) on **Friday, 3<sup>rd</sup> February, 2017**. The Ballot Forms received after the said date shall be strictly treated as if the reply from the Member has not been received.
  - (v) Unsigned / incomplete Ballot Forms will be rejected. Scrutinizer's decision on validity of the Ballot Form shall be final.
  - (vi) A Member may request duplicate Ballot Form, if so required, by writing to the Company at its Registered Office or by sending an e-mail on [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) by mentioning their Folio No. / DP ID and Client ID. However, the duly filled in duplicate Ballot Form should reach the Scrutinizer not later than the time and date specified in serial no. (iv) above.
  - (vii) A Member can opt for only single mode of voting i.e. either through remote e-voting / Ballot Form or by Ballot paper at the AGM. If a Member casts votes by both modes then voting done through remote e-voting / Ballot Form shall prevail and voting through Ballot paper at the AGM shall be treated as invalid.
- (3) Voting at AGM: The Members who have not cast their vote through remote e-voting / Ballot Forms can exercise their voting rights at the AGM. The Members who have cast their vote by remote e-voting / Ballot Form, may also attend and participate at the AGM, however they shall not be entitled to cast their vote at the AGM.

Other Instructions:

- (i) The remote e-voting period commences on **Saturday, 4<sup>th</sup> February, 2017 (9.00 a.m. IST)** and ends on **Tuesday, 7<sup>th</sup> February, 2017 (5.00 p.m. IST)**. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on **Wednesday, 1<sup>st</sup> February, 2017**, may cast their vote electronically. Once the vote on a resolution is cast by the Member, he / she / it shall not be allowed to change it subsequently.
- (ii) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of **Wednesday, 1<sup>st</sup> February, 2017**.
- (iii) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **Wednesday, 1<sup>st</sup> February, 2017**, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

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However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- (iv) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting, as well as voting at the AGM.
- (v) Mr. P. N. Parikh or failing him Mr. Mitesh Dhabliwala of Messrs Parikh Parekh & Associates, Practising Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
- (vi) The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- (vii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.siemens.co.in](http://www.siemens.co.in) and on the website of NSDL [www.evoting.nsdl.com](http://www.evoting.nsdl.com) within two days of the passing of the resolutions at the 59<sup>th</sup> AGM of the Company on **Wednesday, 8<sup>th</sup> February, 2017** and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The results shall also be displayed on the notice board at the Registered Office of the Company.

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

### Item No. 5

The Board of Directors of the Company, on the recommendation of the Audit Committee, has approved the appointment of Messrs R. Nanabhoy & Co., Cost Accountants (having Firm Registration No. 7464), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 30<sup>th</sup> September, 2017.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration amounting to ₹ 17,68,000/- (Rupees Seventeen Lakh Sixty Eight Thousand only) plus applicable service tax and out of pocket expenses payable to the Cost Auditors for the financial year ending on 30<sup>th</sup> September, 2017.

The Board accordingly recommends the resolution at Item No. 5 of this Notice for the approval of the Members.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the resolution at Item No. 5 of this Notice.

### Item No. 6

As per Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

The Company's transactions with Siemens Healthcare Private Limited ("SHPL"), a related party, which is a subsidiary of Siemens Aktiengesellschaft, Germany ("Siemens AG"), amounted to ₹ 30,682 million, in Financial Year 2015-16, which exceeds 10% of the annual consolidated turnover of the Company as per the audited financial statements for the Financial Year ended 30<sup>th</sup> September, 2016 and hence considered material as per Listing Regulations.

Out of the transactions with SHPL in Financial Year 2015-16, ₹ 30,500 million was towards the sale and transfer of the Company's Healthcare Undertaking as a "going concern" and by way of a slump sale to SHPL, with effect from 1<sup>st</sup> July, 2016, for which Members have already accorded their approval on 27<sup>th</sup> April, 2016. Apart from the sale of the Healthcare Undertaking,

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the Company had transactions with SHPL aggregating ₹ 182 million in Financial Year 2015-16 towards sales, rent and other recoveries, which were in the normal course and incidental to business and at arm's length basis, with necessary approvals and as per the Related Party Transaction Policy of the Company.

Thus, in terms of Regulation 23 of the Listing Regulations, Members approval is sought by way of an Ordinary Resolution for the said remaining transactions aggregating to ₹ 182 million with SHPL for Financial Year 2015-16.

The Board recommends the Ordinary Resolution set forth in Item No. 6 of the Notice for the approval of the Members in terms of Regulation 23 of the Listing Regulations.

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

By Order of the Board of Directors  
For **Siemens Limited**

**Ketan Thaker**

Company Secretary  
ACS No.: 16250

**Registered Office:**

130, Pandurang Budhkar Marg,  
Worli, Mumbai - 400 018.

CIN: L28920MH1957PLC010839

Tel.: +91 22 3967 7000; Fax: +91 22 3967 7500

Email / Contact: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com) / [www.siemens.co.in/contact](http://www.siemens.co.in/contact)

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

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

### Profile of Director being re-appointed

(as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard - 2 on General Meetings)

|                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name of the Director</b>                                                     | Ms. Mariel von Schumann                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Director Identification Number</b>                                           | 06625674                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Date of Birth</b>                                                            | 5 <sup>th</sup> July, 1971                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Date of Appointment</b>                                                      | 2 <sup>nd</sup> August, 2013                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Qualification</b>                                                            | Master in Economics                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Expertise in specific functional areas</b>                                   | Chief of Staff, Mergers & Acquisitions, Capital Market, Board & Management Incentive Systems, Government Affairs                                                                                                                                                                                                                                                                                                             |
| <b>Experience</b>                                                               | Ms. Mariel von Schumann has been working with Siemens AG since last 18 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 Schumann is the Head of Governance & Markets of Siemens AG. |
| <b>Directorships held in other companies in India</b>                           | Nil                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Chairmanship / Membership of Committees held in other companies in India</b> | N.A.                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Relationship with other Directors and Key Managerial Personnel</b>           | None                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Number of Equity shares held in the Company</b>                              | Nil                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Number of Board Meetings attended during last financial year 2015-16</b>     | 2 (two)                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Terms and conditions of appointment</b>                                      | Non Executive Director (Non Independent), liable to retire by rotation.                                                                                                                                                                                                                                                                                                                                                      |

# Directors' Report

Dear Members,

The Directors have pleasure in presenting the 59<sup>th</sup> Annual Report of your Company and the Audited Financial Statements for the year ended 30<sup>th</sup> September, 2016.

## 1. Financial Performance

(₹ in Million)

|                                                                    | Standalone    |               |
|--------------------------------------------------------------------|---------------|---------------|
|                                                                    | 2015-16       | 2014-15       |
| Turnover                                                           | 108,089       | 105,124       |
| Less: Expenses                                                     | 100,621       | 97,543        |
| Profit from operations before other income and finance costs       | 7,468         | 7,581         |
| Add: Other income                                                  | 1,639         | 1,604         |
| Less: Finance costs                                                | 59            | 49            |
| Profit before exceptional items and tax                            | 9,048         | 9,136         |
| Add: Exceptional items                                             | 29,923        | 7,828         |
| Profit before Tax                                                  | 38,971        | 16,694        |
| Less: Tax                                                          | 10,091        | 5,131         |
| Profit for the year                                                | 28,880        | 11,833        |
| Balance in the Statement of Profit and Loss brought forward        | 16,921        | 9,374         |
| Amount available for appropriation                                 | 45,801        | 21,207        |
| Appropriations:                                                    |               |               |
| Interim Dividend paid                                              | 9,793         | -             |
| Tax on Interim Dividend                                            | 1,994         | -             |
| Proposed Final Dividend                                            | 2,137         | 3,561         |
| Dividend Distribution Tax                                          | 435           | 725           |
| <b>Balance in the Statement of Profit and Loss carried forward</b> | <b>31,442</b> | <b>16,921</b> |

## 2. Operations

The Turnover of the Company increased by 3% and stood at ₹ 108,089 million as compared to ₹ 105,124 million in the previous year. The Company's Profit from Operations for the year ended 30<sup>th</sup> September, 2016 was ₹ 7,468 million as compared to ₹ 7,581 million in the previous year.

The Profit after Tax for the year ended 30<sup>th</sup> September, 2016 was ₹ 28,880 million as compared to ₹ 11,833 million during FY 2014-15.

## 3. Dividend

During the Financial Year 2015-16, the Board of Directors declared a Special Dividend (Interim Dividend) of ₹ 27.50 (Rupees Twenty Seven and Fifty Paise only) per equity share of ₹ 2 each aggregating ₹ 11,787 million including Dividend Distribution Tax. The Special Dividend (Interim Dividend) was paid in the month of August 2016.

The Board of Directors has recommended a final dividend of ₹ 6 per equity share having face value of ₹ 2 each, subject to the approval of the Members at the 59<sup>th</sup> Annual General Meeting. In the previous year, the Company paid a Dividend of ₹ 10 (including Special Dividend of ₹ 4 on account of large exceptional income during FY 2014-15) per equity share of ₹ 2 each.

The total dividend for the financial year 2015-16, including the proposed final dividend, will be ₹ 33.50 (Previous year: ₹ 10 per equity share (including Special Dividend of ₹ 4 per equity share)).

As per Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), the top 500 listed entities based on market capitalization are required to formulate Dividend Distribution Policy. The Company has formulated its Dividend Distribution Policy and the details of which are available on the Company's website at <http://www.siemens.co.in/en/index/investor.html>.

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#### 4. Divestment

##### **Sale and transfer of the Healthcare Undertaking of the Company ("SLHC")**

Pursuant to the approval of the Members by way of Postal Ballot on 27<sup>th</sup> April, 2016, SLHC was sold and transferred as a going concern on a Slump Sale basis to Siemens Healthcare Private Limited, a subsidiary of Siemens AG, Germany, with effect from 1<sup>st</sup> July, 2016, for a consideration of ₹ 30,500 million and recorded a profit of ₹ 30,278 million, which forms part of exceptional items.

#### 5. Subsidiary company

Siemens Rail Automation Private Limited (SRAPL) is a non-material and non-listed subsidiary of the Company pursuant to LODR. SRAPL is engaged in the business of manufacture, supply, design, installation and commissioning of Railway Signaling equipment consisting of trackside and on board equipment.

The Company has not made any further equity investment in SRAPL during the year. Your Company has obtained a certificate from the Statutory Auditors certifying that the Company is in compliance with the Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000 with respect to the downstream investments.

A summary of performance of SRAPL is provided below.

The Turnover of SRAPL for FY 2015-16 stood at ₹ 340 million (0.31% of consolidated turnover of the Company) as compared to ₹ 577 million in the previous year and its Loss from Operations for the year ended 30<sup>th</sup> September, 2016 was ₹ 44 million as compared to Loss from Operations of ₹ 15 million in the previous year.

The Company does not have any joint venture or associate companies during the year.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("the Act"), a statement containing salient features of financial statements of SRAPL in the prescribed Form AOC-1 is provided in **Annexure I** forming part of this Report. The audited financial Statements of SRAPL for FY 2015-16 are available on the Company's website at <http://www.siemens.co.in/en/index/investor/financials-of-our-subsiidiaries.htm> and the same are also available for inspection at the Registered Office of the Company as per the details mentioned in notice of the 59<sup>th</sup> Annual General Meeting. Your Company will also make available these documents upon request by any Member of the Company interested in obtaining the same.

##### **Consolidated Financial Statements**

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

#### 6. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information as required to be given under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 (as amended) is provided in **Annexure II** forming part of this Report.

#### 7. Business Responsibility Report

Regulation 34(2) of LODR, inter alia, provides that the annual report of the top 500 listed entities based on market capitalization (calculated as on March 31 of every financial year), shall include a Business Responsibility Report ("BRR").

Your Company, being one of such 500 listed entities, has included BRR, as part of the Annual Report, describing initiatives taken by the Company from an environmental, social and governance perspective.

As a Green Initiative, the BRR for the year FY 2015-16 has been hosted on the Company's website, which can be accessed at [http://www.siemens.co.in/en/index/investor/annual\\_report.htm](http://www.siemens.co.in/en/index/investor/annual_report.htm) and <http://www.siemens.co.in/about-us/sustainability.htm>

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

#### 8. Corporate Governance

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

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Pursuant to the requirements of LODR, a detailed report on Corporate Governance along with the Auditor's Certificate confirming thereon forms part of this Report as **Annexure IV**.

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

#### **9. Audit Committee**

The Company has an Audit Committee pursuant to the requirements of the Act read with the rules framed thereunder and LODR. The details relating to the same are given in the Report on Corporate Governance forming part of this Report. During the Financial year 2015-16, the recommendations of Audit Committee were duly approved and accepted by the Board of Directors.

#### **10. Directors and Key Managerial Personnel**

During the FY 2015-16, Mr. Pradip Nayak (DIN: 00032403) resigned from the Board of Directors of the Company with effect from 1<sup>st</sup> January, 2016. The Board places its appreciation for the valuable guidance and services rendered by him during his association with the Company as Director of the Company.

At the forthcoming 59<sup>th</sup> Annual General Meeting, Ms. Mariel von Schumann (DIN: 06625674) retires by rotation and being eligible, offers herself for re-appointment.

The resolution for the above re-appointment along with the brief profile forms part of the Notice of the 59<sup>th</sup> Annual General Meeting and the resolution for her re-appointment is recommended for your approval.

The Independent Directors of the Company viz. Mr. Deepak Parekh (DIN: 00009078), Mr. Yezdi Malegam (DIN: 00092017), Mr. Darius Shroff (DIN: 00170680) and Mr. Keki Dadiseth (DIN: 00052165) have furnished declarations to the Company under Section 149(7) of the Act, confirming that they meet the criteria prescribed for Independent Directors under Section 149(6) of the Act as well as under LODR.

Mr. Sunil Mathur, Managing Director and Chief Executive Officer (DIN: 02261944), Mr. Christian Rummel, Executive Director and Chief Financial Officer (DIN: 01992982) and Mr. Ketan Thaker, Company Secretary (ACS No.: 16,250) are the Key Managerial Personnel of the Company as on the date of this Report.

#### **11. Board Meetings**

During FY 2015-16, six meetings of the Board of Directors were held. The details of the attendance of Directors at the Board Meetings are mentioned in the Corporate Governance Report annexed hereto.

#### **12. Annual evaluation of Board, its Committees and individual Directors**

The details of the Annual evaluation of Board, its Committees and individual Directors are mentioned in the Corporate Governance Report.

#### **13. Corporate Social Responsibility**

At Siemens we wish to sustainably improve living conditions for as many people as possible, worldwide. The Company works towards that goal with business activities that address the challenges of our time such as Demographic change, Urbanization, Climate Change, Globalization and Digitalization. Our mission is to make real what matters in the way we electrify, automate and digitalize the world around us. Ingenuity drives us and what we create is for society. Our company-wide Corporate Citizenship framework forms a part of the Sustainability & Citizenship priority area. The Company considers it as its economic, environmental and social responsibility to foster sustainable local development as well as add value to the local economy in which it operates.

Further in accordance with the provisions of Section 135 of the Act and Rules framed there under, the Company has a Corporate Social Responsibility ("CSR") Committee of Directors comprising of Mr. Deepak Parekh (Chairman), Ms. Mariel von Schumann, Mr. Sunil Mathur and Mr. Christian Rummel. The Committee reviews and monitors the CSR projects and expenditure undertaken by the Company on a regular basis.

The Company implements the CSR projects directly as well as through implementing partners. The Company's initiatives towards sustainable communities have been addressed under the areas of integrated rural development using technology, skill development, promotion of science and technical education, conservation of water and other natural resources, provision of healthcare and sanitation and providing relief during disaster. The details of such initiatives, CSR spend, CSR Policy, etc., have been provided as **Annexure VI** to this Report, as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

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#### 14. Remuneration Policy

The details of the Remuneration policy are mentioned in the Corporate Governance Report.

A Statement of Disclosure of Remuneration pursuant to Section 197 of the Act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), is provided as **Annexure VII** forming part of this Report.

#### 15. Extracts of Annual Return

The extracts of Annual Return in Form MGT 9 as required under Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 (as amended), forms part of this Report as **Annexure VIII**.

#### 16. Particulars of contracts or arrangements with Related Parties

The particulars of contracts or arrangements with Related Parties referred to in Section 188(1) of the Act, in the prescribed Form AOC - 2, is provided as **Annexure IX** forming part of this Report.

#### 17. Particulars of Loans, Guarantees or Investments

A statement providing particulars of loans, guarantees or investments under Section 186 of the Act is provided as **Annexure X** forming part of this Report.

#### 18. Vigil Mechanism

As per the provisions of Section 177(9) of the Act, the Company is required to establish an effective Vigil Mechanism for Directors and employees to report genuine concerns. The Company has a Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistleblowers ("the Whistleblower Policy") in place and the details of the Whistleblower Policy are provided in the Report on Corporate Governance forming part of this Report. The Company has disclosed information about the establishment of the Whistleblower Policy on its website <http://www.siemens.co.in/en/index/investor/business-ethics.htm>.

#### 19. Risk Management Policy

Siemens Enterprise Risk Management (ERM) is a company-wide framework of methods and processes used to identify, assess, monitor and mitigate risks and seize opportunities related to achievement of Siemens business objectives. The Siemens ERM approach is based on the globally accepted "The Committee of Sponsoring Organizations of the Treadway Commission" ("COSO") framework i.e. "ERM – Integrated Framework". The COSO framework provides a generic concept which has been customized to reflect Company's requirements.

Major risks identified by the Business Divisions and Corporate Departments are systematically addressed through mitigating actions on a continuing basis. The Company has a Risk Management Committee in accordance with the requirements of LODR to, inter alia, monitor the risks and their mitigating actions. The Board of Directors of the Company also reviews the Risk Assessment and Mitigation Report annually.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are given in the Management's Discussion and Analysis, which forms part of this Report.

#### 20. Directors' Responsibility Statement

Pursuant to the provisions of Section 134(3)(c) and 134(5) of the Act, the Directors confirm that, to the best of their knowledge and belief:

- a) that in the preparation of the Annual Financial Statements for the year ended 30<sup>th</sup> September, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30<sup>th</sup> September, 2016 and of the profit of the Company for the year ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual Financial Statements have been prepared on a going concern basis;
- e) that proper internal financial controls are in place and that such internal financial controls were adequate and were operating effectively;

- f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and are adequate and operating effectively.

**21. Reporting of fraud**

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

**22. 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.

**23. Amount, if any, proposed to transfer to reserves**

The Company has made no transfers to reserves during the Financial Year 2015-16.

**24. Employees**

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

The information on employees particulars as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), is provided in the Annexure forming part of the Report. In terms of Section 136 of the Act, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding aforesaid Annexure. The said information is available for inspection by the Members at the Registered Office of the Company as per the details mentioned in notice of the 59<sup>th</sup> Annual General Meeting on any working day of the Company up to the date of the 59<sup>th</sup> Annual General Meeting. Any Member interested in obtaining a copy of the same may write to the Company Secretary.

**25. Policy on Prevention of Sexual Harassment at Workplace**

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder and Internal Complaints Committee has also been set up to redress complaints received regarding sexual harassment. During the year, one complaint with allegations of sexual harassment was received by the Company and the same was investigated and resolved.

**26. Statutory Auditors**

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, Messrs S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/E300003) were appointed as Statutory Auditors of the Company for a term of four years, to hold office from the conclusion of 57<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> January, 2015, until the conclusion of 61<sup>st</sup> Annual General Meeting, subject to ratification of their appointment at every subsequent Annual General Meeting.

A certificate from Statutory Auditors has been received to the effect that their appointment as Statutory Auditors of the Company, if ratified at ensuing Annual General Meeting, would be according to the terms and conditions prescribed under Section 139 of the Act and Rules framed there under.

A resolution seeking ratification of their appointment, forms part of the Notice convening the 59<sup>th</sup> Annual General Meeting and the same is recommended for your consideration and approval.

**27. Cost Auditors**

The Board of Directors, on recommendation of the Audit Committee, has appointed Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 7464), as Cost Auditors of the Company, for the Financial Year ending 30<sup>th</sup> September, 2017, at a remuneration as mentioned in the Notice convening the 59<sup>th</sup> Annual General Meeting.

A resolution seeking ratification for the remuneration payable to Cost Auditors forms part of the Notice of the 59<sup>th</sup> Annual General Meeting of the Company and same is recommended for your consideration and ratification.

A certificate from Cost Auditors has been received to the effect that their appointment as Cost Auditors of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and rules framed thereunder.

The Company had filed the Cost Audit Report for FY 2014-15 on 23<sup>rd</sup> February, 2016, which is within the time limit prescribed under the Companies (Cost Records and Audit) Rules, 2014.

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**28. Secretarial Audit**

Pursuant to provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), the Secretarial Audit Report for FY 2015-16 issued by Secretarial Auditors i.e. Messrs Parikh Parekh & Associates, Practicing Company Secretaries (CP No. 1228), is provided as **Annexure XI** to this Report.

**29. Material changes and commitment, if any, affecting Financial position of the Company from financial year end and till the date of this report**

There have been no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements relate and the date of the report.

**30. Significant and Material Orders passed by the Regulators or Courts**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and operations of the Company in future.

**31. Acknowledgements**

The Board of Directors takes 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 Limited**

**Deepak S. Parekh**

Chairman

DIN - 00009078

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

## Annexure I to Directors' Report

### Form No. AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Act read with Rule 5 of Companies (Accounts) Rules, 2014 (as amended))

#### Statement containing salient features of the financial statement of subsidiaries / associate companies / joint ventures:

##### Part "A": Subsidiaries

(Amount in ₹)

|                                                                                                                             |                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| Name of the subsidiary                                                                                                      | Siemens Rail Automation Private Limited                                                                |
| The date since when subsidiary was acquired                                                                                 | 1 <sup>st</sup> October, 2014                                                                          |
| Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | 1 <sup>st</sup> October, 2015 to 30 <sup>th</sup> September, 2016<br>(Same as that of Holding Company) |
| Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR                                                                                                    |
| Share capital                                                                                                               | 648,980                                                                                                |
| Reserves & Surplus                                                                                                          | 105,385,500                                                                                            |
| Total assets                                                                                                                | 649,383,444                                                                                            |
| Total Liabilities                                                                                                           | 649,383,444                                                                                            |
| Investments                                                                                                                 | Nil                                                                                                    |
| Turnover                                                                                                                    | 340,022,269                                                                                            |
| Profit / (Loss) before taxation                                                                                             | (65,180,968)                                                                                           |
| Provision for taxation                                                                                                      | 6,825,675                                                                                              |
| Profit / (Loss) after taxation                                                                                              | (72,006,644)                                                                                           |
| Proposed Dividend                                                                                                           | Nil                                                                                                    |
| % of shareholding                                                                                                           | 100                                                                                                    |

##### Part "B": Associates and Joint Ventures: Not Applicable

#### For and on behalf of the Board of Directors

**Deepak S. Parekh**

*Chairman*

DIN:00009078

**Sunil Mathur**

*Managing Director*

and Chief Executive Officer

DIN: 02261944

**Christian Rummel**

*Executive Director*

and Chief Financial Officer

DIN: 01992982

**Yezdi H. Malegam**

*Director and Chairman of  
Audit Committee*

DIN:00092017

**Ketan Thaker**

*Company Secretary*

ACS No.: 16250

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

## Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

(Pursuant to provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014)

### A. Conservation of Energy

#### I. Steps taken or impact on conservation of energy:

- i. Replaced CFL lamps with LED lamps at Kalwa offices and metal halide & mercury vapor lamps with LED lamps at various factory locations resulting in annual energy savings of 581.15 MWh.
- ii. Replaced existing 40 HP motor with Servo motor in injection molding machines, in Aurangabad factory resulting in energy savings of 161.28 MWh annually.
- iii. Installed capacitor bank in Gurgaon office resulting in energy savings of 91.40 MWh annually.
- iv. Installed voltage stabilizer with constant power supply for high bay mercury lamps to reduce voltage at Chennai factory resulting in annual energy savings of 77.00 MWh.
- v. Upgraded 33 Tonnage Refrigeration split ACs into Variable Refrigerant Volume units in Motor factory, Kalwa resulting in annual energy savings of 62.73 MWh.
- vi. Changed chiller running time during winter season, in Worli office resulting in energy savings of 20.70 MWh.
- vii. Implemented Just In Time for resin procurement based on the shop requirement with Zero storage option, in Motor factory Kalwa resulting in annual energy savings of 17.52 MWh.
- viii. Installed automatic sensors in paint booth for blowers and water pump, at Motor factory, Kalwa resulting in annual energy savings of 12.74 MWh.
- ix. Installed temperature sensor, looped with HVAC return air, in Pondicherry factory resulting in energy savings of 8.42 MWh annually.
- x. Provided auto switch for man coolers at Motor factory, Kalwa resulting in annual energy savings of 7.00 MWh.
- xi. Usage of solar water heater instead of electrical heater at Nashik factory resulting in annual energy savings of 2.70 MWh.
- xii. Provided separate switches for light fixtures in office area of Nashik factory resulting in energy savings of 2.22 MWh per annum.
- xiii. Installed solar tubes (solar pipes) in Aurangabad factory resulting in annual energy savings of 1.53 MWh.

#### II. Steps taken by the Company for utilizing alternate sources of energy:

- i. Utilization of natural daylight through 6 Solar tubes (solar pipes).
- ii. Usage of solar water heater instead of electrical water heater.

#### III. Capital investment on energy conservation equipments:

The Company made capital investments amounting to ₹ 60.58 million during the Financial Year 2015-16 on the energy conservation equipments.

### B. Technology Absorption

#### I. Efforts made towards technology absorption:

- i. Plant Engineering took up many old machines for retrofitting and technology up gradation.
- ii. Localization and roll out of Enhanced Platform steam turbine, initiated.
- iii. Monitoring of pressure using special sensors installed in mould cavities for ensuring improved and consistent quality of plastic parts.

## Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

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- iv. New fully automated set up for riveting of laminated high precision magnets installed for new generation of products.
- v. Automatic Magnet grinding line for high precision surface quality for new generation of products.
- vi. Integration of threading operation within the progressive stamping die for coil terminals.
- vii. Automated sensor based humming checking of new generation contactors.
- viii. Totally integrated automation for manufacturing and testing of new generation of contactors.
- ix. Fully automated setup for new generation coil manufacturing.
- x. Permanent magnetization system for Direct Current actuation in new generation products.
- xi. Localization of Zinc pressure die cast parts for consistent dimensional accuracy without machining operation.
- xii. Local development of Silver alloy profiles for new generation products.
- xiii. Laser welding of turbine rotor on journal area.
- xiv. High Velocity Oxide Film Coating / Non-Abradable Coating for compressor rotors.
- xv. Stress relieving of Turbine rotors in vertical position.
- xvi. Industrial Gas Turbine: Blade repairs and blade coating undertaken inhouse.
- xvii. Facility set up and know how transfer of Thyristor Valves for Static Var Compensator (SVC) (Upto 400kV), Configuration & testing of Control and protection system for SVC.
- xviii. Localisation of 11kV, 26.3 kA economic Vacuum Circuit Breaker (VCB), 31.5kA VCB including associated critical parts.
- xix. Testing of solder joints and other quality parameters of Printed Circuit Board Assembly (PCBA) of various Digital Grid Products.
- xx. Engineering documents (Cookbook) for Knowhow transfer, R&D workshops for shunt reactors, SVC transformers (Upto 765kV).
- xxi. Online Deflashing / Deburring of Dough Molding Compound (DMC) housing cover of Miniature Circuit Breaker (MCB).
- xxii. Vision Camera for MCB inspection.

### **II. Benefits derived as a result of the above efforts:**

- i. Enhanced product reliability and quality, and effective solutions.
- ii. Performing task in-house saved cost and time.
- iii. Energy efficient products.
- iv. Cost competitive solution with state-of-art technology.
- v. Lower CO<sub>2</sub> footprint, reduced startup time and longer life cycle cost.
- vi. Import substitution by local raw material development and personnel productivity by lean methodology.
- vii. Restoration to original dimensions and performance ensuring interchangeability / inventory management.
- viii. Increased market penetration through fulfilling qualification requirements.

### III. Imported Technology:

| Details of Technology Imported                                                                                                                                                                                                                       | Year of Import | Whether the technology been fully absorbed | If not fully absorbed, areas where this has not taken place, reasons therefor                                  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------|----------------------------------------------------------------------------------------------------------------|
| Motor Factory - Kalwa<br>2800 KW-8P, 6.6 KV motor in 630 frame for fan application<br>1400 KW - 4P, 6.6 KV motor in 450 frame with "X" type ventilation<br>3000 KW-2P, 11KV motor in 560 frame with antifriction bearings for compressor application | 2016           | Yes                                        | Not applicable                                                                                                 |
| Enhanced Platform (EP) steam turbine                                                                                                                                                                                                                 | 2016           | No                                         | Localization and learning on the new product line has started.                                                 |
| Switchgear Factory<br>Linear Taktomat with servo controlled conveyor for magnet production line<br>Servo press for riveting in AC as well as DC Magnet production line<br>Permanent magnetization set up for DC coil system                          | 2016           | No                                         | Under installation stage.                                                                                      |
| Components of Thyristor Valve Assemblies and their control & protection (Upto 400kV)                                                                                                                                                                 | 2016           | No                                         | Thyristor Components and Critical parts. Non absorption is due to a common, unified global foot print concept. |
| 170kV Circuit Breaker                                                                                                                                                                                                                                | 2015           | Yes                                        |                                                                                                                |
| 400kV Gas Insulated Switchgear                                                                                                                                                                                                                       | 2015           | Yes                                        |                                                                                                                |
| 145kV Gas Insulated Switchgear                                                                                                                                                                                                                       | 2015           | Yes                                        | Technology absorption will be decided based on global footprint roadmap developed.                             |
| Enclosure assemblies for Primary 36kV Gas Insulated Switchgear                                                                                                                                                                                       | 2016           | No                                         |                                                                                                                |
| Fixed & variable Shunt reactors (400kV)<br>Inner clamping design of Fixed Shunt reactors (500kV)<br>Static Var Compensator transformers (400kV & 765kV)                                                                                              | 2016           | Yes                                        | Not applicable                                                                                                 |
| Test technology and equipment                                                                                                                                                                                                                        | 2016           | Yes                                        | Not applicable                                                                                                 |

### IV. Expenditure incurred on Research and Development: ₹ 63 million.

#### C. Foreign exchange earnings and outgo

Foreign Exchange Earnings and Outgo during the Financial Year 2015-16:

(₹ In million)

|                                                    |           |
|----------------------------------------------------|-----------|
| Foreign Exchange earned in terms of actual inflows | 17,863.04 |
| Foreign Exchange outgo in terms of actual outflows | 41,988.31 |

On behalf of the Board of Directors

For **Siemens Limited**

**Deepak S. Parekh**

Chairman

DIN: 00009078

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

## Management's Discussion & Analysis

### General Performance Review

During financial year 2015-16, India's macro-economic environment remained subdued. Public sector capital expenditure was restricted to renewable energy, power transmission, highways and railways while private sector capital expenditure remained muted due to low capacity utilization.

During the financial year, GDP growth was at 7.1 percent compared to 7.5 percent in June 2015. The retail inflation rate stood at 4.1 percent during the financial year, which encouraged Reserve Bank of India to continue on the cycle of interest rate cuts initiated in the last financial year. Manufacturing growth measured in terms of capacity utilization also remained low at around 72 and 74 percent while the index of industrial production witnessed a sharp fall in growth year-on-year to -0.7 percent compared to a growth of 4.1 percent last year.

The Government has made commendable progress in its reform-oriented action since it came to power in 2014. Its range of investor-friendly measures on infrastructure, taxation, fuel prices and coal block allocations, amendments to electricity act, skill development have led to higher investor confidence. One of the major successes in this regard was the passage of the Goods and Services Tax bill by the Parliament and it is now imperative that this is formally introduced in the country at the earliest. For a sustained growth in the economy however, an increase in public sector spending and an increase in demand and consumption is critical and the Government will need to introduce measures to enable these.

During financial year 2015-16, New Orders were up by 20 percent at ₹ 121,199 million, compared with ₹ 101,322 million in financial year 2014-15. Sales (excluding Other Operating Revenues) were up by 3 percent to ₹ 105,442 million, compared with ₹ 102,831 million in financial year 2014-15, while Profit after Tax (PAT) was up by 144 percent at ₹ 28,880 million compared with ₹ 11,833 million in financial year 2014-15. During financial year 2015-16 the exceptional items stood at ₹ 29,923, compared with ₹ 7,828 in financial year 2014-15.

### Operational Performance

The Company's business is aligned into Divisions: Power and Gas, Energy Management, Mobility, Building Technologies, Digital Factory, and Process Industries & Drives. During the financial year, the Company completed the sale and transfer of its Healthcare undertaking, as a going concern on a slump sale basis, for a sale consideration of ₹ 30,500 million (Indian Rupees Thirty Thousand Five Hundred million), to Siemens Healthcare Private Limited, a subsidiary of Siemens AG. The Healthcare Undertaking contributed ₹ 12,708 million to the total income from operations of the Company up to June 30, 2016.

### POWER AND GAS

Power and Gas Division offers a broad spectrum of products and solutions for reliable, efficient and clean power for generation of electricity from fossil fuels and for the reliable generation of power for oil and gas as well as for industrial applications. Customers are Utilities, Independent Power producers and Engineering, Procurement and Construction (EPC) companies as well as businesses in industries such as oil and gas, sugar, cement, etc.

The Division continued to operate in challenging market conditions. Order growth in the Division was mainly driven by industrial (small) steam turbines, global value sourcing for energy solution projects and service-related projects.

For financial year 2015-16, the New Orders were up by 18 percent to ₹ 13,786 million, Sales down by 12 percent to ₹ 13,714 million, while Profit from Operations was ₹ 1,274 million compared to ₹ 1,945 million in the previous year.

### Outlook

The Company expects that under the '24x7 Power for All' and the "Make in India" initiatives of the Government as also in order to comply with the Cop 21 norms, the country will need to renovate, modernize or replace its existing Coal Fired Power Plants with Supercritical Technology. This is critical since many of the existing power plants are already reaching end of their lifecycle of 30 years.

### ENERGY MANAGEMENT

Energy Management Division is a supplier of products, systems, solutions and services for transmission and distribution of electrical energy. Its portfolio ranges from systems for low-voltage grids and distribution grids to solutions for smart grids and energy automation systems to power supply systems for industrial plants and high-voltage transmission systems. Its customers are Central Utilities, State Utilities, Private Transmission and Distribution System Operators and Industries.

During the financial year 2015-16, the market for Energy Management solutions remained competitive with capital expenditure by industrial and independent power producers yet to pick up. Among the key highlights in financial year 2015-16, the Division received an order from Power Grid Corporation of India Limited for 400 kV Synchronous Compensator (STATCOM) solutions and single-phase Autotransformers (the world's largest such order) worth around ₹ 5,700 million. It also won an order from Power Grid of Bangladesh Limited for switch yard equipment for 500 MW High Voltage Direct Current station worth around ₹ 2,170 million and an order for Gas Insulated Switchgear (GIS) solutions worth ₹ 1,130 million. In addition, the Company won orders for GIS solutions from Malaysia-based PSI International for GIS solutions (worth around ₹ 1,550 million) and West Bengal State Electricity Transmission Company Limited (worth

around ₹ 1,020 million). The Division also dispatched the largest-ever 'Made in India' single-phase GSU transformer for installation at NTPC's Kudgi Super Thermal Power Station in Bijapur, Karnataka during the financial year.

For financial year 2015-16, the New Orders were up by 43 percent to ₹ 44,331 million, Sales up by 9 percent to ₹ 32,063 million, while Profit from Operations was ₹ 2,324 million compared to ₹ 2,188 million in the previous year.

### Outlook

The Government's focus on upgrading the transmission grid by investing in technologies such as High Voltage Direct Current, Static Var Compensator, Synchronous Compensator, Air Insulated Switchgear and Gas Insulated Switchgear is expected to propel the market for Energy Management solutions. In addition, Smart Grid solutions are being increasingly considered as a solution to reduce aggregate technical and commercial power losses.

## BUILDING TECHNOLOGIES

Building Technologies Division provides solutions for safe, secure, energy-efficient and eco-friendly buildings and infrastructures. It has solutions for applications such as fire safety, security, building automation, heating, ventilation, air conditioning and energy management.

During the year, the Division managed to gain market share by winning customers in the IT/ITeS, BFSI (Banking, Financial Services and Insurance) and Life Sciences sectors.

Among the highlights during the financial year, Building Technologies Division set up a Smart Building Experience Centre at the Company's Kalwa Works to showcase technologies that make buildings safe, secure, comfortable and energy-efficient. The systems at the centre include Integrated Building Management Systems (IBMS), Fire Detection and Suppression, Access Control, and Intelligent Video Surveillance with analytics. The centre also has a dedicated training facility, offering courses on smart building technologies for customers, partners, students and employees.

For financial year 2015-16, the New Orders were up by 35 percent to ₹ 4,144 million, Sales up by 32 percent to ₹ 3,615 million, while Profit from Operations was ₹ 236 million compared to ₹ 229 million in the previous year.

### Outlook

The demand for Building Technologies solutions is expected to pick up driven by Government-led infrastructure projects (metros, airports, ports, railways and smart cities), growth in IT/ITeS and life sciences sectors. In addition, growth areas are seen in the emerging field of data centers and for energy efficiency solutions.

## MOBILITY

The Mobility Division supplies solutions for passenger and freight transportation, including rail vehicles, rail automation and rail electrification systems. Government initiatives such as transparent, decentralized procurement led to various metro rail projects and large locomotive projects being awarded.

The Division won separate orders from Indian Railways, Diesel Locomotive Works, for supply of traction motors for diesel electric locomotive and alternating current traction systems, worth ₹ 3,770 million and ₹ 830 million, respectively. The Company also entered into a Memorandum of Understanding with Gujarat International Finance Tec-City Company Limited and Infrastructure Leasing and Financial Services Limited to study, design and develop state-of-the-art Mobility solutions within GIFT City and between nodes connecting Ahmedabad and Gandhinagar in Gujarat.

For financial year 2015-16, New Orders were up by 19 percent to ₹ 11,268 million, Sales up by 13 percent to ₹ 10,925 million, while Profit from Operations was ₹ 666 million compared to ₹ 475 million in the previous year.

### Outlook

The outlook for Mobility Division is positive with the Indian Railways announcing a planned capital expenditure of ₹ 8.5 trillion for upgrade of the railway network and rolling stock and a strong pipeline of large railways projects. On the anvil are dedicated freight corridors, high speed rail and metro infrastructure. Tendering is expected to pick up further for electrification & signaling on several routes as also for new freight corridors.

## DIGITAL FACTORY

Digital Factory Division offers a comprehensive portfolio of software products and automation technologies for industrial applications covering the entire life cycle, from product design and production execution to after-sales services. Siemens helps its customers in the manufacturing sector enhance the flexibility and efficiency of their production processes, thereby boosting their competitiveness. These solutions are supplied to customers in various discrete industries, General Engineering segments and Original Equipment Manufacturers (OEMs) engaged in machine tools, printing, packaging and electrical panel manufacturing.

During the financial year 2015-16, Digital Factory Division witnessed order pick-up in the automotive and pharmaceutical sectors amid an overall sluggish capital expenditure environment in the private sector. The Division maintained steady growth amid continued lower capital expenditure by customers.

For financial year 2015-16, the New Orders were up by 12 percent to ₹ 17,971 million, Sales grew by 14 percent to ₹ 17,580 million, while Profit from Operations was ₹ 1,193 million compared to ₹ 1,267 million in the previous year.

# Management's Discussion & Analysis

### Outlook

The Digital Factory Division foresees demand to pick up driven by the increasing focus among customers on cost productivity and energy savings through retrofit and modernization of equipment. Manufacturing-led growth is expected to boost demand for factory automation, especially in green-field and brown-field projects in the automotive and food processing sectors. Private sector capital expenditure is expected to pick up only when existing capacities are utilized.

### PROCESS INDUSTRIES AND DRIVES

Process Industries and Drives Division offers a comprehensive portfolio for Industrial application and solutions in the field of Automation and Drives for process industries such as Chemical, Pharmaceuticals, Food and Beverages, Water and Waste Water, Cement, Mining, Oil & Gas, Paper and Marines. The business environment in which Process Industries and Drives Division operates is primarily driven by core sector industries.

During financial year 2015-16, these sectors grew moderately compared to financial year 2014-15. The Kalwa Motor Works under the Division entered its 50<sup>th</sup> year of operations, having been set up in 1966.

For financial year 2015-16, the New Orders were up by 10 percent to ₹ 15,270 million, Sales up by 4 percent to ₹ 15,019 million, while Profit from Operations was ₹ 926 million compared to ₹ 729 million in the previous year.

### Outlook

The Company expects growth in capacity utilization in cement and steel sectors from the infrastructure focus of the Government while productivity and energy efficiency is expected to drive higher demand for automation, drives and motors. Growth in the wind sector is also expected to boost demand further. However, increased process industry capacity utilization remains a critical factor for the revival of capital expenditure. As in the past year, Process Industries and Drives Division will continue its focus on increasing market share by introducing new products, extending reach, exploring new applications and enhancing focus on customer Intimacy.

### COMPLIANCE

During the financial year 2015-16, Siemens Ltd. continued to drive Siemens Integrity Initiatives to create awareness about 'corruption-free' business environment in association with various corporates and organizations culminating with the sharing of best practice at an event hosted by Confederation of Indian Industry on "Responsible Businesses are Profitable Businesses" during its 11<sup>th</sup> Sustainability Summit.

As part of the various compliance related trainings rolled out across the Company, 5,667 employees were trained on various aspects of compliance.

The Company has a 24/7 whistleblower hotline 'Tell Us' through which any compliance violations including potential cases can be notified. This is available for employees, Directors as well as external stakeholders. It is operated by a provider that is independent of Siemens to enable receipt of anonymous as well as protected information to be passed on without any bias. The Company continues to exhibit 'Zero Tolerance' towards any non-compliant behaviour.

(Details on compliance activities are included in the Business Responsibility Report available on [www.siemens.co.in](http://www.siemens.co.in)).

### RISK & INTERNAL CONTROL

The Management of Siemens Ltd. is responsible for establishing and maintaining adequate internal control over financial reporting. The internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with applicable accounting principles and includes those policies and procedures that:

- Pertain to the maintenance of records that in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Siemens Ltd's Management assessed the effectiveness of the Company's internal control over financial reporting as of September 30, 2016. As a result of the evaluation, the Management has concluded that the Company's internal control over financial reporting was effective as of September 30, 2016 with no significant deficiency.

During the year, Siemens Ltd actively participated in industry forums of Enterprise Risk Managers. Siemens Enterprise Risk Register captures key points related to the risks that could impact the businesses and ensures that adequate mitigation measures are put in place and monitored.

### SAFETY AND ENVIRONMENT

Siemens Ltd. is committed to a Zero Harm Culture (ZHC). During financial year 2015-16, the Company took various measures

aimed at constantly improving Environmental Protection, Health Management and Safety (EHS) performance, including workshops for business partners, vendors, contractors, knowledge exchange sessions for factory and project teams, and several communications activities across locations and project sites.

In its effort to ensure ZHC is practiced within the Company, the Board of Directors reviews the progress of the safety measures being undertaken at Siemens Ltd. In addition, the Company's Senior Management continuously monitored the EHS status to check whether the project sites, factories and offices are operating under safe conditions. Representatives of the Management made a number of project site visits. During these visits, observations for improvement, best practices along with corrective actions were communicated to the respective project teams. The Company strengthened its risk mitigation measures.

The Company organizes regular training on environment, health and safety to permanent employees, temporary staff and contractual labour. During the year, the Company conducted 22,435 hours of training for permanent employees and 19,269 hours of training for contract workforce. During the financial year 2015-16, 514 participants were imparted training on various aspects of Hazard Identification and implementation of Safety Controls at the Siemens Skill Centre for Occupational Safety. The hands-on training modules, under the Sitrust brand, are targeted mainly at Occupational Safety Practitioners, Project Managers, Construction Managers, Construction Site Supervisors, Safety Marshals and Site Engineers.

Among the highlights, Siemens Ltd was honored with the Safety Trophy by Power Grid Corporation of India Limited for the EHS measures implemented at its project site in Baghpat, Uttar Pradesh.

(Details on EHS activities are included in the Business Responsibility Report available on [www.siemens.co.in](http://www.siemens.co.in)).

## HUMAN RESOURCES

During the financial year 2015-16, the Company initiated various programs to retain talent, further develop competence and improve engagement with employees.

Among the programs is a structured Potential Development Program designed to identify and groom potential leaders within the Company. As part of the program, the Company has identified, across businesses high-potential performers. The Company also launched the Sales Capability Program and organized Top Account Management Workshops. A series of learning events across multiple locations was organized to further enhance learning agility among the employees.

The Company received the Healthy@Siemens label, a quality standard for sustainable health management. The Healthy@Siemens program seeks to improve local health management activities leading to healthy and motivated employees, reduced health related symptoms and healthier and more satisfied employees.

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

As of September 30, 2016, Siemens Limited had 9,580 employees compared to 10,168 as on September 30, 2015.

## OUTLOOK

The Management of Siemens Ltd. expects that in the year 2016-17 it will grow faster than the market. To a large extent, this will also depend on large project tenders being issued by the Government in the Power Generation, Transmission and Mobility segments of the business.

The Company sees opportunities for growth in areas that the Government is focusing on: Smart Cities, 24x7 Power for All, Make in India and Rail Vision 2030. With its 22 state-of-the-art factories, portfolio strengths in electrification, automation supported by digitalization and the consortium approach for Smart Cities, Siemens Ltd. is well-positioned to address the demands of both the public and private sectors.

**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 Limited**

**Deepak S. Parekh**  
Chairman  
DIN - 00009078

New Delhi  
Wednesday, 23<sup>rd</sup> November, 2016

## Annexure IV to Directors' Report

# Corporate Governance Report

[As per Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

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

A clearly structured and fully implemented corporate governance system is the Company's highest priority. Good corporate governance is the basis for decision-making and control processes and comprises responsible, value-based management and monitoring focused on long-term success, goal-orientation and respect for the interests of our stakeholders.

### II. Board of Directors

#### Composition

The Board of Directors (Board) currently comprises of 10 experts drawn from diverse fields / professions. The Board has an optimum combination of Executive and Non-executive Directors, which is in conformity with the requirement of Regulation 17 of LODR in this regard. The Chairman of the Board is a Non-executive and Independent Director. All Directors, except the Independent Directors, Managing Director and Special Director [Nominee Director of Siemens Aktiengesellschaft, ("Siemens AG")] are liable to retire by rotation.

There is no relationship between the Directors inter-se.

The Composition of the Board, Directorship / Committee positions in other companies as on 30<sup>th</sup> September, 2016, number of meetings held and attended during the Financial Year (FY) are as follows:

|    | Name                                                                          | Category <sup>(1)</sup> | Board Meetings during FY 2015-16 |          | Attendance at last Annual General Meeting (AGM) held on 29.01.2016 | Other Directorships in India <sup>(2)</sup> | Committee positions in India <sup>(3)</sup> |          |
|----|-------------------------------------------------------------------------------|-------------------------|----------------------------------|----------|--------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|----------|
|    |                                                                               |                         | Held                             | Attended |                                                                    |                                             | Member                                      | Chairman |
| 1  | Mr. Deepak S. Parekh (Chairman)                                               | NED (I)                 | 6                                | 6        | Yes                                                                | 12                                          | 2                                           | 2        |
| 2  | Mr. Darius C. Shroff                                                          | NED (I)                 | 6                                | 6        | Yes                                                                | 8                                           | 1                                           | 1        |
| 3  | Mr. Yezdi H. Malegam                                                          | NED (I)                 | 6                                | 6        | Yes                                                                | 5                                           | 1                                           | 2        |
| 4  | Mr. Keki B. Dadiseth                                                          | NED (I)                 | 6                                | 4        | Yes                                                                | 10                                          | 4                                           | 3        |
| 5  | Mr. Pradip V. Nayak <sup>(7)</sup> (Up to 31 <sup>st</sup> December, 2015)    | NED (I)                 | 2                                | 2        | N.A.                                                               | N.A.                                        | N.A.                                        | N.A.     |
| 6  | Mr. Sunil Mathur                                                              | WTD                     | 6                                | 6        | Yes                                                                | 2                                           | Nil                                         | Nil      |
| 7  | Dr. Roland Busch <sup>(4)(5)(6)</sup> (Nominee of Parent Company, Siemens AG) | NED                     | 5                                | 3        | Yes                                                                | Nil                                         | N.A.                                        | N.A.     |
| 8  | Mr. Joe Kaeser <sup>(4)(6)</sup>                                              | NED                     | 5                                | 2        | No                                                                 | Nil                                         | N.A.                                        | N.A.     |
| 9  | Mr. Johannes Aitzsch <sup>(4)(6)</sup>                                        | NED                     | 5                                | 5        | Yes                                                                | Nil                                         | N.A.                                        | N.A.     |
| 10 | Ms. Mariel von Schumann <sup>(4)(6)</sup>                                     | NED                     | 5                                | 2        | No                                                                 | Nil                                         | N.A.                                        | N.A.     |
| 11 | Mr. Christian Rummel                                                          | WTD                     | 6                                | 6        | Yes                                                                | Nil                                         | N.A.                                        | N.A.     |

Notes:

- (1) Category: WTD - Whole-time Director, NED – Non-executive Director, NED (I) – Non-executive Director and Independent.
- (2) Includes directorships in private limited companies and Section 8 (Not for profit) companies. None of the Directors of the Company hold directorships in more than 7 listed companies.
- (3) Includes only Audit Committee and Stakeholders Relationship Committee of public limited companies other than Siemens Limited. 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.
- (4) In the whole-time employment of parent company, Siemens AG.
- (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) As being Managing Board / Senior management member(s) of Siemens AG, did not participate in the meeting held on 4<sup>th</sup> March, 2016 as an agenda item of the meeting was to consider a proposed related party transaction with a subsidiary of Siemens AG.
- (7) Mr. Pradip V. Nayak ceased to be a Director of the Company with effect from 1<sup>st</sup> January, 2016. Details provided for the period for which Mr. Pradip V. Nayak held directorship of the Company during the Financial Year 2015 - 16.

## Board Meetings

During the Financial Year 2015-16, six Meetings were held on 17<sup>th</sup> October, 2015, 27<sup>th</sup> November, 2015, 29<sup>th</sup> January, 2016, 4<sup>th</sup> March, 2016, 6<sup>th</sup> May, 2016 and 4<sup>th</sup> August, 2016.

The gap between any two Meetings did not exceed 120 days. Further, the Company has adopted and adhered to the Secretarial Standards prescribed by The Institute of Company Secretaries of India (ICSI) and approved by the Central Government.

Agenda papers containing all necessary information / documents are made available to the Board / Committees in advance to enable the Board / Committees 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, subject to compliance with legal requirements. Considerable time is spent by the Directors on discussions and deliberations at the Board / Committee Meetings.

The information as specified in Schedule II of LODR is regularly made available to the Board, whenever applicable, for discussion and consideration.

## III. Committees of Directors

### A. Mandatory Committees

#### i. Audit Committee

##### Composition & Meetings

The Audit Committee comprises of experts specialising in accounting / financial management. The Audit Committee comprises of 4 members, all being Non-executive Directors with majority being Independent Directors and the Chairman of the Audit Committee is a Non-executive and Independent Director.

During the Financial Year 2015-16, the Committee met six times on 17<sup>th</sup> October, 2015, 27<sup>th</sup> November, 2015, 29<sup>th</sup> January, 2016, 4<sup>th</sup> March, 2016, 6<sup>th</sup> May, 2016 and 29<sup>th</sup> July, 2016. Details of the composition and attendance at the aforementioned Meetings are as follows:-

| Name                                 | From       | No. of meetings during FY 2015-16 |          |
|--------------------------------------|------------|-----------------------------------|----------|
|                                      |            | Held                              | Attended |
| Mr. Yezdi H. Malegam, Chairman       | 15.12.2000 | 6                                 | 6        |
| Mr. Deepak S. Parekh                 | 22.11.2004 | 6                                 | 6        |
| Mr. Keki B. Dadiseth                 | 01.02.2006 | 6                                 | 5        |
| Mr. Johannes Apitzsch <sup>(1)</sup> | 23.11.2013 | 5                                 | 5        |

Note:-

- (1) Mr. Apitzsch being Senior management member of Siemens AG did not participate in the meeting held on 4<sup>th</sup> March, 2016 as an agenda item of this meeting was to consider a proposed related party transaction with a subsidiary of Siemens AG.

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

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

##### Terms of reference

The terms of reference are briefly described below:

- 1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- 4) Recommending to the Board, the appointment and remuneration of Cost Auditor.
- 5) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

## Corporate Governance Report

[As per Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

- 6) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of the Companies Act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions; and
  - g. Qualifications in the draft audit report.
- 7) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- 8) Reviewing, with the management, performance of internal auditors, adequacy of the internal control systems.
- 9) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 10) Discussing with internal auditors any significant findings and follow up there-on.
- 11) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 12) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 13) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- 14) To review the functioning of the Whistle Blower mechanism.
- 15) To scrutinize inter-corporate loans and investments.
- 16) To review guidelines for investing surplus funds of the Company.
- 17) To review investment proposals before submission to the Board.
- 18) To review proposal for mergers, demergers, acquisitions, carve-outs, sale, transfer of business / real estate and its valuation report and fairness opinion, if any, thereof.
- 19) Approval or any subsequent modification of transactions of the Company with related parties.
- 20) To approve the valuation of undertakings or assets of the Company, wherever it is necessary.
- 21) To appoint valuers for the valuation of any property, stocks, shares, debentures, securities or goodwill or any other assets or net worth of a Company or liability of the Company under the provision of the Companies Act, 2013.
- 22) To ensure proper system of storage, retrieval, display, or printout of the electronic records.
- 23) To evaluate internal financial controls and risk managements systems.
- 24) Any other requirement in accordance with the applicable provisions of the LODR and / or the Companies Act, or any re-enactment, amendment or modification thereto from time to time.
- 25) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- 26) Carrying out such other function as may be delegated by the Board from time to time.
- 27) Review the following information:-
  - a. Management discussion and analysis of financial condition and results of operations;

- b. Statement of significant related party transactions, (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses;
- e. The appointment, removal and terms of remuneration of the chief internal auditor and
- f. The financial statements, in particular, the investments made by unlisted subsidiary companies.

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

The Chairman of the Audit Committee was present at the 58<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> January, 2016.

## ii. Stakeholders Relationship Committee

### Composition & Meetings

The Stakeholders Relationship Committee (SRC) comprises of 2 members. The Chairman of the Committee is a Non-executive and Independent Director.

During the Financial Year 2015-16, the Committee met twice on 13<sup>th</sup> July, 2016 and 30<sup>th</sup> September, 2016. The details of composition(\*) and attendance at the aforementioned Meetings are as follows:-

| Name                           | From       | No. of meetings during FY 2015-16 |          |
|--------------------------------|------------|-----------------------------------|----------|
|                                |            | Held                              | Attended |
| Mr. Darius C. Shroff, Chairman | 15.12.2000 | 2                                 | 2        |
| Mr. Sunil Mathur               | 01.01.2014 | 2                                 | 2        |

(\*) – Mr. Pradip V. Nayak ceased to be a Director of the Company with effect from 1<sup>st</sup> January, 2016. Accordingly, he also ceased to be a member of the SRC from the same date. No meetings of the SRC were held during the Financial Year 2015-16 while Mr. Nayak was a Director.

Mr. Ketan Thaker, Company Secretary, is the "Compliance Officer" pursuant to the requirements of LODR.

The SRC primarily considers and resolves grievances of the security holders of the Company and looks into the mechanism for addressing the same. It also suggests improvements to investor relations initiatives undertaken at the Company.

### Details of Investors' Complaints

The Company and TSR Darashaw Ltd., Registrar & Share Transfer Agent (TSRDL), 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, 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 2015-16 is given below:

| Nature of Complaints                               | Received | Cleared  | Pending  |
|----------------------------------------------------|----------|----------|----------|
| Non-receipt of Share Certificates duly transferred | -        | -        | -        |
| Non-receipt of dividend warrants                   | -        | -        | -        |
| Letters from SEBI / SCORES Site                    | 7        | 7        | -        |
| Letters from Stock Exchanges                       | 2        | 2        | -        |
| Letters from Depositories                          | -        | -        | -        |
| Letters from Ministry of Corporate Affairs         | -        | -        | -        |
| <b>Total</b>                                       | <b>9</b> | <b>9</b> | <b>-</b> |

# Corporate Governance Report

[As per Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

## iii. Nomination and Remuneration Committee

### Composition & Meetings

The Nomination and Remuneration Committee (NRC) comprises of 5 members, all being Non-executive Directors and majority being Independent Directors. The Chairman of the Committee is a Non-executive and Independent Director.

During the Financial Year 2015-16, the Committee met once on 27<sup>th</sup> November, 2015. The details of composition and attendance at the aforementioned Meeting is as follows:-

| Name                                                           | From       | No. of meetings during FY 2015-16 |          |
|----------------------------------------------------------------|------------|-----------------------------------|----------|
|                                                                |            | Held                              | Attended |
| Mr. Yezdi H. Malegam, Chairman                                 | 05.08.2015 | 1                                 | 1        |
| Mr. Darius C. Shroff                                           | 15.12.2000 | 1                                 | 1        |
| Mr. Deepak S. Parekh                                           | 01.10.2004 | 1                                 | 1        |
| Mr. Pradip V. Nayak<br>(up to 31 <sup>st</sup> December, 2015) | 23.07.2007 | 1                                 | 1        |
| Mr. Joe Kaeser                                                 | 01.02.2013 | 1                                 | Nil      |
| Ms. Mariel von Schumann                                        | 23.11.2013 | 1                                 | Nil      |

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

### Terms of Reference

Brief Terms of Reference of the NRC are as under:-

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

The Chairman of the NRC was present at the 58<sup>th</sup> Annual General Meeting of the Company held on 29<sup>th</sup> January, 2016.

### 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. The Board of Directors of the Company has, on the recommendation of the NRC, approved the policy for remuneration of whole-time Directors, Senior Management / Key Managerial Personnel and employees of the Company.

#### 1. For Whole-time Directors

The Board of Directors / the NRC 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 NRC 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 Director every year. The targets are also linked to the Company's targets. PLI is paid to the Whole-time Directors on achievement of the said targets. Commission is determined on the basis of the Net Profits of the Company in a particular Financial Year, subject to the overall ceiling as stipulated in Section 197 the Companies Act, 2013 ("Act").

Remuneration paid / payable to the Whole-time Directors for the Financial Year 2015-16 is as under:—

(Amount in ₹)

|                                                       | Mr. Sunil Mathur   | Mr. Christian Rummel |
|-------------------------------------------------------|--------------------|----------------------|
| Salary                                                | 14,954,595         | 9,926,148            |
| Allowances <sup>(1)</sup>                             | 18,041,619         | 12,690,627           |
| Perquisites                                           | 14,606,840         | 9,856,433            |
| Performance Linked Incentive                          | 50,511,375         | 24,188,042           |
| Contribution to Provident Fund and NPS*               | 3,290,012          | -                    |
| Compensation under Stock Option Plan(s) of Siemens AG | 9,386,798          | 1,202,312            |
| Commission                                            | -                  | -                    |
| <b>Total</b>                                          | <b>110,791,239</b> | <b>57,863,562</b>    |
| <b>Tenure</b>                                         |                    |                      |
| From                                                  | 22.07.2008         | 01.02.2014           |
| To                                                    | 31.12.2018         | 31.01.2018           |
| Shares of ₹ 2 each held as on 30.09.2016              | Nil                | Nil                  |

\* National Pension System

Notes:

- (1) Allowances includes Overseas Allowance in case of Mr. Rummel; and Special Allowance in case of Mr. Mathur.
- (2) The whole-time Directors are covered under the Company's gratuity, leave, medical and silver/golden jubilee schemes as applicable, along with the other employees of the Company. These liabilities are determined for all employees by an independent actuarial valuation. The specific amount for such benefits can't be ascertained separately and accordingly the same has not been included above.  
The Severance fees are payable to the Directors on termination of employment and Notice Period as per the rules of the Company.

## 2. For Non-executive Directors

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

### Sitting Fees

The Non-executive Directors are entitled to sitting fees of ₹ 50,000/- per meeting for attending all Board and Committee Meetings.

### Commission

The Members of the Company at the 57<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> January, 2015, had approved payment of Commission not exceeding 1% per annum of the Net Profits of the Company (computed in the manner provided in Section 198 of the Act or as may be prescribed by the Act or Rules framed there under from time to time) to the Non-executive Directors of the Company.

The actual amount of Commission payable to each Non-executive Director is decided by the Board, based on recommendation of NRC (excluding interested Directors) on the following criteria:

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

## Annexure IV to Directors' Report

# Corporate Governance Report

[As per Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

Remuneration paid / payable to the Independent Directors / Non-executive Directors<sup>(1)</sup> for the Financial Year 2015-16 is as under:

(Amount in ₹)

| Name                                | Sitting Fees*<br>for Board /<br>Committee<br>Meetings<br>attended | Commission <sup>*(2)</sup> | Total     | Number of<br>Equity Shares of<br>₹ 2 each held on<br>30.09.2016 |
|-------------------------------------|-------------------------------------------------------------------|----------------------------|-----------|-----------------------------------------------------------------|
| Mr. Deepak S. Parekh <sup>(3)</sup> | 11,50,000                                                         | 4,950,000                  | 6,100,000 | 9,000                                                           |
| Mr. Yezdi H. Malegam <sup>(3)</sup> | 10,50,000                                                         | 3,850,000                  | 4,900,000 | 8,000                                                           |
| Mr. Darius C. Shroff                | 6,50,000                                                          | 2,530,000                  | 3,180,000 | 9,000                                                           |
| Mr. Keki B. Dadiseth                | 6,50,000                                                          | 2,530,000                  | 3,180,000 | -                                                               |
| Mr. Pradip V. Nayak <sup>(4)</sup>  | 2,50,000                                                          | 632,500                    | 882,500   | -                                                               |

\* Exclusive of service tax.

Notes:

- (1) Mr. Joe Kaeser, Dr. Roland Busch, Mr. Johannes Apitzsch and Ms. Mariel von Schumann, Non – executive Directors, opted not to accept any Sitting Fees and Commission. They do not hold any Equity shares of the Company as on 30<sup>th</sup> September, 2016.
- (2) Subject to the approval of Audited Financial Statements for the Financial Year 2015-16 by the Members at the 59<sup>th</sup> Annual General Meeting to be held on 8<sup>th</sup> February, 2017.
- (3) Includes payment of sitting fees for attending the meetings of the adhoc committee of the Board of Directors that was constituted during the Financial Year 2015-16.
- (4) Details provided for the period for which Mr. Pradip V. Nayak held directorship of the Company during the Financial Year 2015-16. The commission has been determined on a pro-rata basis till the time Mr. Pradip Nayak was a member of the Board of Directors of the Company.

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

### iv. Risk Management Committee

#### Composition & Meetings

Pursuant to Regulation 21 of LODR the Company has constituted a Risk Management Committee (RMC).

The RMC comprises of 4 members, all being Non – executive Directors and majority being Independent Directors. The Chairman of the Committee is a Non-executive and Independent Director.

During the Financial Year 2015-16, the Committee met twice on 17<sup>th</sup> October, 2015 and 6<sup>th</sup> May, 2016. The details of composition and attendance at the aforementioned Meeting are as follows:-

| Name                           | From       | No. of meetings during FY 2015 – 16 |          |
|--------------------------------|------------|-------------------------------------|----------|
|                                |            | Held                                | Attended |
| Mr. Yezdi H. Malegam, Chairman | 01.10.2014 | 2                                   | 2        |
| Mr. Deepak S. Parekh           | 01.10.2014 | 2                                   | 2        |
| Mr. Keki B. Dadiseth           | 01.10.2014 | 2                                   | 1        |
| Mr. Johannes Apitzsch          | 01.10.2014 | 2                                   | 2        |

The Risk Management Committee is *inter-alia* responsible for risk identification, evaluation and mitigation and control process for such risks, over sight the Enterprise Risk Management System and internal control process; monitoring and reviewing risk management plan of the Company and reviewing the foreseeable trends that could significantly impact the Company's overall business objectives and mitigants thereof.

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

## B. Non-Mandatory Committees

### i. Corporate Social Responsibility Committee(\*)

#### Composition & Meetings

The Corporate Social Responsibility Committee (CSR) comprises of 4 members and the Chairman of the Committee is a Non-executive and Independent Director.

During the Financial Year 2015-16, the Committee met twice on 17<sup>th</sup> October, 2015 and 6<sup>th</sup> May, 2016. The details of composition and attendance at the aforementioned Meetings are as follows:-

| Name                           | From       | No. of meetings during FY 2015 - 16 |          |
|--------------------------------|------------|-------------------------------------|----------|
|                                |            | Held                                | Attended |
| Mr. Deepak S. Parekh, Chairman | 25.04.2014 | 2                                   | 2        |
| Mr. Sunil Mathur               | 25.04.2014 | 2                                   | 2        |
| Mr. Christian Rummel           | 25.04.2014 | 2                                   | 2        |
| Ms. Mariel von Schumann        | 25.04.2014 | 2                                   | 1        |

The Committee is primarily responsible for formulating and recommending to the Board a Corporate Social Responsibility (CSR) policy and reviews and monitors the CSR projects and expenditure undertaken by the Company on a regular basis.

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

(\*) – Constitution of CSR Committee is mandatory as per the Act.

### ii. Corporate Governance Committee

The Corporate Governance Committee (CGC) comprises of 8 members. The Chairman of the Committee is a Non-executive and Independent Director.

During the Financial Year 2015-16, the Committee met twice on 17<sup>th</sup> October, 2015 and 6<sup>th</sup> May, 2016. The details of composition and attendance at the aforementioned Meetings are as follows:-

| Name                           | From       | No. of meetings during FY 2015 - 16 |          |
|--------------------------------|------------|-------------------------------------|----------|
|                                |            | Held                                | Attended |
| Mr. Keki B. Dadiseth, Chairman | 01.06.2007 | 2                                   | 1        |
| Mr. Deepak S. Parekh           | 01.06.2007 | 2                                   | 2        |
| Mr. Yezdi H. Malegam           | 01.06.2007 | 2                                   | 2        |
| Mr. Darius C. Shroff           | 23.07.2007 | 2                                   | 2        |
| Mr. Joe Kaeser                 | 01.06.2007 | 2                                   | 1        |
| Dr. Roland Busch               | 10.08.2012 | 2                                   | 1        |
| Mr. Johannes Aitzsch           | 23.11.2013 | 2                                   | 2        |
| Mr. Sunil Mathur               | 01.01.2014 | 2                                   | 2        |

The Committee has been constituted, *inter-alia*, to consider, review and decide the matters relating to Corporate Governance as per the LODR and applicable Laws & Regulations and recommending best practices in the areas of Board Governance, Corporate Governance and disclosure policies.

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

### iii. Share Transfer Committee (STC)

The details of the composition of STC are as follows:-

| Name                       | From       |
|----------------------------|------------|
| Mr. Sunil Mathur, Chairman | 01.10.2008 |
| Mr. Christian Rummel       | 01.02.2014 |

# Corporate Governance Report

[As per Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

The STC approves cases of transfer and transmission, issue of share in exchange for sub-divided, consolidated, defaced shares etc., as approved by the authorised persons and issue of duplicate share certificates. It also notes and takes on record the transfer / transmission / transposition of shares and consolidation / splitting of folios, issue of share certificate. The STC also notes the dealings in Company's Shares by the designated employees under the Company's Code of Conduct for Prohibition of Insider Trading. During the Financial Year 2015-16, the Committee met thirteen times.

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

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

### i. Finance Committee (FC)

The details of the composition of FC are as follows:-

| Name                                 | From       |
|--------------------------------------|------------|
| Mr. Christian Rummel, Chairman       | 01.02.2014 |
| Mr. Sunil Mathur                     | 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. During the Financial Year 2015-16, the Committee met four times.

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

The details of the composition of DPC are as follows:-

| Name                                 | From       |
|--------------------------------------|------------|
| Mr. Sunil Mathur, Chairman           | 27.07.2008 |
| Mr. Christian Rummel                 | 01.02.2014 |
| Mr. Ketan Thaker, Member & Secretary | 02.08.2013 |

The DPC issues/revokes Power of Attorneys, grants authorization for various purposes etc. The DPC Meetings are held as and when required. During the Financial Year 2015-16, the Committee met twenty one times.

## IV. Separate Independent Directors' Meetings

Pursuant to requirements of the Act and Regulation 25 of LODR the Company's Independent Directors met twice during the financial year without the presence of Non-executive Directors, Executive Directors or Management to discuss the matters as laid out therein for such meetings. Further, interactions outside the Board meeting take place between the Chairman and Independent Directors on a regular basis.

## V. Subsidiary company

Siemens Rail Automation Private Limited (SRAPL) is a wholly owned subsidiary of the Company. SRAPL is a non-material, non listed subsidiary of the Company pursuant to Regulation 16 of LODR. The Company has in place the Policy on Material Subsidiary and the same is available on the website of the Company at <http://www.siemens.co.in/en/index/investor.htm>.

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

As required by Schedule II Part B of LODR, the CEO and CFO certification on the Financial Statements, the Cash Flow Statement and the Internal Control Systems for financial reporting has been obtained from Mr. Sunil Mathur (Managing Director and Chief Executive officer) and Mr. Christian Rummel (Executive Director and Chief Financial Officer).

## VII. Business Conduct Guidelines (BCGs)

The Company has adopted BCGs (including an addendum for Independent Directors incorporating the duties of the Independent Directors of the Company) as the Code of Conduct for Directors and Senior Management of the Company, as per the requirement of Regulation 17 of LODR. The Company has received confirmations from all Directors and Senior Management of the Company regarding compliance with the BCGs for the year ended 30<sup>th</sup> September, 2016 as applicable to them. A certificate from Mr. Sunil Mathur, Managing Director and

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Chief Executive Officer, to this effect, is enclosed to this Report. The BCGs can be viewed on the website of the Company at <http://www.siemens.co.in/en/index/investor/business-ethics.htm>.

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

The Company is committed to provide an open, honest and transparent working environment and seeks to eliminate fraudulent activities in its operations. To maintain high level of legal, ethical and moral standards and to provide a gateway for employees, directors as well as third parties to report unethical behaviour and actual or suspected frauds, the Company has adopted the Whistleblower Policy in line with Regulation 4 of LODR and also the Act. No personnel have been denied access to the Chairman of the Audit Committee and Chairman of the Board of Directors in exceptional circumstances.

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

#### **IX. Familiarisation programme for Independent Directors**

The Company familiarises its Independent Directors pursuant to the requirements of Regulation 25 of LODR with their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and business model of the Company etc. The details of the familiarisation programme for the Independent Directors of the Company are available on the website of the Company at <http://www.siemens.co.in/en/index/investor.htm>.

#### **X. Annual evaluation of Board, Committees and individual Directors**

Considering the Performance Evaluation Guidelines which was formulated by the Nomination and Remuneration Committee (NRC), the Board and NRC approved the framework for evaluating the performance, on an annual basis, of the Board, its Committees and each director including the Chairman of the Board of Directors.

Pursuant to the provisions of the Act, LODR and the Performance Evaluation Guidelines of the Company, the Board of Directors / Independent Directors / NRC (as applicable) has undertaken an evaluation of its own performance, the performance of its Committees and of all individual Directors including Independent Directors and the Chairman of the Board of Directors based on various parameters relating to attendance, roles, responsibilities and obligations of the Board, effectiveness of its functioning, contribution of Directors at meetings and the functioning of its Committees. The results of such evaluation are presented to the NRC, Independent Directors and the Board of Directors (as applicable).

#### **XI. Policy on dealing with Related Party Transactions**

In line with the requirements of the LODR, the Company has formulated a Policy on Related Party Transactions ("Policy") which is also available on Company's website at <http://www.siemens.co.in/en/index/investor.htm>. The objective of the Policy is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. The Audit Committee of the Company has granted omnibus approval for the Related Party Transactions (RPTs) which are of repetitive nature and / or entered in the ordinary course of business and are at arm's length. The Audit Committee also reviews all RPTs on quarterly basis in line with the omnibus approval granted by them.

Requisite approval has been obtained from the Members at 58<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> January, 2016 with respect to Material RPTs pursuant to the requirements of Regulation 23 of LODR. During the Financial Year 2015 – 16, the Members approved the sale and transfer of the Company's Healthcare Undertaking as a "going concern" and by way of a slump sale to Siemens Healthcare Private Limited (SHPL) with effect from 1<sup>st</sup> July, 2016 for a lumpsum consideration of ₹ 30,500 Million (Rupees Thirty Thousand Five Hundred Million). Approval of the Members is being sought for the other transactions with SHPL which were in ordinary course and at arm's length, details of which are more particularly mentioned in ensuing Annual General Meeting Notice which the Members are requested to refer and grant their approval.

#### **XII. Code of Conduct for Prohibition of Insider Trading**

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, *inter-alia*, adopted a Code of Conduct for Prohibition of Insider Trading (Code) duly approved by the Board of Directors of the Company. Mr. Ketan Thaker, Company Secretary, is the Compliance Officer for the purpose of this Code.

# Corporate Governance Report

[As per Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

## XIII. a. General Body Meetings

| Financial Year | Meeting and Venue                                                                                                                                                                   | Day, Date and Time                                    | Special Resolutions passed                                                                                                                      |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 2014-15        | <b>58<sup>th</sup> Annual General Meeting</b><br>Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021 | Friday, 29 <sup>th</sup> January, 2016<br>3.00 p.m.   | No special resolution was passed.                                                                                                               |
| 2013-14        | <b>57<sup>th</sup> Annual General Meeting</b><br>Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021 | Friday, 30 <sup>th</sup> January, 2015<br>3.00 p.m.   | Approving transactions with Siemens Aktiengesellschaft, Germany, Holding company of the Company pursuant to Clause 49 of the Listing Agreement. |
| 2012-13        | <b>56<sup>th</sup> Annual General Meeting</b><br>Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021 | Thursday, 30 <sup>th</sup> January, 2014<br>3.00 p.m. | No special resolution was passed.                                                                                                               |

- b. During the Financial Year 2015-16 there were no Special resolutions passed through Postal Ballot. Resolutions, if required, shall be passed by Postal Ballot during the Financial Year 2016-17, as per the prescribed procedure.

## XIV. Disclosures

- Transactions with related parties as per requirements of Accounting Standard 18, are disclosed in notes annexed to Audited Financial Statements and in Form AOC – 2 (as applicable) forming part of Directors' Report.
- The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives, etc. that may have a potential conflict with the interests of the Company at large.
- With regard to matters related to capital markets, 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.
- The Company has put in place the Whistle Blower Policy as per Regulation 4 of LODR and affirms that no person has been denied access to the Chairman of the Audit Committee and also the Chairman of the Board of Directors in exceptional circumstances.
- The Company has complied and disclosed all the mandatory corporate governance requirements under Regulation 17 to 27 and sub-regulation (2) of Regulation 46 of LODR and details of compliance with the discretionary requirements are given under point XVII mentioned below.
- Disclosures have also been received from the senior management relating to the financial and commercial transactions in which they or their relatives may have a personal interest. However, there were no such transactions during the Financial Year 2015-16 having potential conflict with the interests of the Company at large.
- The Company manages commodity and foreign exchange risk as per its policies. The Company uses forward contracts and options to manage foreign exchange risk and futures to manage commodity risk. The Company does not undertake any derivative transaction for pure trading in foreign exchange markets or for speculative purposes.

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## **XV. Means of Communication**

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

## **XVI. General Shareholder Information**

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

## **XVII. Compliance with Discretionary requirements**

- a. The Board: The Company does not maintain a separate office for the Non-executive Chairman. The Independent Directors have requisite qualification and experience to act as a Director on the Board.
- b. Shareholders' Rights: The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders on a half-yearly basis. Financial Results are also available on the website of the Company and of Stock Exchanges where the Equity shares of the Company are listed.
- c. Audit qualification: The Auditor's have expressed an unmodified opinion on the Financial Statements.
- d. Separate posts of Chairman and CEO – The Board of Directors of Siemens Limited has a Non-executive Chairman (Independent Director) i.e. Mr. Deepak S. Parekh and Mr. Sunil Mathur is the Managing Director and Chief Executive Officer of the Company.
- e. Reporting of Internal Auditor – The Company has outsourced the Internal Audit function to Controlling and Finance-Audit (CFA), the Global audit department of Siemens AG a part of which is housed in Siemens Technology and Services Private Limited, India. CFA acts as the Internal Auditor of the Company pursuant to Section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014. The Internal audit plan is approved by the Audit Committee and the Internal Auditors directly present their report to the Audit Committee for their consideration.

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

New Delhi  
Wednesday, 23<sup>rd</sup> November, 2016

## Annexure IV to Directors' Report

# Corporate Governance Report

[As per Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR")]

### Declaration by the Managing Director under Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding compliance with Business Conduct Guidelines (Code of Conduct)

In accordance with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 30<sup>th</sup> September, 2016.

For **Siemens Limited**

**Sunil Mathur**

**Managing Director and Chief Executive Officer**

DIN: 002261944

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

### Certification by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) under Schedule IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Siemens Limited

Dear Sirs,

- a) We have reviewed the financial statements and the cash flow of Siemens Ltd. ('the Company') for the year ended 30<sup>th</sup> September, 2016 and to the best of our knowledge and belief:
  - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into between the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
  - i) Significant changes in the internal control over financial reporting during the year;
  - ii) Significant changes in accounting policies during the year and that the same have been disclosed suitably in the notes to the financial statements;
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Yours truly

**Christian Rummel**

**Executive Director and Chief Financial Officer**

DIN: 01992982

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

**Sunil Mathur**

**Managing Director and Chief Executive Officer**

DIN: 002261944

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## AUDITORS' CERTIFICATE

To  
The Members of Siemens Limited

We have examined the compliance of conditions of corporate governance by Siemens Limited for the year ended on September 30, 2016 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) pursuant to the Listing Agreement of the said Company with stock exchange(s).

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 provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) pursuant to the Listing Agreement of the said Company with stock exchange(s).

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 B C & CO LLP**  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003

**per Vikram Mehta**  
Partner  
Membership No.:105938  
Place: Mumbai  
Date: 23<sup>rd</sup> November, 2016

## Annexure V to the Directors' Report

# General Shareholder Information

[As required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

### I. 59<sup>th</sup> Annual General Meeting

|                                                                         |                                                                                                                                             |
|-------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Day, date and time</b>                                               | Wednesday, 8 <sup>th</sup> February, 2017 at 3.00 p.m.                                                                                      |
| <b>Venue</b>                                                            | Yashwantrao Chavan Pratishthan Auditorium,<br>Y. B. Chavan Centre,<br>General Jagannathrao Bhonsle Marg,<br>Nariman Point, Mumbai – 400 021 |
| <b>Dates of closure of Register of Members and share transfer books</b> | Thursday, 2 <sup>nd</sup> February, 2017 to Wednesday, 8 <sup>th</sup> February, 2017<br>(both days inclusive)                              |
| <b>Dividend payment date (if declared)</b>                              | Monday, 13 <sup>th</sup> February, 2017 onwards                                                                                             |

### II. Financial Year / Calendar

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

For the Financial Year 2016-17, Financial Results will be announced as per the following tentative schedule:

|                                                                |                               |
|----------------------------------------------------------------|-------------------------------|
| 1 <sup>st</sup> quarter ending 31 <sup>st</sup> December, 2016 | Second week of February, 2017 |
| 2 <sup>nd</sup> quarter ending 31 <sup>st</sup> March, 2017    | Second week of May, 2017      |
| 3 <sup>rd</sup> quarter ending 30 <sup>th</sup> June, 2017     | Second week of August, 2017   |
| Year ending 30 <sup>th</sup> September, 2017                   | Fourth week of November, 2017 |

### III. 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)                 | National Stock Exchange of India Ltd. (NSE)                    |
| Phiroze Jeejeebhoy Towers      | Exchange Plaza, Plot No. C/1                                   |
| Dalal Street, Mumbai - 400 001 | G Block, Bandra-Kurla Complex,<br>Bandra (E), Mumbai - 400 051 |

The Company has paid the listing fees for the Financial Year 2015-16 to the aforesaid Stock Exchanges.

The Company forms part of "CNX 100", "CNX Infra", "CNX MNC", "S&P BSE 100", "S&P BSE Capital Goods" and "S&P BSE Power Index" indices of NSE and BSE respectively. 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 500.

### IV. 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 |

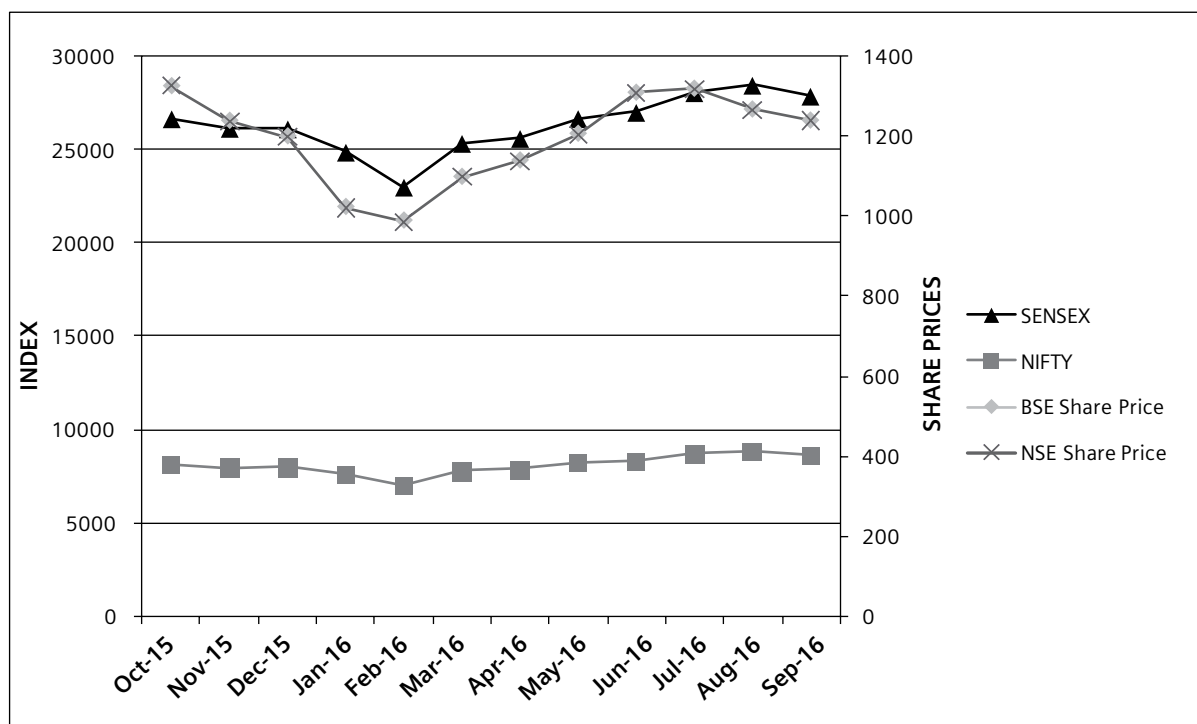
## V. Market Price Data

- (1) The market price and volume of the Company's Equity Shares traded on BSE and NSE during each month of the last Financial Year from 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2016 is as follows:

Face Value of ₹ 2 each

|                | NSE      |          |           | BSE      |          |         |
|----------------|----------|----------|-----------|----------|----------|---------|
|                | High     | Low      | Volume    | High     | Low      | Volume  |
|                | ₹        | ₹        | Nos.      | ₹        | ₹        | Nos.    |
| October 2015   | 1,396.40 | 1,317.55 | 4,630,687 | 1,395.00 | 1,316.00 | 408,830 |
| November 2015  | 1,359.60 | 1,202.00 | 3,948,118 | 1,359.20 | 1,201.95 | 433,183 |
| December 2015  | 1,250.05 | 1,121.10 | 5,287,174 | 1,249.40 | 1,120.10 | 910,965 |
| January 2016   | 1,225.65 | 968.60   | 5,398,175 | 1,225.90 | 969.00   | 706,593 |
| February 2016  | 1,092.00 | 970.00   | 6,037,543 | 1,067.00 | 970.00   | 671,762 |
| March 2016     | 1,106.95 | 990.00   | 5,874,922 | 1,105.05 | 990.00   | 534,756 |
| April 2016     | 1,198.87 | 1,091.00 | 3,836,320 | 1,198.50 | 1,094.25 | 432,143 |
| May 2016       | 1,236.00 | 1,120.10 | 7,080,303 | 1,235.00 | 1,120.00 | 666,386 |
| June 2016      | 1,320.00 | 1,194.20 | 6,183,120 | 1,320.00 | 1,197.25 | 574,019 |
| July 2016      | 1,356.00 | 1,272.00 | 4,466,879 | 1,355.40 | 1,271.05 | 416,571 |
| August 2016    | 1,353.00 | 1,235.90 | 4,664,609 | 1,349.80 | 1,234.00 | 445,494 |
| September 2016 | 1,319.00 | 1,202.15 | 4,447,505 | 1,318.00 | 1,210.00 | 354,129 |

- (2) The Company's closing share price movement during the Financial Year 2015-16 on BSE and NSE vis-à-vis respective indices:



## Annexure V to the Directors' Report

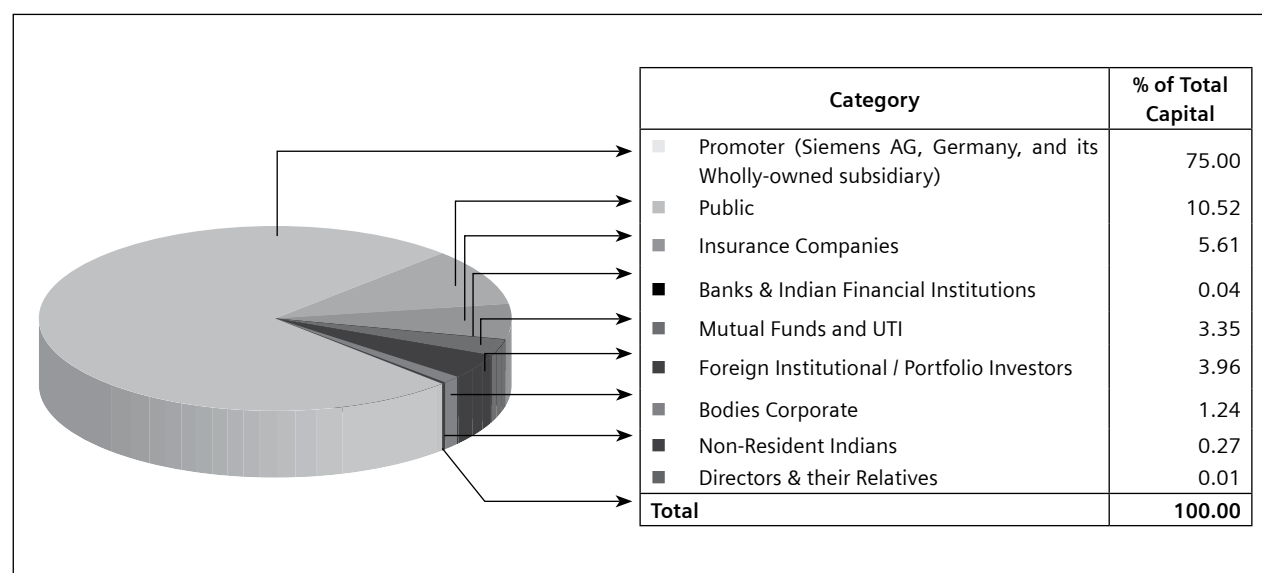
# General Shareholder Information

[As required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

### VI. Distribution of Shareholding as on 30<sup>th</sup> September, 2016

| NUMBER OF EQUITY SHARES HELD<br>(Face Value ₹ 2 each) | Shareholders   |               | Shares             |               |
|-------------------------------------------------------|----------------|---------------|--------------------|---------------|
|                                                       | Number         | % of total    | Number             | % of total    |
| 1-500                                                 | 104,384        | 89.28         | 6,394,675          | 1.79          |
| 501-1000                                              | 5,003          | 4.28          | 3,838,073          | 1.08          |
| 1001-2000                                             | 3,410          | 2.92          | 5,072,990          | 1.42          |
| 2001-3000                                             | 1,554          | 1.33          | 3,914,098          | 1.10          |
| 3001-4000                                             | 913            | 0.78          | 3,238,558          | 0.91          |
| 4001-5000                                             | 401            | 0.34          | 1,843,717          | 0.52          |
| 5001-10000                                            | 690            | 0.59          | 4,846,169          | 1.36          |
| 10001 & above                                         | 564            | 0.48          | 326,971,975        | 91.82         |
| <b>Total</b>                                          | <b>116,919</b> | <b>100.00</b> | <b>356,120,255</b> | <b>100.00</b> |

### VII. Shareholders' Profile as on 30<sup>th</sup> September, 2016 –



| No. of shareholders as on 30 <sup>th</sup> September | 2016    | 2015    |
|------------------------------------------------------|---------|---------|
|                                                      | 116,919 | 117,641 |

### VIII. Top Ten Shareholders of the Company as on 30<sup>th</sup> September, 2016

| Sr. No.      | Name of the Shareholder <sup>(1)</sup>             | Category                       | Number of Shares of ₹ 2 each | % of total Capital |
|--------------|----------------------------------------------------|--------------------------------|------------------------------|--------------------|
| 1            | Siemens Aktiengesellschaft, Germany <sup>(2)</sup> | Promoter                       | 267,089,913                  | 75.00              |
| 2            | Life Insurance Corporation of India                | Insurance Company              | 17,527,365                   | 4.92               |
| 3            | HDFC Trustee Company Limited                       | Mutual Fund                    | 5,843,554                    | 1.64               |
| 4            | Reliance Capital Trustee Company Limited           | Mutual Fund                    | 2,963,414                    | 0.83               |
| 5            | Bharat Bijlee Limited                              | Body Corporate                 | 2,138,160                    | 0.60               |
| 6            | General Insurance Corporation of India             | Insurance Company              | 1,600,000                    | 0.45               |
| 7            | Vanguard Emerging Markets Stock Index Fund         | Foreign Institutional Investor | 1,428,974                    | 0.40               |
| 8            | HDFC Standard Life Insurance Company Limited       | Body Corporate                 | 1,313,914                    | 0.37               |
| 9            | Abu Dhabi Investment Authority                     | Foreign Institutional Investor | 1,229,958                    | 0.35               |
| 10           | Axis Mutual Fund Trustee Limited                   | Mutual Fund                    | 1,221,599                    | 0.34               |
| <b>Total</b> |                                                    |                                | <b>302,356,851</b>           | <b>84.90</b>       |

#### Notes:-

- (1) Clubbing of records are panwise
- (2) Including 3.30% Shares held by Siemens Metals Technologies Vermögensverwaltungs GmbH, a Wholly-owned subsidiary of Siemens Aktiengesellschaft, Germany

### IX. Dematerialisation of Shares & Liquidity

The details of Equity Shares dematerialised and those held in physical form as on 30<sup>th</sup> September, 2016 are given hereunder:

| Particulars of Equity Shares | Equity Shares of ₹ 2 each |               | Shareholders   |               |
|------------------------------|---------------------------|---------------|----------------|---------------|
|                              | Number                    | % of total    | Number         | % of total    |
| Dematerialized form          |                           |               |                |               |
| NSDL(*)                      | 347,706,893               | 97.64         | 82,017         | 70.15         |
| CDSL                         | 4,679,723                 | 1.31          | 28,654         | 24.51         |
| <b>Sub-total</b>             | <b>352,386,616</b>        | <b>98.95</b>  | <b>110,671</b> | <b>94.66</b>  |
| Physical Form                | 3,733,639                 | 1.05          | 6,248          | 5.34          |
| <b>Total</b>                 | <b>356,120,255</b>        | <b>100.00</b> | <b>116,919</b> | <b>100.00</b> |

\* including 75.00% holding of Siemens AG, Germany and its Wholly-owned subsidiary, i.e. Siemens Metals Technologies Vermögensverwaltungs GmbH.

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

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

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

The Company has not issued any such securities.

### XI. Commodity Price Risk / Foreign Exchange Currency Risk and Commodity Hedging activities

The disclosure on Commodity Price Risk / Foreign Exchange Currency Risk and Commodity Hedging activities undertaken by the Company is reported under 'Corporate Governance Report' forming part as Annexure IV of the Directors' Report.

## Annexure V to the Directors' Report

### General Shareholder Information

[As required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

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

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

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

| Location   | Address                                                                                                                                                                                                                                                                                                                                                                                              |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mumbai     | 6-10, Haji Moosa Patrawala Industrial Estate, 20 Dr. E Moses Road, Nr. Famous Studio, Mahalaxmi, Mumbai – 400 011<br>Time: 10 a.m. to 3.30 p.m. (Monday to Friday)<br>Phone: +91 (22) 6656 8484 Extn :- 411/ 412/ 413<br>Fax: +91 (22) 6656 8494 Email: <a href="mailto:csg-unit@tsrdarashaw.com">csg-unit@tsrdarashaw.com</a> Website: <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a> |
| Kolkata    | Tata Centre 1 <sup>st</sup> Floor, 43, Jawaharlal Nehru Road, Kolkata – 700 071<br>Time: 10 a.m. to 3.30 p.m. (Monday to Friday)<br>Phone: +91 (33) 2288 3087 Fax: +91 (33) 2288 3062<br>Email: <a href="mailto:tsrdlcal@tsrdarashaw.com">tsrdlcal@tsrdarashaw.com</a>                                                                                                                               |
| Ahmedabad  | Shah Consultancy Services Limited<br>Agents : TSR Darashaw Limited<br>3, Sumatinath Complex, 2 <sup>nd</sup> Dhal, Pritam Nagar, Akhada Road, Ellisbridge, Ahmedabad – 380 006<br>Time: 10 a.m. to 3.30 p.m. (Monday to Friday)<br>Phone: +91 (79) 2657 6038 Email: <a href="mailto:shahconsultancy8154@gmail.com">shahconsultancy8154@gmail.com</a>                                                 |
| Bengaluru  | 503 Barton Centre, 5 <sup>th</sup> Floor, 84, M G Road, Bengaluru – 560 001<br>Time: 10 a.m. to 3.30 p.m. (Monday to Friday)<br>Phone: +91 (80) 2532 0321 Fax: +91 (80) 2558 0019<br>Email: <a href="mailto:tsrdlbang@tsrdarashaw.com">tsrdlbang@tsrdarashaw.com</a>                                                                                                                                 |
| New Delhi  | Plot no. 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi – 110 002<br>Time: 10 a.m. to 3.30 p.m. (Monday to Friday)<br>Phone: +91 (11) 2327 1805 Fax: +91 (11) 2327 1802<br>Email: <a href="mailto:tsrdldel@tsrdarashaw.com">tsrdldel@tsrdarashaw.com</a>                                                                                                                                        |
| Jamshedpur | Bungalow No. 1, "E" Road, Northern Town, Bistupur, Jamshedpur – 831 001<br>Time: 10 a.m. to 3.30 p.m. (Monday to Friday)<br>Phone: +91 (657) 242 6616 Email: <a href="mailto:tsrdljrs@tsrdarashaw.com">tsrdljrs@tsrdarashaw.com</a>                                                                                                                                                                  |

#### XIII. Share Transfer System

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

#### XIV. Plant Locations

| Location    | Address                                                                                             |
|-------------|-----------------------------------------------------------------------------------------------------|
| Maharashtra | 1. E-76, Waluj, MIDC Area, Aurangabad – 431 136                                                     |
|             | 2. Plot No – A 1/2, Five Star MIDC Industrial Area, Shendra, Aurangabad – 431 201                   |
|             | 3. Plot No. C-1, Additional Industrial Area, MIDC, Ambad, Nashik - 422 010                          |
|             | 4. Thane - Belapur Road, Airoli Node, Navi Mumbai - 400 708                                         |
| Goa         | 1. L-6, Verna Industrial Estate, Verna - Salcete, Goa – 403 722                                     |
|             | 2. N73 & N74, Verna Industrial Estate, Verna - Salcete, Goa – 403 722                               |
| Gujarat     | R.S. No: 144, Opp. Makarpura Rly. Station, Maneja, Vadodara – 390 013                               |
| Telangana   | Plot No. 89 & 90, IDA, Gandhinagar, Post Balanagar, Hyderabad – 500 037                             |
| Karnataka   | 97/2, Devanahalli Road, Off Old Madras Road, Virgo Nagar, Bengaluru - 560 049                       |
| West Bengal | Nimpura Industrial Growth Centre, PO: Rakha Jungle, Paschim, Midnapur, Kharagpur – 721 301          |
| Puducherry  | 1. Unit -I, R.S No 16/8, Kurumbapet Village, Villianur Commune, Puducherry – 605 009                |
|             | 2. Unit -II, R.S No 23/2A, Uruvaiyaru Road, Abishegapakkam, Puducherry - 605 007                    |
| Haryana     | Plot No. 37, Ground Floor, Sector-18, Huda, Gurugram – 122 015                                      |
| Tamilnadu   | 309/2, A Block 100, Chettipedu Village, Thandalam Post, Sriperumbudur Taluk, Kancheepuram - 602 105 |

#### XV. Address for correspondence

Registered and Corporate Office:

Siemens Limited

130, Pandurang Budhkar Marg

Worli, Mumbai - 400 018, India

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

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

Investor Relations Team:

Contact Person: Mr. Vinayak Deshpande

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

Phone: +91 (22) 3967 7000 Fax: +91 (22) 3967 7562

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

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

##### Designated email address for investor services

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

#### XVI. 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 B C & CO LLP

##### Secretarial Auditors

Parikh Parekh & Associates

##### Cost Auditors

R. Nanabhoy & Co.

## Annexure V to the Directors' Report

# General Shareholder Information

[As required by Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR)]

### XVII. Unclaimed Shares

Pursuant to Schedule V of LODR the details of equity shares held in 'Unclaimed Suspense Account' are as follows-

| Sr. No. | Particulars                                                                                                                               | Details |
|---------|-------------------------------------------------------------------------------------------------------------------------------------------|---------|
| 1.      | Aggregate number of shareholders lying in the unclaimed suspense account at the beginning of the Financial Year 2015-16                   | 1,557   |
| 2.      | Aggregate number of the outstanding equity shares lying in the unclaimed Suspense account at the beginning of the Financial Year 2015-16  | 257,319 |
| 3.      | Number of shareholder who approached the Company for transfer of shares from unclaimed suspense account during the Financial Year 2015-16 | 8*      |
| 4.      | Number of shareholders to whom shares were transferred from unclaimed suspense account during the Financial Year 2015-16                  | 8       |
| 5.      | Number of shares transferred from unclaimed suspense account during the Financial Year 2015-16                                            | 1,630   |
| 6.      | Aggregate number of shareholders in the unclaimed suspense Account lying at the end of Financial Year 2015-16                             | 1,549   |
| 7.      | Aggregate number of outstanding equity shares in the unclaimed suspense Account lying at the end of Financial Year 2015-16                | 255,689 |

\* Considering valid applications only.

The voting rights on such shares shall remain frozen until the rightful owner claims the Equity shares.

All corporate benefits on such shares viz. Bonus shares, split of shares etc. shall be credited to the unclaimed suspense account, as applicable for a period of seven years and thereafter be transferred in accordance with the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) read with Section 124(5) and Section 124(6) of the Companies Act, 2013.

### XVIII. Recommendations to the Investors / Shareholders

- Open a demat account and dematerialize your shares since it helps in immediate transfer of shares without payment of stamp duty.
- Provide a National Electronic Clearance System (NECS) / National Automated Clearing House (NACH) mandate to the Company in case of shares held in physical form and ensure that correct and updated particulars of bank account are available with Depository Participant (DP) in case of shares held in dematerialized form.
- It has been observed by the Company that many of its members have not opted for nomination to the shares held by them and in case of demise of a shareholder without nomination; the lengthy and costly process of Transmission of shares has to be followed. Thus, members who have not yet provided their nomination are requested to do so at an early date by filling and submitting the nomination forms (to the Company / TSRDL – for physical shares; to DP – for dematerialized shares).
- Obtain valid Share Transfer Deed / Documents relating to purchase / sale of shares.
- Transfer of shares prior to book closure / record date will be eligible for corporate benefits.
- Deal only through SEBI registered intermediaries.
- Give clear and unambiguous instructions to your broker / sub-broker / DP.
- Keep copies of all your investment documentation i.e. Share transfer deed, Share Certificate etc.
- Send share certificates, cheques, demand drafts etc. through registered post or courier.
- Keep address / contact details / phone nos. and email ids updated at all times.
- 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.

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- 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. Update Know your Client (KYC) details with your DP.
- n. The unclaimed dividend for the Financial Year 2008-09 and all subsequent years must be claimed as early as possible failing which it would be transferred to IEPF. The Company has uploaded the prescribed information on [www.iepf.gov.in](http://www.iepf.gov.in) and [www.siemens.co.in](http://www.siemens.co.in).

For further details please refer the notes to the Annual General Meeting notice.

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

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

On behalf of the Board of Directors

For **Siemens Limited**

**Deepak S. Parekh**

Chairman

DIN: 00009078

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

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

## Corporate Social Responsibility Report

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**1. Brief outline of Company's Corporate Social Responsibility Policy, overview of proposed projects or programs and a reference to the web-link to the CSR policy, projects and programs**

At Siemens we wish to sustainably improve living conditions for as many people as possible, worldwide. The Company works towards that goal with business activities that address the **challenges of our time** such as Demographic change, Urbanization, Climate Change, Globalization and Digitalization. **Our mission is to make real what matters** in the way we electrify, automate and digitalize the world around us. **Ingenuity drives us and what we create is for society**. Our **company-wide Corporate Citizenship framework** forms a **part** of the **Sustainability & Citizenship priority area**. The Company considers it as its economic, environmental and social responsibility to foster sustainable local development as well as add value to the local economy in which it operates. The Company derives its sustainability initiatives from these challenges. These initiatives, generally known as Corporate Social Responsibility (CSR), are referred to as Corporate Citizenship in Siemens. The Corporate Citizenship strategy is in line with the Company's goal to address the three dimensions of Sustainability i.e. Economic, Environment and Social. Hence, the strategy focuses on: Education & Science, Social, and Environment. The strategy aims to address the challenges and needs that communities face by leveraging the Company's competencies and solutions. It is oriented towards the National development agenda, UN Sustainable Development Goals and UN Global Compact principles.

The focus topics for Corporate Citizenship are:

- a. Promotion of Science and Technical Education and Skill Development
- b. Support to Universities
- c. Enhancing living conditions through provision of Water, Healthcare, Sanitation, Education, Energy, Livelihood, etc.
- d. Primary Healthcare and Health Education
- e. Combating climate change through:
  - i. Reduction of emission of green house gases
  - ii. Reuse and recycle
- f. Disaster Relief

CSR initiatives undertaken by the Company during the year are as follows:

**a. Support to Universities**

**• Siemens Scholarship Program**

The Siemens Scholarship Program endeavours to support and promote technical education. Launched in 2013, it supports engineering education amongst meritorious less privileged students so as to make them 'industry ready'. The scholarship consists of tuition fees and holistic development of the students through soft skills workshops, technical and functional trainings.

From 2013-2016, the program covers 130 students across 34 colleges and 19 States. 80 Students have completed their internships at Siemens India in 10 locations. The students got hands on experience in technical knowledge in varied projects such as gear box design, mechanical assembly, product quality and inspection, gas filling station, etc during the internships. In addition to technical skills, functional skills such as quality, manufacturing processes, environment and safety and finance were incorporated for learning during the internships. The Batch I students also attended the Siemens Mechatronics System Certification Program. Soft skills workshops on communications skills, time management, presentation skills, goal setting, etc are conducted to develop students holistically. 80% of the Students from the Batch I have been offered placements in reputed companies.

**b. Promoting Science and Technical Education and Skill Development**

**• Upgrading Government Industrial Training Institutes (ITI)**

Under the aegis of promoting science & technical education and skill development, upgradation of Government Industrial Training Institutes (ITIs) initiative has been driven. The initiative aims to make Industry-ready technician. The ITI upgradation program is closely aligned with the government's holistic vision of Skill India and Make In India. Siemens India's ITI Upgradation project involved providing technologies such as Programmable Logic Controller, Switchgear, Industrial Drives and Motors, Process Instrumentation kits, CAD/CAM software to the Government ITIs. Siemens also supports the ITIs through technical expertise in the form

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of train-the-trainers, training material as well as maintenance of the equipments provided. This upgradation targets 4000 trainees currently undergoing training in these ITIs. The ITIs have been identified based on the proximity to Siemens major locations, trades in the ITIs and competencies available with Siemens.

Over the last two years, 21 ITIs in Maharashtra, Karnataka, Haryana, Gujarat, Delhi and Goa were assessed. 5 ITIs in Maharashtra, 3 ITIs in Karnataka, 3 ITIs and 1 ITC in Gujarat and 2 ITIs in Delhi have been upgraded. Several 'Train the Trainers' programs have been conducted and around 100 Instructors have benefited out of it till date.

- **Educational support to Destitute Children**

The project consists of holistic development program covering educational sponsorship till the students complete their X<sup>th</sup> standard of destitute children of Welfare Society for Destitute Children, Bandra. The children are also supported with career counseling so that the right assessment is conducted for their secondary and further education.

**c. Enhancing living conditions**

- **Project Asha**

Project Asha aims at sustainable integrated rural development using inclusive technology for improving living conditions. The project focused on improving lives in 17 villages of Mokhada, Palghar in Maharashtra through interventions in education, healthcare, sanitation, water conservation, energy, livelihood and governance. The Project is implemented by AROEHAN - field action project of Nirmala Niketan Institute, College of Social Work with CTARA-IITB as technology partner.

With acute unavailability of drinking water this year, the project focused on watershed development for making drinking water available and water for irrigation. Four river bunds were constructed which has increased water retention in wells & water storage for year round irrigation. Earlier the community relied on Paddy and Ragi crops, which was for mere family consumption. With the availability of water, vegetable cultivation in Kharif season is introduced. 40 acres of arable land is bought under irrigation, more than 100 acres of land will be bought under irrigation in next 6 months. Simple Membrane water filters are installed in 5 villages which helps provide potable water.

Additionally, Siemens has installed 5 HP and 3 HP off grid solar powered pumping solutions in 5 villages. Irrigation pumps with Siemens Sinamics AC drives and Energy Efficient Motors are used. Capacity building of farmers on improved farming techniques, consultation and agricultural support is done on a continuous basis. There has been 51% rise in income and 66% reduction in migration.

The needs assessments showed that the women from Mokhada block had to go to Nashik or Dahanu during their pregnancy for periodic health checkups as there was no ultra sound machine in the closest rural hospital. Siemens installed ACUSON X300 PE – Siemens ultrasound machine in Rural Hospital, Jawhar to aid the Reproductive and Child Health Program. This installation caters to more than 500,000 population residing in four blocks of Palghar district namely Mokhada, Jawhar, Vikramgad and Wada, thereby helping expecting mother to avoid travelling to Nashik for periodic checkups. There has been 70% increase in accessing health delivery system and 73% of the adolescent girls are aware on health and its related schemes. Health awareness sessions amongst women and young adolescent girls have achieved successful passing of resolution against child marriage and alcoholism in the Gramsabhas.

**d. Primary Healthcare Support and Health Education**

- **Sanjeevan Mobile Clinics**

Universal access to equitable, affordable, quality healthcare continues to be a challenge in the country. Sanjeevan Mobile Clinic fitted with Siemens' healthcare equipment is a key enabler for making primary healthcare accessible and affordable in underserved, vulnerable communities. Siemens commissioned custom-built Sanjeevan Mobile Clinics in Madhepura, Bihar and in Kalyan-Dombivali region on the outskirts of Mumbai. The objective is twofold: instilling health seeking behavior and improving health indicators of the community. The Mobile Clinics are aligned with the National Health Mission's (NHM) vision of enabling universal access to affordable, quality healthcare. The Clinics are also aligned with the NHM's goal to deliver a comprehensive package of Reproductive, Maternal, Newborn, Child Health, and Adolescent (RMNCH + A) services, Communicable Disease Control and Non Communicable Diseases programmes.

## Corporate Social Responsibility Report

Siemens along with its implementing partners NGOs Smile Foundation in Madhepura, Bihar and SNEHA (Society for Nutrition, Education and Health Action) in Kalyan-Dombivali, Maharashtra is improving access to preventive, promotive and curative primary healthcare services in unreached informal settlements. The target population consist of 90,000 individuals of 10 villages in Madhepura and 77,000 in 7 slums in Kalyan-Dombivali.

The Sanjeevan Mobile Clinics conducts regular health camps, special camps and diagnostics services throughout the year in partnership with District Hospitals and Municipal Corporations. Besides this, there are awareness programs on health and hygiene at schools and community on preventing diseases and improving health seeking behaviour. There is an increase in communities accessing of Maternal and Child Health services. The project has achieved 67% increase in institutional deliveries and 100% immunization. The project also supported formation of statutory Village Health, Nutrition and Sanitation Committees (VHNSC) in 10 villages of Madhepura and Mahila Arogya Samiti (MAS) in Kalyan – Dombivali to strengthen community governance of health and sanitation in the communities.

**e. Disaster Relief**

**• Drought Mitigation project**

Siemens has established a long term commitment with ActionAid Association to support severely drought affected areas since 2013 in Badnapur taluka, Aurangabad division. The project covers strengthening of existing water harvesting structures in 5 villages. Owing to this, water storage has increased for 164 acres of land, more than 60 wells have been recharged, increased potable water and water for livestock. Watershed development activities have increased production of crops and water holding capacity of the land covering 8000 population. Capacity building of famers with improved and effective farming techniques has increased crop production. The entire interventions have helped the crops sustain even during severe drought.

Additionally, trainings are conducted for the Panchayats to increase the knowledge and awareness on governance, public distribution system, watershed program to facilitate the access to basic entitlements during drought conditions.

**• Disaster Relief – Chennai Relief and Rehabilitation**

Siemens has always reached out to communities affected by natural calamities. Siemens responded to the communities affected during the Tamil Nadu floods by providing immediate relief through ActionAid Association at Chennai. Siemens' employees participated in this relief efforts and conducted needs assessment of the damage caused by the floods of the vulnerable communities consisting of fisherfolks, tribals, single women households, urban poor and homeless living at the edge of the Coovam river belt in Chennai. Siemens and its employees also executed rehabilitation project on repairing of shelter and livelihood support to sustainably improve the living conditions of the affected communities.

**f. Greenhouse Gases**

**• Social Forestry**

Social Forestry Programme was initiated under Project Asha in Mokhada, Palghar District. 13000 saplings planted under Social Forestry in 2 Gram Panchayats Suryamal and Kevnale which has improved soil moisture. Eight different types of fruit saplings viz: Mango, Cashewnuts, Guava, Jackfruit, Chikoo, Lemon, Drumsticks, Bamboo and Berry were planted.

Similar project was initiated in five villages of Aurangabad Division. A total of 4000 plants were planted across five villages in three Gram Panchayats.

**More details on the CSR Policy and projects are available on the Company's website as per the link given below:**

<http://www.siemens.co.in/about-us/sustainability/corporate-citizenship.htm>.

**2. Composition of CSR Committee:**

- |    |                         |          |
|----|-------------------------|----------|
| a. | Mr. Deepak S. Parekh    | Chairman |
| b. | Mr. Sunil Mathur        | Member   |
| c. | Mr. Christian Rummel    | Member   |
| d. | Ms. Mariel von Schumann | Member   |

**3. Average net profits of the Company for last three financial years: ₹ 52,387.93 Lakhs**

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹ 1,047.76 Lakhs**

## 5. Details of CSR spent during FY 2015-16:

- Total amount spent for the financial year: ₹ 714.10 Lakhs
- Amount unspent, if any: ₹ 333.66 Lakhs
- Manner in which the amount spent during the financial year is detailed below:

₹ in lakhs

| Sr. No. | CSR project or activity identified                                   | Sector in which the Project is covered                                                         | Project or Programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken | Amount Outlay (budget) project or programs wise | Amount spent on the projects or programs Sub-heads: (1) Direct Expenditure on projects or programs (2)Overheads | Cumulative Expenditure upto the reporting period (as on 30.09.2016) | Amount spent: Direct or through Implementing agency |
|---------|----------------------------------------------------------------------|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------|
| 1       | Project Asha                                                         | Eradication of hunger, poverty Rural Development project Ensuring environmental sustainability | 17 Villages of Mokhada, Palghar District in Maharashtra                                                                   | 275.20                                          | 153.47                                                                                                          | 275.20                                                              | Direct 6.5 Implementing Agency 146.97               |
| 2       | Upgradation of Government Industrial Training Institutes             | Promotion of education                                                                         | Maharashtra, Gujarat, Karnataka and Delhi                                                                                 | 271.03                                          | 103.81                                                                                                          | 271.03                                                              | Direct 103.8                                        |
| 5       | Siemens Scholarship Program                                          | Promotion of education                                                                         | Pan India                                                                                                                 | 381.42                                          | 252.29                                                                                                          | 381.42                                                              | Direct 6.5 Implementing agency 245.8                |
| 7       | Education support to destitute children                              | Promotion of education                                                                         | Mumbai                                                                                                                    | 10.98                                           | 2.94                                                                                                            | 10.98                                                               | Implementing agency 2.9                             |
| 8       | Sanjeevan Mobile Clinics                                             | Promoting healthcare including preventive healthcare                                           | Madhepura in Bihar and Kalyan-Dombivli in Maharashtra                                                                     | 263.80                                          | 77.15                                                                                                           | 263.80                                                              | Direct 2.1 Implementing agency 75.1                 |
| 9       | Drought mitigation                                                   | Ensuring environment sustainability                                                            | 5 villages of Aurangabad Division in Maharashtra                                                                          | 59.97                                           | 25.25                                                                                                           | 59.97                                                               | Implementing agency 25.2                            |
| 11      | Construction of School Toilets under Swacch Bharat                   | Promoting sanitation                                                                           | Government schools of Gaya and Purnea Districts of Bihar                                                                  | 58.09                                           | 19.88                                                                                                           | 58.09                                                               | Direct 19.8                                         |
| 12      | Disaster Relief                                                      | Eradicating poverty, promoting healthcare and sanitation                                       | -Affected Communities at Coovam River belt, Chennai - Catastrophe Contribution                                            | 78.24                                           | 45.3                                                                                                            | 78.24                                                               | Implementing agency 45.3                            |
|         | <b>Sub total</b>                                                     |                                                                                                |                                                                                                                           | <b>1,398.72</b>                                 | <b>680.09</b>                                                                                                   | <b>1,398.72</b>                                                     |                                                     |
|         | Administrative overheads (restricted to 5% of total CSR expenditure) |                                                                                                |                                                                                                                           |                                                 | 34.00                                                                                                           |                                                                     |                                                     |
|         | <b>Total</b>                                                         |                                                                                                |                                                                                                                           | <b>1,398.72</b>                                 | <b>714.10</b>                                                                                                   | <b>1,398.72</b>                                                     |                                                     |

\* Details of implementing agencies:

## Corporate Social Responsibility Report

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AROEHAN, field action project of Nirmala Niketan College of Social Work, SNEHA (Society for Nutrition, Education and Health Action), Smile Foundation, Welfare Society for Destitute Children, ActionAid Association and Oxfam India. The Company also partnered with several State Directorates for Vocational Training and Government ITIs (Industrial Training Institutes) for upgrading government ITIs.

**6. Reasons for not spending the amount specified in 5 (b) above:**

The Company has plans in systematic scaling up the above-mentioned activities in a structured and controlled manner to ensure maximum impact. Consequently, the Company is confident of meeting the objectives as mentioned in Section 135 of the Companies Act, 2013 in the forthcoming years.

**7. The CSR Committee affirms that the implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.**

On behalf of the Board of Directors

For **Siemens Limited**

**Deepak Parekh**

Chairman of CSR Committee  
DIN: 00009078

**Sunil Mathur**

Managing Director and Chief Executive Officer  
DIN: 02261944

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

## Annexure VII to the Directors' Report

# Statement of Disclosure of Remuneration

Pursuant to Section 197 of the Act and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended)

- i. **Ratio of the remuneration of each Whole-time Director to the median remuneration of the employees of the Company for the financial year 2015-16, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2015-16.**

| Sr. No. | Name of Director / Key Managerial Personnel | Designation                                    | Ratio of remuneration of each Director to median remuneration of employees | Percentage increase in Remuneration# |
|---------|---------------------------------------------|------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------|
| 1.      | Mr. Sunil Mathur                            | Managing Director and Chief Executive Officer  | 72:1                                                                       | 12.00                                |
| 2.      | Mr. Christian Rummel                        | Executive Director and Chief Financial Officer | 41:1                                                                       | 9.50                                 |
| 3.      | Mr. Ketan Thaker                            | Company Secretary                              | Not applicable                                                             | 14.00                                |

# with effect from 1<sup>st</sup> January, 2016

Notes:

- (a) The Independent Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the Members. Other Non-executive Directors of the Company have opted not to accept any sitting fees and commission. The details of remuneration of Non-executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-executive Directors Remuneration is therefore not considered for the above purpose.
- (b) Percentage increase in remuneration indicates annual target total compensation increases, as approved by the Nomination and Remuneration Committee of the Company during the financial year 2015-16.
- ii. The percentage increase in the median remuneration of employees for the financial year was 10%.
- iii. The Company had 9,580 permanent employees on the rolls of Company as on 30<sup>th</sup> September 2016.
- iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was 10% whereas the increase in the managerial remuneration was 10.75%. The average increases every year is an outcome of Company's market competitiveness as against its peer group companies. In keeping with the Company's ward philosophy and benchmarking results, the increases this year reflect the market practice.
- v. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

New Delhi  
Wednesday, 23<sup>rd</sup> November, 2016

# Annexure VIII to the Directors' Report

## Form No. MGT-9

[Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended)]

### Extract of Annual Return

As on financial year ended on 30<sup>th</sup> September, 2016

#### I. REGISTRATION AND OTHER DETAILS:

| Sr. No. | Particulars                                                               | Details                                                                                                                                                                                                                                                                                                                                                |
|---------|---------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.      | CIN                                                                       | L28920MH1957PLC010839                                                                                                                                                                                                                                                                                                                                  |
| 2.      | Registration Date                                                         | 2 <sup>nd</sup> March, 1957                                                                                                                                                                                                                                                                                                                            |
| 3.      | Name of the Company                                                       | Siemens Limited                                                                                                                                                                                                                                                                                                                                        |
| 4.      | Category / Sub-Category of the Company                                    | Company having Share Capital                                                                                                                                                                                                                                                                                                                           |
| 5.      | Address of the Registered Office and contact details                      | 130, Pandurang Budhkar Marg,<br>Worli, Mumbai – 400018<br>Contact:- +91 (22) 3967 7000<br>Fax:- +91 (22) 3967 7500<br>Website: <a href="http://www.siemens.co.in">www.siemens.co.in</a><br>E-mail: <a href="mailto:Corporate-Secretariat.in@siemens.com">Corporate-Secretariat.in@siemens.com</a>                                                      |
| 6.      | Whether listed company                                                    | Yes                                                                                                                                                                                                                                                                                                                                                    |
| 7.      | Name, Address and Contact details of Registrar and Transfer Agent, if any | TSR Darashaw Limited<br>6-10, Haji Moosa Patrawala Industrial Estate,<br>20, Dr. E. Moses Road, Mahalaxmi,<br>Mumbai – 400011<br>Contact:- +91 (22) 66178411 – 13<br>Fax: +91 (22) 6656 8494<br>Website: <a href="http://www.tsrdarashaw.com">www.tsrdarashaw.com</a><br>Email: <a href="mailto:csg-unit@tsrdarashaw.com">csg-unit@tsrdarashaw.com</a> |

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

| Sr. No. | Name and Description of main products / services                                                            | NIC Code of the Product / service | % to total turnover of the Company |
|---------|-------------------------------------------------------------------------------------------------------------|-----------------------------------|------------------------------------|
| 1.      | Manufacture of electric motors, generators, transformers and electricity distribution and control apparatus | 271                               | 40.97                              |
| 2.      | Manufacturing of electric signaling, safety or traffic-control equipment                                    | 279                               | 16.59                              |
| 3.      | Manufacture of general purpose machinery                                                                    | 281                               | 14.81                              |
| 4.      | Manufacture of irradiation, electromedical and electrotherapeutic equipment*                                | 266                               | 11.83*                             |

\* Included since Healthcare undertaking was part of Siemens Limited for reporting period as the same was carved out in July 2016.

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| Sr. No. | Name and Address of the Company                                                                  | CIN/GLN               | Holding/ Subsidiary/ Associate | % of Shares Held | Applicable section |
|---------|--------------------------------------------------------------------------------------------------|-----------------------|--------------------------------|------------------|--------------------|
| 1.      | Siemens Aktiengesellschaft ("Siemens AG")<br>Wittelsbacherplatz 2<br>80312 Munich, Germany       | Not Applicable        | Holding                        | 75 <sup>#</sup>  | 2(46)              |
| 2.      | Siemens Rail Automation Private Limited<br>130, Pandurang Budhkar Marg,<br>Worli, Mumbai- 400018 | U31200MH2003PTC259831 | Subsidiary                     | 100              | 2(87)              |

<sup>#</sup> including 3.30% shares held by Siemens Metals Technologies Vermögensverwaltungs GmbH, wholly owned subsidiary of Siemens AG, Germany.

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

##### i) CATEGORY-WISE SHARE HOLDING

| Sr. No    | Category of Shareholders                                                           | No. of Shares held at the beginning of the year |                  |                    |                   | No. of Shares held at the end of the year |                  |                    |                   | % Change during the year |
|-----------|------------------------------------------------------------------------------------|-------------------------------------------------|------------------|--------------------|-------------------|-------------------------------------------|------------------|--------------------|-------------------|--------------------------|
|           |                                                                                    | Demat                                           | Physical         | Total              | % of Total Shares | Demat                                     | Physical         | Total              | % of Total Shares |                          |
| <b>A)</b> | <b>Promoters</b>                                                                   |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| <b>1)</b> | <b>Indian</b>                                                                      |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| a)        | Individual/ HUF                                                                    | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| b)        | Central Govt.                                                                      | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| c)        | State Govt.(s)                                                                     | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| d)        | Bodies Corporate                                                                   | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| e)        | Banks / Financial Institutions                                                     | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
|           | <b>Sub Total (A1)</b>                                                              | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| <b>2)</b> | <b>Foreign</b>                                                                     |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| a)        | NRIs - Individuals                                                                 | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| b)        | Other – Individuals                                                                | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| c)        | Bodies Corporate                                                                   | 267,089,913                                     | 0                | 267,089,913        | 75.00             | 267,089,913                               | 0                | 267,089,913        | 75.00             | 0.00                     |
| d)        | Banks / Financial Institutions                                                     | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
|           | <b>Sub Total (A2)</b>                                                              | 267,089,913                                     | 0                | 267,089,913        | 75.00             | 267,089,913                               | 0                | 267,089,913        | 75.00             | 0.00                     |
|           | <b>Total Shareholding of Promoter [A=A1+A2]</b>                                    | 267,089,913                                     | 0                | 267,089,913        | 75.00             | 267,089,913                               | 0                | 267,089,913        | 75.00             | 0.00                     |
| <b>B)</b> | <b>Public Shareholding</b>                                                         |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| <b>1)</b> | <b>Institutions</b>                                                                |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| a)        | Mutual Funds                                                                       | 11,981,544                                      | 3,500            | 11,985,044         | 3.37              | 11,103,872                                | 3,500            | 11,107,372         | 3.12              | (0.25)                   |
| b)        | Banks / Financial Institutions                                                     | 136,584                                         | 20,660           | 157,244            | 0.04              | 225,761                                   | 20,660           | 246,421            | 0.07              | 0.03                     |
| c)        | Central Govt. / State Govt.(s)                                                     | 250                                             | 0                | 250                | 0.00              | 250                                       | 0                | 250                | 0.00              | 0.00                     |
| d)        | Venture Capital Funds                                                              | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| e)        | Insurance Companies                                                                | 20,601,031                                      | 2,000            | 20,603,031         | 5.79              | 21,438,834                                | 2,000            | 21,440,834         | 6.02              | 0.24                     |
| f)        | Foreign Institutional/Portfolio Investors                                          | 13,141,544                                      | 1,500            | 13,143,044         | 3.69              | 9,003,699                                 | 1,500            | 9,005,199          | 2.53              | (1.16)                   |
| g)        | Foreign Venture Capital Funds                                                      | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| h)        | Foreign Portfolio Investors (Corporate)                                            | 3,900,080                                       | 0                | 3,900,080          | 1.10              | 8,632,681                                 | 0                | 8,632,681          | 2.42              | 1.33                     |
|           | <b>Sub Total (B1)</b>                                                              | <b>49,761,033</b>                               | <b>27,660</b>    | <b>49,788,693</b>  | <b>13.98</b>      | <b>50,405,097</b>                         | <b>27,660</b>    | <b>50,432,757</b>  | <b>14.16</b>      | <b>0.18</b>              |
| <b>2)</b> | <b>Non-Institutions</b>                                                            |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| a)        | Bodies Corporate                                                                   |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| i)        | Indian                                                                             | 4,126,742                                       | 119,492          | 4,246,234          | 1.19              | 4,103,280                                 | 122,292          | 4,225,572          | 1.19              | (0.01)                   |
| ii)       | Overseas                                                                           | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| b)        | Individuals                                                                        |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| i)        | Individual shareholders holding <b>nominal</b> share capital upto ₹ 1 lakh         | 28,768,926                                      | 3,731,246        | 32,500,172         | 9.13              | 29,171,153                                | 3,565,662        | 32,736,815         | 9.19              | 0.07                     |
| ii)       | Individual shareholders holding nominal share capital <b>in excess</b> of ₹ 1 lakh | 1,256,799                                       | 77,490           | 1,334,289          | 0.37              | 339,937                                   | 0                | 339,937            | 0.10              | (0.28)                   |
| <b>c)</b> | <b>Others</b>                                                                      |                                                 |                  |                    |                   |                                           |                  |                    |                   |                          |
| i)        | Trusts                                                                             | 157,110                                         | 0                | 157,110            | 0.04              | 229,758                                   | 0                | 229,758            | 0.06              | 0.02                     |
| ii)       | Non Resident Indians                                                               | 956,079                                         | 21,765           | 977,844            | 0.27              | 1,021,478                                 | 18,025           | 1,039,503          | 0.29              | 0.02                     |
| iii)      | Directors                                                                          | 26,000                                          | 0                | 26,000             | 0.01              | 26,000                                    | 0                | 26,000             | 0.01              | 0.00                     |
|           | <b>Sub Total (B2)</b>                                                              | <b>35,291,656</b>                               | <b>3,949,993</b> | <b>39,241,649</b>  | <b>11.02</b>      | <b>34,891,606</b>                         | <b>3,705,979</b> | <b>38,597,585</b>  | <b>10.84</b>      | <b>(0.18)</b>            |
|           | <b>Total Public Shareholding [B=B1+B2]</b>                                         | <b>85,052,689</b>                               | <b>39,77,653</b> | <b>89,030,342</b>  | <b>25.00</b>      | <b>85,296,703</b>                         | <b>3,733,639</b> | <b>89,030,342</b>  | <b>25.00</b>      | <b>0.00</b>              |
| <b>C)</b> | <b>Shares held by Custodian for GDRs &amp; ADRs</b>                                | 0                                               | 0                | 0                  | 0.00              | 0                                         | 0                | 0                  | 0.00              | 0.00                     |
| <b>D)</b> | <b>Grand Total (A+B+C)</b>                                                         | <b>352,142,602</b>                              | <b>3,977,653</b> | <b>356,120,255</b> | <b>100.00</b>     | <b>352,386,616</b>                        | <b>3,733,639</b> | <b>356,120,255</b> | <b>100.00</b>     | <b>0.00</b>              |

## Annexure VIII to the Directors' Report

### Form No. MGT-9

[Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended)]

#### ii) SHAREHOLDING OF PROMOTERS:

| Sr. No. | Shareholder's Name                                    | Shareholding at the beginning of the year |                                  |                                                  | Shareholding at the end of the year |                                  |                                                  | % change in share holding during the year |
|---------|-------------------------------------------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------------|
|         |                                                       | No. of Shares                             | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the Company | % of Shares Pledged / encumbered to total shares |                                           |
| 1       | Siemens Aktiengesellschaft, Germany                   | 255,351,805                               | 71.70                            | 0.00                                             | 255,351,805                         | 71.70                            | 0.00                                             | 0.00                                      |
| 2       | Siemens Metals Technologies Vermögensverwaltungs GmbH | 11,738,108                                | 3.30                             | 0.00                                             | 11,738,108                          | 3.30                             | 0.00                                             | 0.00                                      |
|         | <b>TOTAL</b>                                          | <b>267,089,913</b>                        | <b>75.00</b>                     | <b>0.00</b>                                      | <b>267,089,913</b>                  | <b>75.00</b>                     | <b>0.00</b>                                      | <b>0.00</b>                               |

#### iii) CHANGE IN PROMOTERS' SHAREHOLDING:

There were no changes in the promoter's shareholding during the Financial Year 2015-16.

#### iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

| Sr. No. | Name of the Shareholder             | Date        | Remarks                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|-------------------------------------|-------------|------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                     |             |                              | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
| 1.      | Life Insurance Corporation of India |             |                              |                                           |                                  |                                         |                                  |
|         |                                     | 01-Oct-2015 | At the beginning of the year | 15,890,216                                | 4.46                             |                                         |                                  |
|         |                                     | 02-Oct-2015 | Purchase                     | 6,565                                     | 0.00                             | 15,896,781                              | 4.46                             |
|         |                                     | 09-Oct-2015 | Purchase                     | 1,141                                     | 0.00                             | 15,897,922                              | 4.46                             |
|         |                                     | 11-Dec-2015 | Purchase                     | 299,740                                   | 0.08                             | 16,197,662                              | 4.55                             |
|         |                                     | 18-Dec-2015 | Purchase                     | 468,457                                   | 0.13                             | 16,666,119                              | 4.68                             |
|         |                                     | 25-Dec-2015 | Purchase                     | 85,176                                    | 0.02                             | 16,751,295                              | 4.70                             |
|         |                                     | 31-Dec-2015 | Purchase                     | 37,678                                    | 0.01                             | 16,788,973                              | 4.71                             |
|         |                                     | 12-Aug-2016 | Sale                         | (62,800)                                  | (0.02)                           | 16,726,173                              | 4.70                             |
|         |                                     | 09-Sep-2016 | Purchase                     | 41,067                                    | 0.01                             | 16,767,240                              | 4.71                             |
|         |                                     | 16-Sep-2016 | Purchase                     | 327,794                                   | 0.09                             | 17,095,034                              | 4.80                             |
|         |                                     | 23-Sep-2016 | Purchase                     | 193,562                                   | 0.05                             | 17,288,596                              | 4.85                             |
|         |                                     | 30-Sep-2016 | Purchase                     | 238,769                                   | 0.07                             | 17,527,365                              | 4.92                             |
|         |                                     | 30-Sep-2016 | At the end of the year       |                                           |                                  | 17,527,365                              | 4.92                             |
| 2.      | HDFC Trustee Company Limited        |             |                              |                                           |                                  |                                         |                                  |
|         |                                     | 01-Oct-2015 | At the beginning of the year | 5,333,704                                 | 1.50                             |                                         |                                  |
|         |                                     | 09-Oct-2015 | Sale                         | (750)                                     | 0.00                             | 5,332,954                               | 1.50                             |
|         |                                     | 09-Oct-2015 | Purchase                     | 44,000                                    | 0.01                             | 5,376,954                               | 1.51                             |
|         |                                     | 30-Oct-2015 | Purchase                     | 4,700                                     | 0.00                             | 5,381,654                               | 1.51                             |
|         |                                     | 27-Nov-2015 | Purchase                     | 8,000                                     | 0.00                             | 5,389,654                               | 1.51                             |
|         |                                     | 04-Dec-2015 | Purchase                     | 65,200                                    | 0.02                             | 5,454,854                               | 1.53                             |
|         |                                     | 31-Dec-2015 | Purchase                     | 33,200                                    | 0.01                             | 5,488,054                               | 1.54                             |
|         |                                     | 01-Jan-2016 | Purchase                     | 11,200                                    | 0.00                             | 5,499,254                               | 1.54                             |
|         |                                     | 08-Jan-2016 | Purchase                     | 65,600                                    | 0.02                             | 5,564,854                               | 1.56                             |
|         |                                     | 19-Feb-2016 | Purchase                     | 110,600                                   | 0.03                             | 5,675,454                               | 1.59                             |
|         |                                     | 26-Feb-2016 | Purchase                     | 43,600                                    | 0.01                             | 5,719,054                               | 1.61                             |
|         |                                     | 25-Mar-2016 | Sale                         | (12,000)                                  | 0.00                             | 5,707,054                               | 1.60                             |
|         |                                     | 31-Mar-2016 | Sale                         | (9,600)                                   | 0.00                             | 5,697,454                               | 1.60                             |
|         |                                     | 08-Apr-2016 | Sale                         | (113,200)                                 | (0.03)                           | 5,584,254                               | 1.57                             |
|         |                                     | 15-Apr-2016 | Purchase                     | 50,000                                    | 0.01                             | 5,634,254                               | 1.58                             |

| Sr. No. | Name of the Shareholder                  | Date        | Remarks                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|------------------------------------------|-------------|------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                          |             |                              | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
|         |                                          | 27-May-2016 | Purchase                     | 12,500                                    | 0.00                             | 5,646,754                               | 1.59                             |
|         |                                          | 10-Jun-2016 | Purchase                     | 3,600                                     | 0.00                             | 5,650,354                               | 1.59                             |
|         |                                          | 30-Jun-2016 | Sale                         | (800)                                     | 0.00                             | 5,649,554                               | 1.59                             |
|         |                                          | 01-Jul-2016 | Sale                         | (56,000)                                  | (0.02)                           | 5,593,554                               | 1.57                             |
|         |                                          | 12-Aug-2016 | Purchase                     | 175,000                                   | 0.05                             | 5,768,554                               | 1.62                             |
|         |                                          | 02-Sep-2016 | Purchase                     | 75,000                                    | 0.02                             | 5,843,554                               | 1.64                             |
|         |                                          | 30-Sep-2016 | At the end of the year       |                                           |                                  | 5,843,554                               | 1.64                             |
| 3.      | Reliance Capital Trustee Company Limited |             |                              |                                           |                                  |                                         |                                  |
|         |                                          | 01-Oct-2015 | At the Beginning of the year | 2,743,933                                 | 0.77                             |                                         |                                  |
|         |                                          | 09-Oct-2015 | Sale                         | (90,000)                                  | (0.03)                           | 2,653,933                               | 0.75                             |
|         |                                          | 06-Nov-2015 | Sale                         | (23,729)                                  | (0.01)                           | 2,630,204                               | 0.74                             |
|         |                                          | 27-Nov-2015 | Sale                         | (148,753)                                 | (0.04)                           | 2,481,451                               | 0.70                             |
|         |                                          | 04-Dec-2015 | Sale                         | (4,247)                                   | 0.00                             | 2,477,204                               | 0.70                             |
|         |                                          | 31-Dec-2015 | Sale                         | (30,271)                                  | (0.01)                           | 2,446,933                               | 0.69                             |
|         |                                          | 08-Jan-2016 | Purchase                     | 29,600                                    | 0.01                             | 2,476,533                               | 0.70                             |
|         |                                          | 05-Feb-2016 | Purchase                     | 190,600                                   | 0.05                             | 2,667,133                               | 0.75                             |
|         |                                          | 12-Feb-2016 | Purchase                     | 45,000                                    | 0.01                             | 2,712,133                               | 0.76                             |
|         |                                          | 19-Feb-2016 | Purchase                     | 45,000                                    | 0.01                             | 2,757,133                               | 0.77                             |
|         |                                          | 26-Feb-2016 | Purchase                     | 104,000                                   | 0.03                             | 2,861,133                               | 0.80                             |
|         |                                          | 04-Mar-2016 | Sale                         | (1)                                       | 0.00                             | 2,861,132                               | 0.80                             |
|         |                                          | 11-Mar-2016 | Purchase                     | 45,000                                    | 0.01                             | 2,906,132                               | 0.82                             |
|         |                                          | 18-Mar-2016 | Purchase                     | 45,000                                    | 0.01                             | 2,951,132                               | 0.83                             |
|         |                                          | 25-Mar-2016 | Purchase                     | 1,800                                     | 0.00                             | 2,952,932                               | 0.83                             |
|         |                                          | 31-Mar-2016 | Purchase                     | 27,000                                    | 0.01                             | 2,979,932                               | 0.84                             |
|         |                                          | 08-Apr-2016 | Sale                         | (1)                                       | 0.00                             | 2,979,931                               | 0.84                             |
|         |                                          | 08-Apr-2016 | Purchase                     | 45,000                                    | 0.01                             | 3,024,931                               | 0.85                             |
|         |                                          | 22-Apr-2016 | Sale                         | (3,200)                                   | 0.00                             | 3,021,731                               | 0.85                             |
|         |                                          | 29-Apr-2016 | Sale                         | (774,334)                                 | (0.22)                           | 2,247,397                               | 0.63                             |
|         |                                          | 29-Apr-2016 | Purchase                     | 774,334                                   | 0.22                             | 3,021,731                               | 0.85                             |
|         |                                          | 06-May-2016 | Purchase                     | 45,000                                    | 0.01                             | 3,066,731                               | 0.86                             |
|         |                                          | 13-May-2016 | Purchase                     | 184,121                                   | 0.05                             | 3,250,852                               | 0.91                             |
|         |                                          | 20-May-2016 | Purchase                     | 25,000                                    | 0.01                             | 3,275,852                               | 0.92                             |
|         |                                          | 27-May-2016 | Purchase                     | 27,000                                    | 0.01                             | 3,302,852                               | 0.93                             |
|         |                                          | 17-Jun-2016 | Purchase                     | 23,811                                    | 0.01                             | 3,326,663                               | 0.93                             |
|         |                                          | 24-Jun-2016 | Sale                         | (7,600)                                   | 0.00                             | 3,319,063                               | 0.93                             |
|         |                                          | 24-Jun-2016 | Purchase                     | 3,189                                     | 0.00                             | 3,322,252                               | 0.93                             |
|         |                                          | 30-Jun-2016 | Purchase                     | 18,000                                    | 0.01                             | 3,340,252                               | 0.94                             |
|         |                                          | 01-Jul-2016 | Sale                         | (400)                                     | 0.00                             | 3,339,852                               | 0.94                             |
|         |                                          | 15-Jul-2016 | Sale                         | (36,000)                                  | (0.01)                           | 3,303,852                               | 0.93                             |
|         |                                          | 22-Jul-2016 | Sale                         | (126,900)                                 | (0.04)                           | 3,176,952                               | 0.89                             |
|         |                                          | 29-Jul-2016 | Sale                         | (111,500)                                 | (0.03)                           | 3,065,452                               | 0.86                             |
|         |                                          | 05-Aug-2016 | Sale                         | (9,000)                                   | 0.00                             | 3,056,452                               | 0.86                             |
|         |                                          | 12-Aug-2016 | Sale                         | (45,000)                                  | (0.01)                           | 3,011,452                               | 0.85                             |
|         |                                          | 26-Aug-2016 | Sale                         | (74,516)                                  | (0.02)                           | 2,936,936                               | 0.82                             |
|         |                                          | 02-Sep-2016 | Sale                         | (22)                                      | 0.00                             | 2,936,914                               | 0.82                             |
|         |                                          | 09-Sep-2016 | Purchase                     | 62,000                                    | 0.02                             | 2,998,914                               | 0.84                             |
|         |                                          | 23-Sep-2016 | Sale                         | (16,500)                                  | 0.00                             | 2,982,414                               | 0.84                             |
|         |                                          | 30-Sep-2016 | Sale                         | (19,000)                                  | (0.01)                           | 2,963,414                               | 0.83                             |
|         |                                          | 30-Sep-2016 | At the end of the year       |                                           |                                  | 2,963,414                               | 0.83                             |

# Annexure VIII to the Directors' Report

## Form No. MGT-9

[Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended)]

| Sr. No. | Name of the Shareholder                      | Date        | Remarks                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|----------------------------------------------|-------------|------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                              |             |                              | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
| 4.      | Bharat Bijlee Limited                        |             |                              |                                           |                                  |                                         |                                  |
| .       |                                              | 01-Oct-2015 | At the beginning of the year | 2,138,160                                 | 0.60                             | 2,138,160                               | 0.60                             |
|         |                                              | 30-Sep-2016 | At the end of the year       | 2,138,160                                 | 0.60                             |                                         |                                  |
| 5       | General Insurance Corporation of India       |             |                              |                                           |                                  |                                         |                                  |
|         |                                              | 01-Oct-2015 | At the beginning of the year | 1,600,000                                 | 0.45                             | 1,600,000                               | 0.45                             |
|         |                                              | 30-Sep-2016 | At the end of the year       | 1,600,000                                 | 0.45                             |                                         |                                  |
| 6.      | Vanguard Emerging Market Stock Index Fund    |             |                              |                                           |                                  |                                         |                                  |
|         |                                              | 01-Oct-2015 | At the beginning of the year | 1,405,310                                 | 0.39                             |                                         |                                  |
|         |                                              | 18-Dec-2015 | Sale                         | (7,272)                                   | 0.00                             | 1,398,038                               | 0.39                             |
|         |                                              | 25-Dec-2015 | Sale                         | (3,708)                                   | 0.00                             | 1,394,330                               | 0.39                             |
|         |                                              | 15-Jan-2016 | Sale                         | (9,800)                                   | 0.00                             | 1,384,530                               | 0.39                             |
|         |                                              | 22-Jan-2016 | Sale                         | (4,896)                                   | 0.00                             | 1,379,634                               | 0.39                             |
|         |                                              | 05-Feb-2016 | Sale                         | (17,510)                                  | 0.00                             | 1,362,124                               | 0.38                             |
|         |                                              | 12-Feb-2016 | Sale                         | (6,790)                                   | 0.00                             | 1,355,334                               | 0.38                             |
|         |                                              | 11-Mar-2016 | Purchase                     | 3,580                                     | 0.00                             | 1,358,914                               | 0.38                             |
|         |                                              | 08-Apr-2016 | Purchase                     | 5,264                                     | 0.00                             | 1,364,178                               | 0.38                             |
|         |                                              | 22-Apr-2016 | Purchase                     | 3,440                                     | 0.00                             | 1,367,618                               | 0.38                             |
|         |                                              | 10-Jun-2016 | Purchase                     | 3,749                                     | 0.09                             | 1,371,367                               | 0.39                             |
|         |                                              | 24-Jun-2016 | Purchase                     | 15,129                                    | 0.00                             | 1,386,496                               | 0.39                             |
|         |                                              | 30-Jun-2016 | Purchase                     | 7                                         | 0.00                             | 1,386,503                               | 0.39                             |
|         |                                              | 22-Jul-2016 | Purchase                     | 3,096                                     | 0.00                             | 1,389,599                               | 0.39                             |
|         |                                              | 29-Jul-2016 | Purchase                     | 9,078                                     | 0.00                             | 1,398,677                               | 0.39                             |
|         |                                              | 05-Aug-2016 | Purchase                     | 7,095                                     | 0.00                             | 1,405,772                               | 0.39                             |
|         |                                              | 12-Aug-2016 | Purchase                     | 7,560                                     | 0.00                             | 1,413,332                               | 0.40                             |
|         |                                              | 17-Aug-2016 | Purchase                     | 3,360                                     | 0.00                             | 1,416,692                               | 0.40                             |
|         |                                              | 19-Aug-2016 | Purchase                     | 7,392                                     | 0.00                             | 1,424,084                               | 0.40                             |
|         |                                              | 09-Sep-2016 | Purchase                     | 4,890                                     | 0.00                             | 1,428,974                               | 0.40                             |
|         |                                              | 30-Sep-2016 | At the end of the year       |                                           |                                  | 1,428,974                               | 0.40                             |
| 7.      | HDFC Standard Life Insurance Company Limited |             |                              |                                           |                                  |                                         |                                  |
|         |                                              | 01-Oct-2015 | At the beginning of the year | 1,887,260                                 | 0.53                             |                                         |                                  |
|         |                                              | 09-Oct-2015 | Sale                         | (12,827)                                  | 0.00                             | 1,874,433                               | 0.53                             |
|         |                                              | 16-Oct-2015 | Sale                         | (18,377)                                  | (0.01)                           | 1,856,056                               | 0.52                             |
|         |                                              | 23-Oct-2015 | Sale                         | (8,786)                                   | 0.00                             | 1,847,270                               | 0.52                             |
|         |                                              | 30-Oct-2015 | Sale                         | (44,979)                                  | (0.01)                           | 1,802,291                               | 0.51                             |
|         |                                              | 06-Nov-2015 | Purchase                     | 1,500                                     | 0.00                             | 1,803,791                               | 0.51                             |
|         |                                              | 13-Nov-2015 | Purchase                     | 2,148                                     | 0.00                             | 1,805,939                               | 0.51                             |
|         |                                              | 20-Nov-2015 | Purchase                     | 2,569                                     | 0.00                             | 1,808,508                               | 0.51                             |
|         |                                              | 04-Dec-2015 | Sale                         | (8,046)                                   | 0.00                             | 1,800,462                               | 0.51                             |
|         |                                              | 22-Jan-2016 | Purchase                     | 1,184                                     | 0.00                             | 1,801,646                               | 0.51                             |
|         |                                              | 12-Feb-2016 | Sale                         | (10,000)                                  | 0.00                             | 1,791,646                               | 0.50                             |
|         |                                              | 19-Feb-2016 | Sale                         | (20,000)                                  | (0.01)                           | 1,771,646                               | 0.50                             |
|         |                                              | 18-Mar-2016 | Purchase                     | 5,420                                     | 0.00                             | 1,777,066                               | 0.50                             |
|         |                                              | 31-Mar-2016 | Sale                         | (2,965)                                   | 0.00                             | 1,774,101                               | 0.50                             |
|         |                                              | 08-Apr-2016 | Sale                         | (25,643)                                  | (0.01)                           | 1,748,458                               | 0.49                             |

| Sr. No. | Name of the Shareholder        | Date        | Remarks                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--------------------------------|-------------|------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                |             |                              | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
|         |                                | 06-May-2016 | Sale                         | (99,903)                                  | (0.03)                           | 1,648,555                               | 0.46                             |
|         |                                | 13-May-2016 | Sale                         | (2,239)                                   | 0.00                             | 1,646,316                               | 0.46                             |
|         |                                | 20-May-2016 | Sale                         | (2,382)                                   | 0.00                             | 1,643,934                               | 0.46                             |
|         |                                | 20-May-2016 | Purchase                     | 168                                       | 0.00                             | 1,644,102                               | 0.46                             |
|         |                                | 27-May-2016 | Sale                         | (3,609)                                   | 0.00                             | 1,640,493                               | 0.46                             |
|         |                                | 27-May-2016 | Purchase                     | 681                                       | 0.00                             | 1,641,174                               | 0.46                             |
|         |                                | 03-Jun-2016 | Sale                         | (3,805)                                   | 0.00                             | 1,637,369                               | 0.46                             |
|         |                                | 17-Jun-2016 | Sale                         | (2,377)                                   | 0.00                             | 1,634,992                               | 0.46                             |
|         |                                | 15-Jul-2016 | Purchase                     | 181                                       | 0.00                             | 1,635,173                               | 0.46                             |
|         |                                | 29-Jul-2016 | Sale                         | (3,645)                                   | 0.00                             | 1,631,528                               | 0.46                             |
|         |                                | 05-Aug-2016 | Sale                         | (25,000)                                  | (0.01)                           | 1,606,528                               | 0.45                             |
|         |                                | 26-Aug-2016 | Sale                         | (19,123)                                  | (0.01)                           | 1,587,405                               | 0.45                             |
|         |                                | 02-Sep-2016 | Purchase                     | 7                                         | 0.00                             | 1,587,412                               | 0.45                             |
|         |                                | 09-Sep-2016 | Sale                         | (149,630)                                 | (0.04)                           | 1,437,782                               | 0.40                             |
|         |                                | 23-Sep-2016 | Sale                         | (63,475)                                  | (0.02)                           | 1,374,307                               | 0.39                             |
|         |                                | 30-Sep-2016 | Sale                         | (60,393)                                  | (0.02)                           | 1,313,914                               | 0.37                             |
|         |                                | 30-Sep-2016 | At the end of the year       |                                           |                                  | 1,313,914                               | 0.37                             |
| 8.      | Abu Dhabi Investment Authority |             |                              |                                           |                                  |                                         |                                  |
|         |                                | 01-Oct-2015 | At the beginning of the year | 1,652,438                                 | 0.46                             |                                         |                                  |
|         |                                | 23-Oct-2015 | Sale                         | (70,493)                                  | (0.02)                           | 1,581,945                               | 0.44                             |
|         |                                | 23-Oct-2015 | Purchase                     | 70,493                                    | 0.02                             | 1,652,438                               | 0.46                             |
|         |                                | 30-Oct-2015 | Sale                         | (54,424)                                  | (0.02)                           | 1,598,014                               | 0.45                             |
|         |                                | 06-Nov-2015 | Sale                         | (16,069)                                  | 0.00                             | 1,581,945                               | 0.44                             |
|         |                                | 06-Nov-2015 | Purchase                     | 12,412                                    | 0.00                             | 1,594,357                               | 0.45                             |
|         |                                | 13-Nov-2015 | Sale                         | (178,537)                                 | (0.05)                           | 1,415,820                               | 0.40                             |
|         |                                | 13-Nov-2015 | Purchase                     | 166,125                                   | 0.05                             | 1,581,945                               | 0.44                             |
|         |                                | 27-Nov-2015 | Sale                         | (6,527)                                   | 0.00                             | 1,575,418                               | 0.44                             |
|         |                                | 04-Dec-2015 | Sale                         | (47,633)                                  | (0.01)                           | 1,527,785                               | 0.43                             |
|         |                                | 18-Mar-2016 | Sale                         | (126,033)                                 | (0.04)                           | 1,401,752                               | 0.39                             |
|         |                                | 18-Mar-2016 | Purchase                     | 126,033                                   | 0.04                             | 1,527,785                               | 0.43                             |
|         |                                | 08-Apr-2016 | Purchase                     | 119,500                                   | 0.03                             | 1,647,285                               | 0.46                             |
|         |                                | 15-Apr-2016 | Purchase                     | 39,000                                    | 0.01                             | 1,686,285                               | 0.47                             |
|         |                                | 22-Apr-2016 | Sale                         | (28,855)                                  | (0.01)                           | 1,657,430                               | 0.47                             |
|         |                                | 22-Apr-2016 | Purchase                     | 28,855                                    | 0.01                             | 1,686,285                               | 0.47                             |
|         |                                | 29-Apr-2016 | Sale                         | (148,400)                                 | (0.04)                           | 1,537,885                               | 0.43                             |
|         |                                | 29-Apr-2016 | Purchase                     | 82,687                                    | 0.02                             | 1,620,572                               | 0.46                             |
|         |                                | 06-May-2016 | Sale                         | (82,687)                                  | (0.02)                           | 1,537,885                               | 0.43                             |
|         |                                | 13-May-2016 | Sale                         | (121,966)                                 | (0.03)                           | 1,415,919                               | 0.40                             |
|         |                                | 13-May-2016 | Purchase                     | 121,966                                   | 0.03                             | 1,537,885                               | 0.43                             |
|         |                                | 20-May-2016 | Sale                         | (86,750)                                  | (0.02)                           | 1,451,135                               | 0.41                             |
|         |                                | 27-May-2016 | Sale                         | (37,059)                                  | (0.01)                           | 1,414,076                               | 0.40                             |
|         |                                | 27-May-2016 | Purchase                     | 35,216                                    | 0.01                             | 1,449,292                               | 0.41                             |
|         |                                | 03-Jun-2016 | Sale                         | (182,839)                                 | (0.05)                           | 1,266,453                               | 0.36                             |
|         |                                | 03-Jun-2016 | Purchase                     | 114,711                                   | 0.03                             | 1,381,164                               | 0.39                             |
|         |                                | 10-Jun-2016 | Sale                         | (114,711)                                 | (0.03)                           | 1,266,453                               | 0.36                             |
|         |                                | 02-Sep-2016 | Sale                         | (36,495)                                  | (0.01)                           | 1,229,958                               | 0.35                             |
|         |                                | 30-Sep-2016 | At the end of the year       |                                           |                                  | 1,229,958                               | 0.35                             |

# Annexure VIII to the Directors' Report

## Form No. MGT-9

[Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended)]

| Sr. No. | Name of the Shareholder          | Date                   | Remarks                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|----------------------------------|------------------------|------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                  |                        |                              | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total Shares of the Company |
| 9.      | Axis Mutual Fund Trustee Limited |                        |                              |                                           |                                  |                                         |                                  |
|         |                                  | 01-Oct-2015            | At the beginning of the year | 763,219                                   | 0.21                             |                                         |                                  |
|         |                                  | 09-Oct-2015            | Purchase                     | 25,000                                    | 0.01                             | 788,219                                 | 0.22                             |
|         |                                  | 05-Feb-2016            | Purchase                     | 55,000                                    | 0.02                             | 843,219                                 | 0.24                             |
|         |                                  | 12-Feb-2016            | Purchase                     | 30,000                                    | 0.01                             | 873,219                                 | 0.25                             |
|         |                                  | 26-Feb-2016            | Purchase                     | 10,000                                    | 0.01                             | 883,219                                 | 0.25                             |
|         |                                  | 04-Mar-2016            | Sale                         | (35,000)                                  | (0.01)                           | 848,219                                 | 0.24                             |
|         |                                  | 04-Mar-2016            | Purchase                     | 19,000                                    | 0.01                             | 867,219                                 | 0.24                             |
|         |                                  | 25-Mar-2016            | Purchase                     | 180,000                                   | 0.05                             | 1,047,219                               | 0.29                             |
|         |                                  | 08-Apr-2016            | Purchase                     | 20,000                                    | 0.01                             | 1,067,219                               | 0.30                             |
|         |                                  | 22-Apr-2016            | Sale                         | (25,000)                                  | (0.01)                           | 1,042,219                               | 0.29                             |
|         |                                  | 22-Apr-2016            | Purchase                     | 30,000                                    | 0.01                             | 1,072,219                               | 0.30                             |
|         |                                  | 20-May-2016            | Sale                         | (5,800)                                   | 0.00                             | 1,066,419                               | 0.30                             |
|         |                                  | 03-Jun-2016            | Purchase                     | 70,000                                    | 0.02                             | 1,136,419                               | 0.32                             |
|         |                                  | 10-Jun-2016            | Purchase                     | 16,500                                    | 0.00                             | 1,152,919                               | 0.32                             |
|         |                                  | 01-Jul-2016            | Sale                         | (1,570)                                   | 0.00                             | 1,151,349                               | 0.32                             |
|         |                                  | 02-Sep-2016            | Purchase                     | 70,250                                    | 0.02                             | 1,221,599                               | 0.34                             |
|         | 30-Sep-2016                      | At the end of the year |                              |                                           | 1,221,599                        | 0.34                                    |                                  |
| 10.     | Government of Singapore          |                        |                              |                                           |                                  |                                         |                                  |
|         |                                  | 01-Oct-2015            | At the beginning of the year | 1,032,555                                 | 0.29                             |                                         |                                  |
|         |                                  | 02-Oct-2015            | Purchase                     | 14,677                                    | 0.00                             | 1,047,232                               | 0.29                             |
|         |                                  | 09-Oct-2015            | Purchase                     | 50,024                                    | 0.01                             | 1,097,256                               | 0.31                             |
|         |                                  | 23-Oct-2015            | Sale                         | (1,084)                                   | 0.00                             | 1,096,172                               | 0.31                             |
|         |                                  | 30-Oct-2015            | Sale                         | (15,716)                                  | 0.00                             | 1,080,456                               | 0.30                             |
|         |                                  | 06-Nov-2015            | Sale                         | (2,405)                                   | 0.00                             | 1,078,051                               | 0.30                             |
|         |                                  | 20-Nov-2015            | Sale                         | (1,716)                                   | 0.00                             | 1,076,335                               | 0.30                             |
|         |                                  | 04-Dec-2015            | Purchase                     | 6,364                                     | 0.00                             | 1,082,699                               | 0.30                             |
|         |                                  | 11-Dec-2015            | Sale                         | (4,748)                                   | 0.00                             | 1,077,951                               | 0.30                             |
|         |                                  | 31-Dec-2015            | Sale                         | (5,776)                                   | 0.00                             | 1,072,175                               | 0.30                             |
|         |                                  | 08-Jan-2016            | Purchase                     | 17,686                                    | 0.00                             | 1,089,861                               | 0.31                             |
|         |                                  | 15-Jan-2016            | Sale                         | (1,048)                                   | 0.00                             | 1,088,813                               | 0.31                             |
|         |                                  | 22-Jan-2016            | Sale                         | (82,025)                                  | (0.02)                           | 1,006,788                               | 0.28                             |
|         |                                  | 29-Jan-2016            | Purchase                     | 34,682                                    | 0.01                             | 1,041,470                               | 0.29                             |
|         |                                  | 05-Feb-2016            | Purchase                     | 74,640                                    | 0.02                             | 1,116,110                               | 0.31                             |
|         |                                  | 12-Feb-2016            | Purchase                     | 19,625                                    | 0.01                             | 1,135,735                               | 0.32                             |
|         |                                  | 04-Mar-2016            | Sale                         | (12,434)                                  | 0.00                             | 1,123,301                               | 0.32                             |
|         |                                  | 11-Mar-2016            | Sale                         | (750)                                     | 0.00                             | 1,122,551                               | 0.32                             |
|         |                                  | 08-Apr-2016            | Sale                         | (40,385)                                  | (0.01)                           | 1,082,166                               | 0.30                             |
|         |                                  | 22-Apr-2016            | Sale                         | (35,319)                                  | (0.01)                           | 1,046,847                               | 0.29                             |
|         |                                  | 29-Apr-2016            | Sale                         | (16,937)                                  | 0.00                             | 1,029,910                               | 0.29                             |
|         |                                  | 06-May-2016            | Sale                         | (29,980)                                  | (0.01)                           | 999,930                                 | 0.28                             |
|         |                                  | 03-Jun-2016            | Purchase                     | 32,894                                    | 0.01                             | 1,032,824                               | 0.29                             |
|         |                                  | 10-Jun-2016            | Purchase                     | 24,676                                    | 0.01                             | 1,057,500                               | 0.30                             |
|         |                                  | 08-Jul-2016            | Sale                         | (19,382)                                  | (0.01)                           | 1,038,118                               | 0.29                             |
|         |                                  | 22-Jul-2016            | Sale                         | (1,631)                                   | 0.00                             | 1,036,487                               | 0.29                             |
|         |                                  | 29-Jul-2016            | Sale                         | (14,261)                                  | 0.00                             | 1,022,226                               | 0.29                             |
|         |                                  | 05-Aug-2016            | Sale                         | (22,874)                                  | (0.01)                           | 999,352                                 | 0.28                             |
|         |                                  | 12-Aug-2016            | Sale                         | (6,230)                                   | 0.00                             | 993,122                                 | 0.28                             |
|         |                                  | 17-Aug-2016            | Sale                         | (1,918)                                   | 0.00                             | 991,204                                 | 0.28                             |
|         |                                  | 02-Sep-2016            | Sale                         | (4,434)                                   | 0.00                             | 986,770                                 | 0.28                             |
|         |                                  | 09-Sep-2016            | Purchase                     | 1,058                                     | 0.00                             | 987,828                                 | 0.28                             |
|         | 30-Sep-2016                      | At the end of the year |                              |                                           | 987,828                          | 0.28                                    |                                  |

**V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

| Sr. No. | Name of Director / Key Managerial Personnel                                 | Date        | Remarks                      | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the Year |                                  |
|---------|-----------------------------------------------------------------------------|-------------|------------------------------|-------------------------------------------|----------------------------------|-----------------------------------------|----------------------------------|
|         |                                                                             |             |                              | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of Total Shares of the Company |
| 1.      | Ms. Harsha Shantilal Parekh (jointly held with Mr. Deepak Shantilal Parekh) | 1-Oct-2015  | At the beginning of the year | 9,000                                     | 0.0025                           | 9,000                                   | 0.0025                           |
|         |                                                                             | 30-Sep-2016 | At the end of the year       | 9,000                                     | 0.0025                           |                                         |                                  |
| 2.      | Mr. Darius C. Shroff                                                        | 1-Oct-2015  | At the beginning of the year | 9,000                                     | 0.0025                           | 9,000                                   | 0.0025                           |
|         |                                                                             | 30-Sep-2016 | At the end of the year       | 9,000                                     | 0.0025                           |                                         |                                  |
| 3.      | Mr. Yezdi H. Malegam                                                        | 1-Oct-2015  | At the beginning of the year | 8,000                                     | 0.0022                           | 8,000                                   | 0.0022                           |
|         |                                                                             | 30-Sep-2016 | At the end of the year       | 8,000                                     | 0.0022                           |                                         |                                  |

None of the other Directors and Key Managerial Personnel of the Company held equity shares of the Company during the Financial Year 2015-16.

**VI) INDEBTEDNESS:**

The Company had no indebtedness with respect to Secured or Unsecured Loans or Deposits as on 30<sup>th</sup> September, 2016.

**VII) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A) REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

(₹ In Million)

| Sr. No. | Particulars of Remuneration                                                         | Name of Managing Director / Whole Time Director                     |                                                                          | Total Amount  |
|---------|-------------------------------------------------------------------------------------|---------------------------------------------------------------------|--------------------------------------------------------------------------|---------------|
|         |                                                                                     | Mr. Sunil Mathur<br>(Managing Director and Chief Executive Officer) | Mr. Christian Rummel<br>(Executive Director and Chief Financial Officer) |               |
| 1.      | Gross salary                                                                        |                                                                     |                                                                          |               |
|         | (a) Salary as per provisions contained in Section 17(1) of the Income tax Act, 1961 | 85.00                                                               | 46.80                                                                    | 131.80        |
|         | (b) Value of perquisites under Section 17(2) Income tax Act, 1961                   | 14.61                                                               | 9.86                                                                     | 24.47         |
|         | (c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961              | --                                                                  | --                                                                       | --            |
| 2.      | Stock Option                                                                        | 9.39                                                                | 1.20                                                                     | 10.59         |
| 3.      | Sweat Equity                                                                        | --                                                                  | --                                                                       | --            |
| 4.      | Commission<br>- as % of profit<br>- others                                          | --                                                                  | --                                                                       | --            |
| 5.      | Others (Contribution to Provident Fund)                                             | 1.79                                                                | --                                                                       | 1.79          |
|         | <b>Total (A)</b>                                                                    | <b>110.79</b>                                                       | <b>57.86</b>                                                             | <b>168.65</b> |
|         | <b>Ceiling as per the Act</b>                                                       | 948.01                                                              |                                                                          |               |

## Annexure VIII to the Directors' Report

### Form No. MGT-9

[Pursuant to Section 92(3) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended)]

#### B) REMUNERATION TO OTHER DIRECTORS:

(₹ In Million)

| Sr. No. | Particulars of Remuneration                               | Name of Directors            |                   |                   |                   |                   | Total Amount |
|---------|-----------------------------------------------------------|------------------------------|-------------------|-------------------|-------------------|-------------------|--------------|
| 1.      | <b>Independent Directors</b>                              | Mr. Deepak Parekh (Chairman) | Mr. Darius Shroff | Mr. Yezdi Malegam | Mr. Keki Dadiseth | Mr. Pradip Nayak* |              |
|         | Fee for attending board / committee meetings              | 1.15                         | 0.65              | 1.05              | 0.65              | 0.25              | 3.75         |
|         | Commission**                                              | 4.95                         | 2.53              | 3.85              | 2.53              | 0.63              | 14.49        |
|         | Others                                                    | --                           | --                | --                | --                | --                | --           |
|         | <b>Total (1)</b>                                          | 6.10                         | 3.18              | 4.90              | 3.18              | 0.88              | <b>18.24</b> |
| 2.      | <b>Other Non-Executive Directors<sup>#</sup></b>          |                              |                   |                   |                   |                   |              |
|         | Fee for attending board / committee meetings <sup>#</sup> |                              |                   |                   |                   |                   | NA           |
|         | Commission <sup>#</sup>                                   |                              |                   |                   |                   |                   | NA           |
|         | Others                                                    |                              |                   |                   |                   |                   | Nil          |
|         | <b>Total (2)</b>                                          |                              |                   |                   |                   |                   | <b>Nil</b>   |
|         | <b>Total (B) = (1) +(2)</b>                               |                              |                   |                   |                   |                   | <b>18.24</b> |
|         | <b>Total Managerial Remuneration<sup>@</sup></b>          |                              |                   |                   |                   |                   | 183.14       |
|         | Overall Ceiling as per the Act                            |                              |                   |                   |                   |                   | 1042.82      |

\* Mr. Pradip Nayak ceased to be Director of the Company with effect from 1<sup>st</sup> January, 2016. Commission to Mr. Nayak has been computed on pro-rata basis for his tenure during the Financial Year 2015-16.

\*\* Subject to the approval of Annual Financial Statements for the Financial Year 2015-16 by the Members at the 59<sup>th</sup> Annual General Meeting to be held on 8<sup>th</sup> February, 2017.

# Mr. Joe Kaeser, Dr. Roland Busch, Mr. Johannes Aitzsch and Ms. Mariel von Schumann, all being Non-executive Directors of the Company, have opted not to accept any Sitting Fees and Commission.

@ Exclusive of sitting fees paid to Independent Directors.

#### C) REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR / MANAGER / WHOLE-TIME DIRECTOR:

(₹ in Million)

| Sr. No. | Particulars of Remuneration to Key Managerial Personnel                             | Mr. Ketan Thaker (Company Secretary) |
|---------|-------------------------------------------------------------------------------------|--------------------------------------|
| 1.      | Gross salary                                                                        |                                      |
|         | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 4.25                                 |
|         | (b) Value of perquisites under Section 17(2) Income-tax Act, 1961                   | 0.26                                 |
|         | (c) Profits in lieu of salary under Section 17(3) Income tax Act, 1961              | --                                   |
| 2.      | Stock Option                                                                        | --                                   |
| 3.      | Sweat Equity                                                                        | --                                   |
| 4.      | Commission                                                                          | --                                   |
|         | - as % of profit                                                                    |                                      |
|         | - others                                                                            |                                      |
| 5.      | Others (Contribution to Provident Fund)                                             | 0.19                                 |
|         | <b>Total (C)</b>                                                                    | <b>4.70</b>                          |

#### VIII) PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

During the year, no penalties were levied against the Company, its directors or any of its officers under the Act nor was there any punishment or compounding of offences against the Company, its directors or any of its officers.

## Annexure IX to the Directors' Report

### Form No. AOC-2

(Pursuant to clause (h) of sub –section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 (as amended))

**Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Act including certain arm's length transactions under third proviso thereto:**

- 1. Details of contracts or arrangements or transactions not at arm's length basis: Nil**
- 2. Details of material contracts or arrangements or transactions at arm's length basis**

|                                                                                                                          |                                                                                                                                                                                                                                                                                            |
|--------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) Name(s) of the related party and nature of relationship                                                              | Siemens Healthcare Private Limited ("SHPL"), a subsidiary of Siemens Aktiengesellschaft, Germany (SAG).<br>SAG is the Parent company of the Company.                                                                                                                                       |
| (b) Nature of contracts / arrangements / transactions                                                                    | Sale and transfer of the Company's Healthcare Undertaking                                                                                                                                                                                                                                  |
| (c) Duration of the contracts / arrangements / transactions                                                              | --                                                                                                                                                                                                                                                                                         |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any                           | Sale and transfer of the Company's Healthcare Undertaking to SHPL, with effect from 1 <sup>st</sup> July, 2016, as "going concern" and by way of a slump sale for a lump sum consideration of ₹ 30,500 Million                                                                             |
| (e) Justification for entering into such contracts or arrangements or transactions                                       | As detailed out in the Notice issued to shareholders in March 2016 as also the exhibit uploaded on the website of the Company at <a href="http://www.siemens.co.in/en/index/investor/notices--announcements.htm">http://www.siemens.co.in/en/index/investor/notices--announcements.htm</a> |
| (f) Date(s) of approval by the Board                                                                                     | 4 <sup>th</sup> March, 2016                                                                                                                                                                                                                                                                |
| (g) Amount paid as advances, if any:                                                                                     | --                                                                                                                                                                                                                                                                                         |
| (h) Date on which the resolution was passed in general meeting as required under first proviso to Section 188 of the Act | 27 <sup>th</sup> April, 2016 passed vide Postal Ballot.                                                                                                                                                                                                                                    |

On behalf of the Board of Directors  
For **Siemens Limited**

**Deepak S. Parekh**

Chairman

DIN: 00009078

New Delhi

Wednesday, 23<sup>rd</sup> November, 2016

## Particulars of Loans, Guarantees or Investments

### Particulars of Loans, Guarantees or Investments

(₹ in Million)

| Sr. No. | Nature of transaction (loans given / investments made / guarantees given / security provided) | Purpose for which loans / guarantees / security is proposed to be utilised by the recipient | As at 30.09.2016 | As at 30.09.2015 | Maximum outstanding during the year |
|---------|-----------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------|------------------|-------------------------------------|
| 1.      | <b>Loans and Advances:</b>                                                                    |                                                                                             |                  |                  |                                     |
|         | Siemens Financial Services Private Limited                                                    | Working capital and general corporate purpose                                               | 3,130            | 2,480            | 3,130                               |
|         | Siemens Convergence Creators Private Limited                                                  |                                                                                             | 140              | 220              | 220                                 |
|         | Siemens Rail Automation Private Limited                                                       |                                                                                             | 51               | 45               | 84                                  |
| 2.      | <b>Investment:</b>                                                                            |                                                                                             |                  |                  |                                     |
|         | Siemens Rail Automation Private Limited                                                       | Equity investment                                                                           | 550              | 550              | Not Applicable                      |

# Annexure XI to the Directors' Report

## Form No. MR-3

Secretarial Audit Report

### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2016

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

To,  
The Members,  
**SIEMENS LIMITED**

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 30<sup>th</sup> September, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on 30<sup>th</sup> September, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time; and
- (vi) Other laws applicable specifically to the Company namely:
  - 1) The Air (Prevention & Control of Pollution) Act, 1981
  - 2) Batteries (Management and Handling) Rules, 2001
  - 3) Environment (Protection) Act, 1986
  - 4) Explosives Act, 1884
  - 5) The Factories Act, 1948
  - 6) Hazardous and Other Wastes (Management And Transboundary Movement) Rules, 2016
  - 7) The Industries (Development and Regulation) Act, 1951
  - 8) The Water (Prevention and Control of Pollution) Act, 1974
  - 9) The Water (Prevention and Control of Pollution) Cess Act, 1977

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above. The Company has an unspent amount during the year in the amount to be spent towards Corporate Social Responsibility (CSR), however, the Company has provided the reason for the same in its CSR Report 2015-16.

# Annexure XI to the Directors' Report

## Form No. MR-3

Secretarial Audit Report

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We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during period under review, the Company sold and transferred its Healthcare Undertaking as a going concern on a Slump Sale basis to Siemens Healthcare Private Limited ("SHPL"), a subsidiary of Siemens AG, Germany, with effect from 1<sup>st</sup> July, 2016, for a consideration of ₹ 30,500 million, pursuant to the approval granted by the Members on 27<sup>th</sup> April, 2016.

**For Parikh Parekh & Associates**

Company Secretaries

**P. N. Parikh**

Partner

FCS No: 327 CP No: 1228

Mumbai

Wednesday, 23<sup>rd</sup> November, 2016

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

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### 'Annexure A'

To,

The Members

**SIEMENS LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Parikh Parekh & Associates**

Company Secretaries

**P. N. Parikh**

Partner

FCS No: 327 CP No: 1228

Mumbai

Wednesday, 23<sup>rd</sup> November, 2016

# Business Responsibility Report - Abstract

**PEOPLE**

- We contribute to the sustainable development of societies with our portfolio, local operations, and thought leadership.
- We foster long-term relationships with local societies through Corporate Citizenship projects jointly with partners.
- We live a zero-harm culture and promote the health of our employees.
- We live a culture of leadership based on common values, innovation mindset, people orientation and diversity.

**PLANET**

- We enable our customers to increase energy efficiency, save resources and reduce carbon emissions.
- We develop our products, solutions and services based on a life-cycle perspective and sound eco-design standards.
- We minimize the environmental impacts of our own operations by applying environmental management programs.

**PROFIT**

- We contribute to our customers' competitiveness with our products, solutions and services.
- We partner with our customers to identify and develop sustainability related business opportunities..
- We operate an efficient and resilient supply chain through supplier code of conduct, risk management, and capacity building.
- We proactively engage with our stakeholders to manage project and reputational risks and identify business relevant trends.
- We adhere to the highest compliance and anti-corruption standards and promote integrity via the Siemens Integrity Initiative.

For almost 60 years, Siemens Limited has a clear commitment of thinking and acting in the interest of future generations in the country. We believe acting responsibly is the only way to achieve a balance between profitable long-term growth and the planet and people. Sustainability has been anchored in our strategy and integrated into our processes. We are guided by sustainable business practices in our interactions with external and internal stakeholders. We identify business opportunities to ensure we are sustainable in the long term. We are convinced that sustainability, especially in the sense of energy and resource efficiency, is a business opportunity worth seizing.

The Siemens Business Responsibility Reporting (BRR) is the practice of setting standards, measuring, disclosing, and being accountable for organizational performance while working towards the goal of responsible and sustainable development. Siemens India has been releasing its BRR since 2013. Siemens Limited is committed to acting responsibly to achieve economic, environmental and social progress and has

policies against each principle which help achieve progress in business responsibility.

Our understanding of sustainability is fully based on our company values – responsible, excellent and innovative. We define sustainable development as the means to achieve profitable and long-term growth. At Siemens we have a clear commitment to think and act in the interest of future generations, balancing People, Planet and Profit.

## Ethics, Transparency and Accountability

Siemens acts with integrity. Besides adherence with all applicable laws and regulation, the company has internal guidelines for employee called Business Conduct Guidelines (BCG).

The code of conduct policy covers Environmental protection, Insider trading, Anti-trust, Data privacy, Bribery and corruption, Conflict of interest and Health and safety. It is applied to Employees, Joint ventures, Suppliers, Contractors, NGOs and Others. The communication of the code of conduct is done on a regular basis. TELL US, the whistleblower hotline, further demonstrates our commitment to compliance.

## Sustainable Products and Services

Siemens has always designed products keeping in mind energy efficiency, sustainability and environmental impacts. Siemens portfolio includes products which provide an answer to global challenges such as climate change, scarcity of natural resources and environmental pollution.

Siemens, through efforts such as strict Code of Conduct, External Sustainability Audits (ESA) for Suppliers and an efficient Vendor Monitoring system, ensures sustainability throughout the value chain. 87% of materials are sourced from third party suppliers were procured within the boundary of India out of which 25% were sourced from MSMEs.

IE4 Motor, the next generation motors are introduced with low operating costs and higher savings. The motors are designed for line operation, but they can also be operated with frequency converters. This takes independence and flexibility to the planning of plants and retrofit.



**Ester filled Power Transformer**

# Business Responsibility Report - Abstract

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IE4 Motor

## Wellbeing of Employees

Siemens being a responsible company is committed to wellbeing of its employees.

Siemens Health Management provides occupational health services at its centres at all offices & sites across India, along with emergency medical services. As part of the Healthy@Siemens program, a need based, targeted, quarterly program “Fit4Life” has been launched to ensure a healthy work life balance. There are sensitization programs for employee delegations both coming in and going out from the country about the possible health hazards in the host countries and ways to address them.

Siemens supports collective bargaining. Through continual dialogue with associations the company strives to maintain cordial relationships with employees and work towards their welfare. Siemens has a governance structure in place to address complaints related to child labour, forced labour, involuntary labour and discrimination or harassment of any kind. There is a separate committee to handle sexual harassment cases with sensitivity and confidentiality.

## Responsiveness to all Stakeholders

Siemens has mapped investors, employees, customers, suppliers, business partners and civil society organizations as stakeholders. The company engages with permanent employees through engagement surveys and periodic worker settlement reviews. The external shareholders are engaged through defined activities such as customer events, supplier and channel partner meet and SME training.

The marginalized and disadvantaged communities whose welfare Siemens works towards include, tribal communities, less privileged youth who could not complete education

and join Government ITIs, engineering students from low-socio economic background, women, communities who are underserved from healthcare facilities and vulnerable children who need care and protection like children in conflict with law. Siemens’s CSR portfolio effectively addresses these issues through its various projects.

## Protection of Human Rights

Siemens respects human rights. The Business Conduct Guidelines are in line with the U.N Human Rights Declaration, European Human Rights Convention as well as ILO Principles. All suppliers, vendors, channel partners and other business partners associated with the company have to commit to the Siemens Code of Conduct which incorporates principles of Human Rights.

## Protection of Environment

Siemens commitment towards clean technology and energy efficiency is not limited to the design of new products but extends to the manufacturing plants as well. Various initiatives were taken during the year to reduce energy and water consumption and reduce generation of waste at the factories. Various initiatives were taken during the year to reduce energy and water consumption and reduce generation of waste at the factories.

## Public Policy Engagement

Siemens influences affirmative sustainability actions and enables technology through sharing of best practices. The company is a member of various Technical Committees of BIS and is on the Executive/Subject Councils and is represented in trade and industry associations.

## Inclusive Growth and Equitable Development

Siemens CSR policy is governed by the Corporate Citizenship Strategy which focuses on integrating community development issues with business strategies to leverage the company’s core competencies while addressing community needs. The policy has seven focus areas under three main pillars – Education, Environment and Social under which various initiatives are undertaken.

## Customer Satisfaction

Customer satisfaction across all sectors is measured based on uniform and harmonized Net Promoter Score (NPS) methodology. NPS is an internationally recognized tool based on the commonly applied managerial performance indicator. In addition to the Annual Corporate Survey, customer feedback is gathered at the end of key customer interactions, during project management as well as service delivery. The input is critically required for continual improvements.

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Siemens Limited

### Report on the Financial Statements

We have audited the accompanying standalone financial statements of Siemens Limited ("the Company"), which comprise the Balance Sheet as at September 30, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give

a true and fair view 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 the Company's Directors, 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 on the standalone financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 of the state of affairs of the Company as at September 30, 2016, its profit, and its cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 it 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 aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on September 30, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2016, from being appointed as a director in terms of section 164 (2) of the Act;

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Siemens Limited

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 2 to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24 (b) to the financial statements;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 32 and 38 (a) to the financial statements;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

**per Vikram Mehta**

Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: 23 November 2016

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

Re: Siemens Limited (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) 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 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) 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, there are no loans to directors including entities in which they are interested in respect of which provisions of section 185 are applicable and hence not commented upon. Further, in our opinion and according to the information and explanations given to us, provisions of section 186 in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) 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 148(1) of the Companies Act, 2013, for the period upto September 30, 2016 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including investor education and protection fund, service tax, income tax, sales-tax, customs duty, excise duty, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases with regard to Income tax, employee state insurance and service tax.
- (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, 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, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

| Name of the statute                      | Nature of dues          | Amount (Rs in millions)* | Period to which amount relates                                            | Forum where dispute is pending                |
|------------------------------------------|-------------------------|--------------------------|---------------------------------------------------------------------------|-----------------------------------------------|
| Central Excise Act, 1944 and Service Tax | Duty, Penalty           | 11                       | 1993-99, 2000-07, 2008-10 and 2011-13                                     | Asst. Comm / Dy. Comm / Comm / Comm (Appeals) |
|                                          |                         | 385                      | 1987-1993, 1993-02, 2000-07 and 2003-12                                   | Tribunal                                      |
|                                          |                         | 279                      | 1994 and 2003-08                                                          | High Court                                    |
|                                          |                         | 17                       | 1993-99                                                                   | Supreme Court                                 |
| State & Central Sales Tax Acts           | Tax, Interest & Penalty | 845                      | 1962-69, 1970-74, 1975-81, 1982-90, 1991-96, 1997-03, 2004-08 and 2009-15 | Assistant / Additional Commissioner           |
|                                          |                         | 2,427                    | 1962-88, 1989-98, 1999-07, 2008-09, 2009-11 and 2011-15                   | Dy. Comm / Comm / Joint / Spl. Comm.          |
|                                          |                         | 1,079                    | 1962-77, 1989-96, 1997-03, 2003-07, 2007-08, 2008-12 and 2012-14          | Tribunal                                      |
|                                          |                         | 2,504                    | 1962-85, 1996-04, 2005-07, 2008-10, 2011-12 and 2012-14                   | High Court                                    |

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

Re: Siemens Limited (“the Company”)

| Name of the statute  | Nature of dues | Amount (Rs in millions)* | Period to which amount relates | Forum where dispute is pending |
|----------------------|----------------|--------------------------|--------------------------------|--------------------------------|
| Customs Act, 1962    | Duty           | 120                      | 1998-99                        | High Court                     |
|                      |                | 197                      | 2003-08                        | High Court                     |
|                      |                | 7                        | 2003-08                        | Tribunal                       |
| Income Tax Act, 1961 | Income Tax     | 339                      | 2010-11                        | Tribunal                       |
|                      |                | 166                      | 2011-12                        | Tribunal                       |

\* Net of amounts paid under protest

- (viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no material fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188

of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

### For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

**per Vikram Mehta**

Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: 23 November 2016

# Annexure to the Independent Auditor's Report of even date on the Standalone Financial Statements of Siemens Limited

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

We have audited the internal financial controls over financial reporting of Siemens Limited ("the Company") as of September 30, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

## Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at September 30, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

## For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

## per Vikram Mehta

Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: 23 November 2016

# Balance Sheet

## as at 30 September 2016

(Currency: Indian rupees millions)

|                                                                                        | Notes | 2016                  | 2015                  |
|----------------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| <b>EQUITY AND LIABILITIES</b>                                                          |       |                       |                       |
| <b>Shareholders' funds</b>                                                             |       |                       |                       |
| Share capital                                                                          | 2     | 712                   | 712                   |
| Reserves and surplus                                                                   | 3     | <u>65,107</u>         | <u>50,554</u>         |
|                                                                                        |       | <b>65,819</b>         | <b>51,266</b>         |
| <b>Non-current liabilities</b>                                                         |       |                       |                       |
| Trade payables and other long-term liabilities                                         | 4     | 525                   | 1,217                 |
| Long-term provisions                                                                   | 5     | <u>2,012</u>          | <u>1,840</u>          |
|                                                                                        |       | <b>2,537</b>          | <b>3,057</b>          |
| <b>Current liabilities</b>                                                             |       |                       |                       |
| Trade payables                                                                         |       |                       |                       |
| Total outstanding dues of micro enterprises and small enterprises                      | 40    | 698                   | 765                   |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |       | <b>21,223</b>         | 22,882                |
| Other current liabilities                                                              | 6     | <b>11,129</b>         | 12,687                |
| Short-term provisions                                                                  | 7     | <u>16,009</u>         | <u>14,620</u>         |
|                                                                                        |       | <b>49,059</b>         | <b>50,954</b>         |
| <b>TOTAL</b>                                                                           |       | <u><b>117,415</b></u> | <u><b>105,277</b></u> |
| <b>ASSETS</b>                                                                          |       |                       |                       |
| <b>Non-current assets</b>                                                              |       |                       |                       |
| Fixed assets                                                                           |       |                       |                       |
| Tangible assets                                                                        | 8     | <b>11,888</b>         | 13,522                |
| Intangible assets                                                                      | 8     | <b>67</b>             | 89                    |
| Capital work-in-progress                                                               |       | <b>791</b>            | 321                   |
| Non-current investments                                                                | 9     | <b>1,647</b>          | 1,686                 |
| Deferred tax assets (net)                                                              | 10    | <b>3,253</b>          | 3,175                 |
| Long-term loans and advances                                                           | 11    | <b>7,621</b>          | 7,260                 |
| Other non-current assets                                                               | 12    | <u>1,146</u>          | <u>1,761</u>          |
|                                                                                        |       | <b>26,413</b>         | <b>27,814</b>         |
| <b>Current assets</b>                                                                  |       |                       |                       |
| Inventories                                                                            | 13    | <b>9,993</b>          | 9,509                 |
| Trade receivables                                                                      | 14    | <b>30,159</b>         | 30,183                |
| Cash and bank balance                                                                  | 15    | <b>35,094</b>         | 20,959                |
| Short-term loans and advances                                                          | 16    | <b>7,905</b>          | 7,698                 |
| Other current assets                                                                   | 17    | <u>7,851</u>          | <u>9,114</u>          |
|                                                                                        |       | <b>91,002</b>         | <b>77,463</b>         |
| <b>TOTAL</b>                                                                           |       | <u><b>117,415</b></u> | <u><b>105,277</b></u> |
| <b>Significant accounting policies</b>                                                 | 1     |                       |                       |

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

As per our report of even date

### For S R B C & CO LLP

ICAI Firm Registration Number:- 324982E/E300003  
Chartered Accountants

per **Vikram Mehta**

Partner

Membership No: 105938

Mumbai

Date: 23 November 2016

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

**Deepak S. Parekh**

Chairman

DIN: 00009078

**Yezdi H. Malegam**

Director and Chairman of

Audit Committee

DIN: 00092017

New Delhi

Date: 23 November 2016

**Sunil Mathur**

Managing Director  
and Chief Executive  
Officer

DIN: 02261944

**Ketan Thaker**

Company Secretary

ACS No. 16250

**Christian Rummel**

Executive Director  
and Chief Financial  
Officer

DIN: 01992982

# Statement of Profit and Loss

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

|                                                                                           | Notes | 2016            | 2015           |
|-------------------------------------------------------------------------------------------|-------|-----------------|----------------|
| <b>Income</b>                                                                             |       |                 |                |
| Revenue from operations (gross)                                                           |       | 112,289         | 108,486        |
| Less: Excise duty                                                                         |       | (4,200)         | (3,362)        |
| Revenue from operations (net)                                                             | 18    | 108,089         | 105,124        |
| Other income                                                                              | 19    | 1,639           | 1,604          |
| <b>Total income</b>                                                                       |       | <b>109,728</b>  | <b>106,728</b> |
| <b>Expenses</b>                                                                           |       |                 |                |
| Raw materials consumed                                                                    | 31    | 27,024          | 24,419         |
| Purchase of traded goods                                                                  | 30    | 28,093          | 24,802         |
| (Increase) / decrease in inventories of finished goods, work-in-progress and traded goods |       | (1,616)         | 1,062          |
| Project bought outs and other direct costs                                                | 20    | 18,311          | 20,531         |
| Employee benefits expense                                                                 | 21    | 14,529          | 13,831         |
| Finance costs                                                                             | 22    | 59              | 49             |
| Depreciation and amortization expense                                                     | 8     | 2,264           | 2,156          |
| Other expenses                                                                            | 23    | 12,016          | 10,742         |
| <b>Total expenses</b>                                                                     |       | <b>100,680</b>  | <b>97,592</b>  |
| <b>Profit before exceptional items and tax</b>                                            |       | <b>9,048</b>    | <b>9,136</b>   |
| Exceptional items                                                                         | 41    | 29,923          | 7,828          |
| <b>Profit before tax</b>                                                                  |       | <b>38,971</b>   | <b>16,964</b>  |
| <b>Tax expense</b>                                                                        |       |                 |                |
| Current tax                                                                               |       | (10,167)        | (4,575)        |
| Deferred tax credit / (charge)                                                            |       | 76              | (556)          |
| <b>Total tax expense</b>                                                                  |       | <b>(10,091)</b> | <b>(5,131)</b> |
| <b>Profit for the year</b>                                                                |       | <b>28,880</b>   | <b>11,833</b>  |
| Of which:                                                                                 |       |                 |                |
| <b>Continuing operations</b>                                                              |       | <b>28,575</b>   | <b>11,558</b>  |
| <b>Discontinued operations:</b>                                                           | 42    |                 |                |
| Profit before tax from discontinued operations                                            |       | 467             | 533            |
| Tax expense of discontinued operations                                                    |       | 162             | 258            |
| <b>Profit after tax from discontinued operations</b>                                      |       | <b>305</b>      | <b>275</b>     |
| <b>Basic and diluted earnings per share (in ₹)</b>                                        | 39    |                 |                |
| (Equity shares of face value of ₹ 2 each)                                                 |       |                 |                |
| (i) Earnings per share before exceptional items                                           |       | 16.66           | 16.95          |
| (ii) Earnings per share after exceptional items                                           |       | 81.10           | 33.23          |

### 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 B C & CO LLP

ICAI Firm Registration Number:- 324982E/E300003  
Chartered Accountants

### per Vikram Mehta

Partner  
Membership No: 105938

Mumbai

Date: 23 November 2016

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

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

**Sunil Mathur**  
Managing Director  
and Chief Executive  
Officer  
DIN: 02261944

**Christian Rummel**  
Executive Director  
and Chief Financial  
Officer  
DIN: 01992982

**Yezdi H. Malegam**  
Director and Chairman of  
Audit Committee  
DIN: 00092017

**Ketan Thaker**  
Company Secretary  
ACS No. 16250

New Delhi

Date: 23 November 2016

# Cash flow statement for the year ended 30 September 2016 (Currency: Indian rupees millions)

|                                                                                                                   | Notes   | 2016           | 2015         |
|-------------------------------------------------------------------------------------------------------------------|---------|----------------|--------------|
| <b><u>Cash flow from operating activities</u></b>                                                                 |         |                |              |
| Profit before tax                                                                                                 |         | 38,971         | 16,964       |
| <b>Adjustments for:</b>                                                                                           |         |                |              |
| Finance costs                                                                                                     | 22      | 59             | 49           |
| Bad debts                                                                                                         | 23      | 196            | 162          |
| Provision for doubtful debts / advances, net                                                                      | 23      | 439            | (10)         |
| Depreciation and amortization expense                                                                             | 8       | 2,264          | 2,156        |
| Loss / (Profit) on sale of assets, net                                                                            | 19 / 23 | 8              | (191)        |
| Profit on sale of business                                                                                        | 19 / 41 | (30,278)       | (7,154)      |
| Impairment loss                                                                                                   | 41      | 355            | -            |
| Liabilities written back                                                                                          | 18 / 19 | (348)          | (152)        |
| Reversal of impairment loss and other provisions                                                                  | 41      | -              | (1,067)      |
| Unrealised exchange loss / (gain), net                                                                            |         | (194)          | (461)        |
| Interest income                                                                                                   | 19      | (1,605)        | (1,327)      |
| <b>Operating profit before working capital changes</b>                                                            |         | <b>9,867</b>   | <b>8,969</b> |
| (Increase) / Decrease in inventories                                                                              |         | (2,530)        | 506          |
| (Increase) / Decrease in trade and other receivables                                                              |         | (709)          | (1,007)      |
| Increase / (Decrease) in trade payables and other liabilities                                                     |         | 1,618          | (236)        |
| Increase / (Decrease) in provisions                                                                               |         | 329            | 241          |
| <b>Net change in working capital</b>                                                                              |         | <b>(1,292)</b> | <b>(496)</b> |
| <b>Cash generated from operations</b>                                                                             |         | <b>8,575</b>   | <b>8,473</b> |
| Direct taxes paid, net                                                                                            |         | (3,493)        | (2,293)      |
| <b>Net cash generated from operating activities</b>                                                               |         | <b>5,082</b>   | <b>6,180</b> |
| <b><u>Cash flow from investing activities</u></b>                                                                 |         |                |              |
| Purchase of fixed assets and investment property                                                                  |         | (2,979)        | (2,510)      |
| Proceeds from sale of fixed assets, investment property and advance received                                      |         | 105            | 322          |
| Proceeds from sale of business [net of tax of ₹ 3,131 (2015: ₹ 1,600) and transaction cost of ₹ 75 (2015: ₹ Nil)] |         | 27,294         | 8,726        |
| Investment in subsidiary Company                                                                                  | 9 (a)   | -              | (550)        |
| Interest received                                                                                                 |         | 1,327          | 1,278        |
| Inter corporate deposits given                                                                                    |         | (8,095)        | (8,444)      |
| Refund of inter corporate deposits given                                                                          |         | 7,519          | 7,419        |
| Deposits (with maturity more than 3 months) with banks                                                            |         | (22,775)       | -            |
| <b>Net cash generated from investing activities</b>                                                               |         | <b>2,396</b>   | <b>6,241</b> |

|                                                                      | Notes | 2016            | 2015           |
|----------------------------------------------------------------------|-------|-----------------|----------------|
| <b><u>Cash flow from financing activities</u></b>                    |       |                 |                |
| Interest paid                                                        |       | (50)            | (118)          |
| Dividend paid (including tax thereon)                                |       | (16,071)        | (2,561)        |
| <b>Net cash used in financing activities</b>                         |       | <b>(16,121)</b> | <b>(2,679)</b> |
| <b>Net increase / (decrease) in cash and bank balance</b>            |       | <b>(8,643)</b>  | <b>9,742</b>   |
| <b>Cash and cash equivalents at beginning of the year</b>            |       | <b>20,920</b>   | <b>11,171</b>  |
| <b>Effect of exchange (loss) / gain on cash and cash equivalents</b> |       | <b>1</b>        | <b>7</b>       |
| <b>Cash and cash equivalents at the end of the year</b>              | 15    | <b>12,278</b>   | <b>20,920</b>  |

**Notes:**

- 1) The cash flow statement reflects the combined cash flow pertaining to continuing and discontinued operations [Refer note 42 (a) and (b)].

As per our report of even date

**For S R B C & CO LLP**

ICAI Firm Registration Number:- 324982E/E300003  
Chartered Accountants

**per Vikram Mehta**

Partner  
Membership No: 105938

Mumbai  
Date: 23 November 2016

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

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

**Sunil Mathur**  
Managing Director  
and Chief Executive  
Officer  
DIN: 02261944

**Christian Rummel**  
Executive Director  
and Chief Financial  
Officer  
DIN: 01992982

**Yezdi H. Malegam**  
Director and Chairman of  
Audit Committee  
DIN: 00092017

**Ketan Thaker**  
Company Secretary  
ACS No. 16250

New Delhi  
Date: 23 November 2016

# Notes to the financial statements for the year ended 30 September 2016 (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"). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. 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 revenue, expenses, 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.

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.

Depreciation on tangible assets is provided on a straight-line basis over the useful lives of assets estimated by the management, taking into account the nature of the asset on technical evaluation of the useful life, which may not necessarily be in alignment with the indicative useful lives prescribed by Schedule II to the Companies Act, 2013. Such class of assets and their estimated useful lives are as under:

| <b>Assets</b>                      | <b>Estimated useful lives</b> |
|------------------------------------|-------------------------------|
| <b>Land</b>                        |                               |
| - Freehold                         | -                             |
| - Leasehold                        | Over the lease period         |
| <b>Buildings</b>                   |                               |
| - Factory buildings                | 30 years                      |
| - Other buildings                  | 50 years                      |
| - Roads                            | 10 years                      |
| - Leasehold improvements           | Over the lease period         |
| <b>Plant and equipments</b>        | 3 – 20 years                  |
| <b>Furniture and fixtures</b>      | 5 years                       |
| <b>Office equipments</b>           |                               |
| - Computers                        | 3 years                       |
| - Hardware, mainframes and servers | 5 years                       |
| - Other office equipments          | 3 - 5 years                   |
| <b>Vehicles</b>                    | 4 years                       |

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

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

### 1.3 Intangible assets

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

| Assets             | Estimated useful lives |
|--------------------|------------------------|
| Goodwill           | 3 - 5 years            |
| Software           | 3 - 5 years            |
| Technical know-how | 5 - 10 years           |

### 1.4 Impairment of assets

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

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

### 1.5 Investments

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

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

#### Investment property

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

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

Depreciation on investment property is provided on a straight-line basis over the useful lives of assets estimated by the management. Such classes of investment properties and their estimated useful lives are as under:

| Assets           | Estimated useful lives |
|------------------|------------------------|
| <b>Land</b>      |                        |
| - Freehold land  | -                      |
| - Leasehold land | Over the lease period  |
| <b>Buildings</b> | 30 years               |

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.

# Notes to the financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 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 other than revenue from sale of healthcare equipments which is recognised upon installation at customer premises. Sales are stated exclusive of sales tax and net of trade and quantity discount.

Revenue recognised in respect of extended warranty offered to customers relating to healthcare equipment is deferred and is recognised on a straight line basis over the period of the extended warranty contract. Deferred revenue is classified as other liabilities.

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

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

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

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

Interest income is recognised on the time proportion basis.

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

### 1.7 Inventories

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

Raw materials are carried 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 carried 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 and investment property. 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 are 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.

### 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.

# Notes to the financial statements (*Continued*) for the year ended 30 September 2016 (Currency: Indian rupees millions)

## **1.10 Foreign currency transactions (continued)**

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 Cash Flow Hedge Reserve 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 earnings per share are 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.

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

## **1.13 Provisions and Contingencies**

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

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

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

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

## **1.14 Cash and Cash equivalents**

Cash and cash equivalents include cash, cheques in hand, cash at bank and deposits with banks having maturity of three months or less. The bank deposits with original maturity of upto three months are classified as cash and cash equivalents and bank deposits with original maturity of more than three months are classified as other bank balances.

## **1.15 Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

## **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 Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

Notes to the financial statements *(Continued)*  
as at 30 September 2016  
(Currency: Indian rupees millions)

|                                                                                                                    | 2016         | 2015         |
|--------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| <b>2 Share capital</b>                                                                                             |              |              |
| <b>Authorised</b>                                                                                                  |              |              |
| 1,000,000,000 Equity Shares of ₹ 2 each (2015: 1,000,000,000 Equity shares of ₹ 2 each)                            | 2,000        | 2,000        |
|                                                                                                                    | <u>2,000</u> | <u>2,000</u> |
| <b>Issued</b>                                                                                                      |              |              |
| 356,983,950 Equity Shares of ₹ 2 each (2015: 356,983,950 Equity shares of ₹ 2 each)                                | 714          | 714          |
|                                                                                                                    | <u>714</u>   | <u>714</u>   |
| <b>Subscribed and fully paid-up</b>                                                                                |              |              |
| 356,120,255 Equity Shares of ₹ 2 each fully paid-up<br>(2015: 356,120,255 Equity shares of ₹ 2 each fully paid-up) | 712          | 712          |
|                                                                                                                    | <u>712</u>   | <u>712</u>   |

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

255,351,805 (2015: 255,351,805) Equity shares of ₹ 2 each, fully paid-up, are held by the Holding Company, Siemens AG, Germany;

11,738,108 (2015: 11,738,108) Equity shares of ₹ 2 each, fully paid-up, are held by Siemens Metals Technologies Vermögensverwaltungs GmbH (formerly known as 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:**

|                                                 | 2016               |            | 2015               |            |
|-------------------------------------------------|--------------------|------------|--------------------|------------|
|                                                 | Number             | Amount     | Number             | Amount     |
| Shares outstanding at the beginning of the year | 356,120,255        | 712        | 356,119,885        | 712        |
| Shares issued / subscribed during the year      | -                  | -          | 370                | *          |
| Shares outstanding at the end of the year       | <u>356,120,255</u> | <u>712</u> | <u>356,120,255</u> | <u>712</u> |

During previous year, the paid up share capital was increased on allotment of 370 equity shares of ₹ 2 each, to members upon settlement of a disputed case.

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

|                                     | 2016               |               | 2015               |               |
|-------------------------------------|--------------------|---------------|--------------------|---------------|
| Name of shareholder                 | No. of shares held | % of Holding  | No. of shares held | % of Holding  |
| Siemens Aktiengesellschaft, Germany | <u>255,351,805</u> | <u>71.70%</u> | <u>255,351,805</u> | <u>71.70%</u> |

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

\* denotes figures less than a million

# Notes to the financial statements *(Continued)*

## as at 30 September 2016

(Currency: Indian rupees millions)

### 2 Share capital *(Continued)*

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

| Equity shares allotted as                                                                                                           | 2016       | 2015       |
|-------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Fully paid up to the shareholders of Siemens Healthcare Diagnostics Ltd. in accordance with the scheme of amalgamation              | 3,134,700  | 3,134,700  |
| Fully paid up to the shareholders of Siemens VAI Metals Technologies Pvt. Ltd. (SVAI) in accordance with the scheme of amalgamation | 11,738,108 | 11,738,108 |
| Fully paid up to the shareholders of Siemens Power Engineering Pvt. Ltd. (SPEL) in accordance with the scheme of amalgamation       | 3,461,538  | 3,461,538  |
| Fully paid up to the shareholders of Winergy Drive Systems India Pvt. Ltd. (Winergy) in accordance with the scheme of amalgamation  | 625,139    | 625,139    |

- e) Terms / rights attached to equity shares

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

During the year ended 30 September 2016, the amount of per share interim dividend distributed to equity shareholders is ₹ 27.50 (2015: ₹ Nil) aggregating ₹ 9,793. The amount of per share final dividend recognised for distribution to equity shareholders is ₹ 6 (2015: ₹ 10).

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.

2016 2015

### 3 Reserves and surplus

|                               |       |       |
|-------------------------------|-------|-------|
| a) Capital reserve            | 538   | 538   |
| b) Amalgamation reserve       | 56    | 56    |
| c) Capital redemption reserve | *     | *     |
| d) Securities premium account | 1,567 | 1,567 |
| e) Revaluation reserve        |       |       |
| - Balance brought forward     | -     | 9     |
| - Transfer to general reserve | -     | (9)   |
|                               | -     | -     |

\* denotes figures less than a million

|                                                                   | 2016                 | 2015                 |
|-------------------------------------------------------------------|----------------------|----------------------|
| <b>3 Reserves and surplus (Continued)</b>                         |                      |                      |
| <b>f) Cash flow hedge reserve</b>                                 |                      |                      |
| - Balance brought forward                                         | (31)                 | 6                    |
| - Transferred to the statement of profit and loss (Refer note 23) | 31                   | (6)                  |
| - Additions / (deductions) during the year                        | 1                    | (31)                 |
|                                                                   | <u>1</u>             | <u>(31)</u>          |
| <b>g) General reserve</b>                                         |                      |                      |
| - Balance brought forward                                         | 31,503               | 31,494               |
| - Transfer from revaluation reserve                               | -                    | 9                    |
|                                                                   | <u>31,503</u>        | <u>31,503</u>        |
| <b>h) Surplus in the statement of profit and loss</b>             |                      |                      |
| - Balance brought forward                                         | 16,921               | 9,374                |
| - Profit for the year                                             | 28,880               | 11,833               |
| Less: Appropriations                                              |                      |                      |
| - Interim dividend                                                | (9,793)              | -                    |
| - Tax on interim dividend                                         | (1,994)              | -                    |
| - Proposed dividend                                               | (2,137)              | (3,561)              |
| - Tax on proposed dividend                                        | (435)                | (725)                |
| Total appropriations                                              | <u>(14,359)</u>      | <u>(4,286)</u>       |
| <b>Net surplus in the statement of profit and loss</b>            | <u>31,442</u>        | <u>16,921</u>        |
| <b>Total reserves and surplus</b>                                 | <u><u>65,107</u></u> | <u><u>50,554</u></u> |
| <b>4 Trade payables and other long-term liabilities</b>           |                      |                      |
| <b>a) Trade payables</b>                                          | 132                  | 151                  |
| <b>b) Others</b>                                                  |                      |                      |
| - Long-term employee incentives / benefits                        | 166                  | 193                  |
| - Derivative contracts                                            | 18                   | 17                   |
| - Deferred revenue [Refer note 42(a)]                             | -                    | 810                  |
| - Security deposits                                               | 130                  | -                    |
| - Other liabilities                                               | 79                   | 46                   |
|                                                                   | <u>393</u>           | <u>1,066</u>         |
|                                                                   | <u><u>525</u></u>    | <u><u>1,217</u></u>  |

Notes to the financial statements *(Continued)*  
as at 30 September 2016  
(Currency: Indian rupees millions)

|                                           | 2016          | 2015          |
|-------------------------------------------|---------------|---------------|
| <b>5 Long-term provisions</b>             |               |               |
| <b>a) Provision for employee benefits</b> |               |               |
| - Pension (Refer note 37)                 | 139           | 140           |
| - Leave wages                             | 645           | 573           |
| - Medical benefits (Refer note 37)        | 734           | 649           |
| - Silver jubilee and star awards          | 465           | 422           |
| - Retention bonus                         | 6             | 13            |
|                                           | <u>1,989</u>  | <u>1,797</u>  |
| <b>b) Others</b>                          |               |               |
| - Liquidated damages (Refer note 32)      | 23            | 43            |
|                                           | <u>2,012</u>  | <u>1,840</u>  |
| <b>6 Other current liabilities</b>        |               |               |
| Advances from customers                   | 3,088         | 4,669         |
| Billing in excess / advance billings      | 3,593         | 3,348         |
| Unclaimed dividend                        | 41            | 39            |
| Security deposits                         | 89            | 77            |
| Other liabilities                         |               |               |
| - Accrued salaries and benefits           | 2,021         | 2,094         |
| - Withholding and other taxes payable     | 683           | 578           |
| - Derivative contracts                    | 329           | 441           |
| - Liability for capital goods             | 390           | 285           |
| - Interest accrued and due                | 79            | 70            |
| - Deferred revenue [Refer note 42(a)]     | -             | 272           |
| - Others                                  | 816           | 814           |
|                                           | <u>11,129</u> | <u>12,687</u> |

|                                                                   | 2016          | 2015          |
|-------------------------------------------------------------------|---------------|---------------|
| <b>7 Short-term provisions</b>                                    |               |               |
| <b>a) Provision for employee benefits</b>                         |               |               |
| - Pension (Refer note 37)                                         | 32            | 32            |
| - Leave wages                                                     | 56            | 57            |
| - Medical benefits (Refer note 37)                                | 50            | 48            |
| - Gratuity (Refer note 37)                                        | 827           | 669           |
| - Silver jubilee and star awards                                  | 45            | 41            |
| - Retention bonus                                                 | 24            | 36            |
|                                                                   | <u>1,034</u>  | <u>883</u>    |
| <b>b) Others</b>                                                  |               |               |
| - Warranty (Refer notes 32)                                       | 3,167         | 2,895         |
| - Loss order (Refer note 32)                                      | 954           | 1,095         |
| - Liquidated damages (Refer note 32)                              | 1,402         | 1,524         |
| - Proposed dividend                                               | 2,137         | 3,561         |
| - Tax on proposed dividend                                        | 435           | 725           |
| - Provision for tax [net of advance tax ₹ 8,613 (2015: ₹ 10,616)] | 4,286         | 997           |
| - Other matters (Refer note 32)                                   | 2,594         | 2,940         |
|                                                                   | <u>14,975</u> | <u>13,737</u> |
|                                                                   | <u>16,009</u> | <u>14,620</u> |

# Notes to the financial statements (Continued)

## as at 30 September 2016

(Currency: Indian rupees millions)

| 8                                              | Fixed assets                                                             | Tangible assets |                |                                  |                                             |                                         |                                    |           |               |               |            |                   |           |            |               | Intangible assets |  |  |  |  |
|------------------------------------------------|--------------------------------------------------------------------------|-----------------|----------------|----------------------------------|---------------------------------------------|-----------------------------------------|------------------------------------|-----------|---------------|---------------|------------|-------------------|-----------|------------|---------------|-------------------|--|--|--|--|
|                                                |                                                                          | Freehold land   | Leasehold land | Buildings (Refer note i and iii) | Plant and equipment (Refer note iii and iv) | Furniture and fixtures (Refer note iii) | Office equipments (Refer note iii) | Vehicles  | Total         | Previous year | Goodwill   | Technical knowhow | Software  | Total      | Previous year |                   |  |  |  |  |
|                                                |                                                                          |                 |                |                                  |                                             |                                         |                                    |           |               |               |            |                   |           |            |               |                   |  |  |  |  |
| <b>Gross block</b>                             |                                                                          |                 |                |                                  |                                             |                                         |                                    |           |               |               |            |                   |           |            |               |                   |  |  |  |  |
|                                                | At 1 October 2015                                                        | 500             | 689            | 6,719                            | 17,731                                      | 737                                     | 1,886                              | 32        | 28,294        | 27,585        | 422        | 398               | 95        | 915        | 936           |                   |  |  |  |  |
|                                                | Additions                                                                | -               | -              | 229                              | 1,840                                       | 38                                      | 258                                | 1         | 2,366         | 2,826         | -          | -                 | 10        | 10         | 10            |                   |  |  |  |  |
|                                                | Deductions / adjustments                                                 | -               | -              | (6)                              | (530)                                       | (53)                                    | (76)                               | -         | (665)         | (1,342)       | -          | -                 | (15)      | (15)       | (2)           |                   |  |  |  |  |
|                                                | Reclassifications                                                        | 60              | (60)           | -                                | -                                           | -                                       | -                                  | -         | -             | -             | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | Assets transferred on sale of Healthcare undertaking [Refer note 42 (a)] | -               | -              | -                                | (2,882)                                     | (11)                                    | (81)                               | -         | (2,974)       | -             | (167)      | -                 | (7)       | (174)      | -             |                   |  |  |  |  |
|                                                | Assets transferred on sale of Metals                                     | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | (451)         | -          | -                 | -         | -          | (29)          |                   |  |  |  |  |
|                                                | Technologies business [Refer note 42 (b)]                                | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | 23            | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | Transferred from asset held for sale                                     | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | 2             | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | Transferred from investment property                                     | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | -             | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | Transferred to investment property                                       | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | (349)         | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | <b>At 30 September 2016</b>                                              | <b>560</b>      | <b>629</b>     | <b>6,942</b>                     | <b>16,159</b>                               | <b>711</b>                              | <b>1,987</b>                       | <b>33</b> | <b>27,021</b> | <b>28,294</b> | <b>255</b> | <b>398</b>        | <b>83</b> | <b>736</b> | <b>915</b>    |                   |  |  |  |  |
| <b>Accumulated depreciation / amortisation</b> |                                                                          |                 |                |                                  |                                             |                                         |                                    |           |               |               |            |                   |           |            |               |                   |  |  |  |  |
|                                                | At 1 October 2015                                                        | -               | 304            | 1,722                            | 10,595                                      | 590                                     | 1,530                              | 31        | 14,772        | 14,065        | 422        | 332               | 72        | 826        | 822           |                   |  |  |  |  |
|                                                | Charge for the year (Refer note ii)                                      | -               | 2              | 228                              | 1,689                                       | 110                                     | 167                                | 1         | 2,197         | 2,120         | -          | 18                | 10        | 28         | 30            |                   |  |  |  |  |
|                                                | Impairment loss (Refer note 41)                                          | -               | -              | -                                | 353                                         | -                                       | -                                  | -         | 353           | -             | -          | 2                 | -         | 2          | -             |                   |  |  |  |  |
|                                                | Deductions / adjustments                                                 | -               | -              | (3)                              | (415)                                       | (56)                                    | (77)                               | -         | (551)         | (1,135)       | -          | -                 | (15)      | (15)       | (2)           |                   |  |  |  |  |
|                                                | Reclassifications                                                        | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | -             | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | Assets transferred on sale of Healthcare undertaking [Refer note 42 (a)] | -               | -              | -                                | (1,594)                                     | (1)                                     | (43)                               | -         | (1,638)       | -             | (167)      | -                 | (5)       | (172)      | -             |                   |  |  |  |  |
|                                                | Assets transferred on sale of Metals                                     | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | (280)         | -          | -                 | -         | -          | (24)          |                   |  |  |  |  |
|                                                | Technologies business [Refer note 42 (b)]                                | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | 15            | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | Transferred from asset held for sale                                     | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | 2             | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | Transferred from investment property                                     | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | (15)          | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | Transferred to investment property                                       | -               | -              | -                                | -                                           | -                                       | -                                  | -         | -             | -             | -          | -                 | -         | -          | -             |                   |  |  |  |  |
|                                                | <b>At 30 September 2016</b>                                              | <b>-</b>        | <b>306</b>     | <b>1,947</b>                     | <b>10,628</b>                               | <b>643</b>                              | <b>1,577</b>                       | <b>32</b> | <b>15,133</b> | <b>14,772</b> | <b>255</b> | <b>352</b>        | <b>62</b> | <b>669</b> | <b>826</b>    |                   |  |  |  |  |
| <b>Net block</b>                               |                                                                          |                 |                |                                  |                                             |                                         |                                    |           |               |               |            |                   |           |            |               |                   |  |  |  |  |
|                                                | <b>At 30 September 2016</b>                                              | <b>560</b>      | <b>323</b>     | <b>4,995</b>                     | <b>5,531</b>                                | <b>68</b>                               | <b>410</b>                         | <b>1</b>  | <b>11,888</b> | <b>13,522</b> | <b>-</b>   | <b>46</b>         | <b>21</b> | <b>67</b>  | <b>89</b>     |                   |  |  |  |  |
|                                                | At 30 September 2015                                                     | 500             | 385            | 4,997                            | 7,136                                       | 147                                     | 356                                | 1         | 13,522        | -             | -          | 66                | 23        | 89         | -             |                   |  |  |  |  |

**8 Fixed assets (Continued)**

**Notes:-**

i Gross block of buildings includes ₹ 831 (2015: ₹392) representing 365 shares of ₹ 50 each and 11 shares of ₹ 100 each (2015: 345 shares of ₹ 50 each and 10 shares of ₹ 100 each) in various co-operative housing societies respectively.

**ii Depreciation and amortisation expense:**

|                                                | 2016         | 2015         |
|------------------------------------------------|--------------|--------------|
| Depreciation on tangible assets                | 2,197        | 2,121        |
| Amortisation of intangible assets              | 28           | 30           |
| Depreciation on investment property            | 39           | 5            |
| <b>As per the statement of profit and loss</b> | <b>2,264</b> | <b>2,156</b> |

**iii Assets include assets given on operating lease**

| Particulars                      | 2016      |                      |                        |                   | 2015      |                      |                        |                   |
|----------------------------------|-----------|----------------------|------------------------|-------------------|-----------|----------------------|------------------------|-------------------|
|                                  | Buildings | Plant and equipments | Furniture and fixtures | Office equipments | Buildings | Plant and equipments | Furniture and fixtures | Office equipments |
| Gross Block                      | 394       | 522                  | 51                     | 23                | 153       | 489                  | 46                     | 24                |
| Written Down Value               | 256       | 346                  | 10                     | 3                 | 107       | 327                  | 6                      | 3                 |
| Depreciation charge for the year | 49        | 52                   | 15                     | 14                | 4         | 8                    | 3                      | 2                 |

iv Plant and equipments includes Gross Block of ₹ 25 (2015: ₹ 25) and Net Block of ₹ 5 (2015: ₹ 7) 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 2016  
(Currency: Indian rupees millions)

|                                                                                                                                                      | 2016         | 2015         |
|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| <b>9 Non-current investments</b>                                                                                                                     |              |              |
| <b>a) Investment in subsidiary company (unquoted)(trade investment valued at cost unless otherwise stated)</b>                                       |              |              |
| 64,898 (2015 : 64,898) Equity Shares of ₹ 10 each fully paid-up in Siemens Rail Automation Pvt. Ltd.                                                 | 550          | 550          |
| <b>b) Investment property less accumulated depreciation / impairment loss</b>                                                                        |              |              |
| Land and building (at cost)                                                                                                                          | 1,156        | 1,156        |
| Less: Accumulated depreciation / impairment loss                                                                                                     | (59)         | (20)         |
| <b>Net block</b>                                                                                                                                     | <b>1,097</b> | <b>1,136</b> |
|                                                                                                                                                      | <b>1,647</b> | <b>1,686</b> |
| - Aggregate amount of unquoted investments                                                                                                           | 550          | 550          |
| <b>10 Deferred tax assets (net)</b>                                                                                                                  |              |              |
| <b>Deferred tax assets</b>                                                                                                                           |              |              |
| Arising on account of timing differences in :                                                                                                        |              |              |
| Provision for doubtful debts and advances                                                                                                            | 605          | 558          |
| Expenditure debited to the statement of profit and loss but allowable for tax purposes in following years                                            | 2,934        | 3,050        |
| Other provisions                                                                                                                                     | 66           | 66           |
|                                                                                                                                                      | <b>3,605</b> | <b>3,674</b> |
| <b>Less - Deferred tax liability</b>                                                                                                                 |              |              |
| Arising on account of timing differences in :                                                                                                        |              |              |
| Depreciation / impairment provisions                                                                                                                 | 352          | 499          |
| <b>Deferred tax assets (net)</b>                                                                                                                     | <b>3,253</b> | <b>3,175</b> |
| <b>11 Long-term loans and advances (unsecured considered good, unless otherwise stated)</b>                                                          |              |              |
| Balances with statutory / government authorities [includes payments made under protest of ₹ 657 (2015: ₹ 493)]                                       | 1,711        | 1,369        |
| Advance payments of income tax [net of provision for tax ₹ 35,892 (2015: ₹ 27,238) including payments made under protest of ₹ 4,235 (2015: ₹ 4,249)] | 5,202        | 5,457        |
| Capital advances                                                                                                                                     | 377          | 141          |
| Deposits                                                                                                                                             | 238          | 237          |
| Other loans and advances                                                                                                                             | 93           | 56           |
|                                                                                                                                                      | <b>7,621</b> | <b>7,260</b> |

|                                                                                    | 2016          | 2015          |
|------------------------------------------------------------------------------------|---------------|---------------|
| <b>12 Other non-current assets</b>                                                 |               |               |
| Long-term trade receivables (unsecured, considered good)                           | 1,037         | 1,756         |
| Derivative contracts                                                               | 31            | 5             |
| Others                                                                             | 78            | -             |
|                                                                                    | <u>1,146</u>  | <u>1,761</u>  |
| <b>13 Inventories (valued at lower of cost and net realisable value)</b>           |               |               |
| Raw materials [includes Goods in Transit ₹ 795 (2015 : ₹ 514)]                     | 3,484         | 2,701         |
| Work-in-progress                                                                   | 3,969         | 3,278         |
| Finished goods                                                                     | 702           | 699           |
| Traded goods [includes Goods in Transit ₹ 541 (2015 : ₹ 422)]                      | 1,838         | 2,831         |
|                                                                                    | <u>9,993</u>  | <u>9,509</u>  |
| <b>14 Trade receivables (unsecured)</b>                                            |               |               |
| Trade receivables outstanding                                                      |               |               |
| - for a period exceeding six months from the date they are due for payment         | 4,701         | 4,022         |
| - other receivables                                                                | 27,132        | 27,671        |
|                                                                                    | <u>31,833</u> | <u>31,693</u> |
| Of which                                                                           |               |               |
| - considered good                                                                  | 30,159        | 30,183        |
| - considered doubtful                                                              | 1,674         | 1,510         |
|                                                                                    | <u>31,833</u> | <u>31,693</u> |
| Provision for doubtful receivables                                                 | (1,674)       | (1,510)       |
|                                                                                    | <u>30,159</u> | <u>30,183</u> |
| <b>15 Cash and bank balance</b>                                                    |               |               |
| <b>Cash and cash equivalents</b>                                                   |               |               |
| Balances with banks                                                                |               |               |
| - On current accounts                                                              | 1,098         | 1,557         |
| - Bank deposits with original maturity of less than 3 months                       | 11,167        | 19,070        |
| Cash on hand                                                                       | 3             | 6             |
| Cheques / drafts on hand                                                           | 10            | 287           |
|                                                                                    | <u>12,278</u> | <u>20,920</u> |
| <b>Other bank balances</b>                                                         |               |               |
| Bank deposits with original maturity of more than 3 months but less than 12 months | 22,775        | -             |
| Unpaid dividend account                                                            | 41            | 39            |
|                                                                                    | <u>35,094</u> | <u>20,959</u> |

**Notes to the financial statements (*Continued*)**  
**as at 30 September 2016**  
**(Currency: Indian rupees millions)**

|                                                                                              | 2016         | 2015         |
|----------------------------------------------------------------------------------------------|--------------|--------------|
| <b>16 Short-term loans and advances (unsecured considered good, unless otherwise stated)</b> |              |              |
| Advance to suppliers                                                                         |              |              |
| - considered good                                                                            | 729          | 647          |
| - considered doubtful                                                                        | 6            | 34           |
|                                                                                              | <u>735</u>   | <u>681</u>   |
| Provision for doubtful advances                                                              | (6)          | (34)         |
|                                                                                              | <u>729</u>   | <u>647</u>   |
| Other loans and advances                                                                     |              |              |
| - considered good                                                                            | 804          | 770          |
| - considered doubtful                                                                        | 53           | 43           |
|                                                                                              | <u>857</u>   | <u>813</u>   |
| Provision for doubtful advances                                                              | (53)         | (43)         |
|                                                                                              | <u>804</u>   | <u>770</u>   |
| Deposits                                                                                     |              |              |
| - considered good                                                                            | 254          | 328          |
| - considered doubtful                                                                        | 5            | 24           |
|                                                                                              | <u>259</u>   | <u>352</u>   |
| Provision for doubtful deposits                                                              | (5)          | (24)         |
|                                                                                              | <u>254</u>   | <u>328</u>   |
| Inter corporate deposits to related parties (Refer note below and note 35)                   | 3,323        | 2,745        |
| Balances with statutory / government authorities, net                                        | 2,795        | 3,208        |
|                                                                                              | <u>7,905</u> | <u>7,698</u> |

Particulars in respect of loans and advances in the nature of loans as required by Regulation 53(f) read with Para A of Schedule V of the the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186 of the Companies Act, 2013

**Name of the Company**

**a) Loans and advances in the nature of loans to subsidiary**

Inter corporate deposit to subsidiary : **Siemens Rail Automation Pvt. Ltd.**

|                                                          |    |    |
|----------------------------------------------------------|----|----|
| - Balance as at year end                                 | 51 | 45 |
| - Maximum amount outstanding at any time during the year | 84 | 75 |

Siemens Rail Automation Pvt. Ltd. has utilised the inter corporate deposit for meeting the working capital requirements. It is repayable by October 2016 and carries an average rate of interest at 7.29% (PY 8.25%)

**17 Other current assets**

|                                              |              |              |
|----------------------------------------------|--------------|--------------|
| Project excess cost and unbilled revenue     | 6,820        | 8,615        |
| Derivative contracts                         | 607          | 380          |
| Interest accrued on inter corporate deposits | 10           | 3            |
| Interest accrued on bank deposits            | 355          | 84           |
| Other receivables                            | 59           | 32           |
|                                              | <u>7,851</u> | <u>9,114</u> |

**Notes to the financial statements (*Continued*)**  
**for the year ended 30 September 2016**  
**(Currency: Indian rupees millions)**

|                                                                                          | 2016           | 2015           |
|------------------------------------------------------------------------------------------|----------------|----------------|
| <b>18 Revenue from operations (net)</b>                                                  |                |                |
| <b>Revenue from operations, net of excise duty (Refer note 28)</b>                       |                |                |
| Sale of products (Refer note 43)                                                         | 62,301         | 57,317         |
| Revenue from projects (Refer note 33)                                                    | 31,415         | 35,511         |
| Sale of services (Refer note 43)                                                         | 11,419         | 9,462          |
| Commission income                                                                        | 307            | 541            |
|                                                                                          | <u>105,442</u> | <u>102,831</u> |
| <b>Other operating revenue</b>                                                           |                |                |
| Export incentives                                                                        | 186            | 172            |
| Recoveries from group companies                                                          | 1,444          | 1,565          |
| Rental income                                                                            | 554            | 265            |
| Liabilities written back                                                                 | 314            | 100            |
| Others                                                                                   | 149            | 191            |
|                                                                                          | <u>2,647</u>   | <u>2,293</u>   |
|                                                                                          | <u>108,089</u> | <u>105,124</u> |
| <b>19 Other income</b>                                                                   |                |                |
| Interest income                                                                          | 1,605          | 1,327          |
| Profit on sale of assets, net                                                            | -              | 191            |
| Others                                                                                   | 34             | 86             |
|                                                                                          | <u>1,639</u>   | <u>1,604</u>   |
| <b>20 Project bought outs and other direct costs</b>                                     |                |                |
| Spares and stores consumed                                                               | 362            | 374            |
| Project bought outs                                                                      | 14,471         | 17,176         |
| Other direct costs                                                                       | 3,478          | 2,981          |
|                                                                                          | <u>18,311</u>  | <u>20,531</u>  |
| Included in other direct costs, change in excise duty on closing stock of finished goods | 27             | (27)           |
| <b>21 Employee benefits expense</b>                                                      |                |                |
| Salaries, wages and bonus, net                                                           | 12,787         | 12,312         |
| Contribution to provident and other funds                                                | 1,218          | 1,039          |
| Staff welfare expenses                                                                   | 524            | 480            |
|                                                                                          | <u>14,529</u>  | <u>13,831</u>  |

**Notes to the financial statements (*Continued*)**  
**for the year ended 30 September 2016**  
**(Currency: Indian rupees millions)**

|                                                                                    | 2016          | 2015          |
|------------------------------------------------------------------------------------|---------------|---------------|
| <b>22 Finance costs</b>                                                            |               |               |
| Interest - others                                                                  | 59            | 49            |
|                                                                                    | <u>59</u>     | <u>49</u>     |
| <b>23 Other expenses</b>                                                           |               |               |
| Exchange loss / (gains), net *                                                     | 146           | 460           |
| Travel and conveyance                                                              | 1,752         | 1,756         |
| Software license fees and other information technology related costs               | 1,338         | 1,036         |
| Rates and taxes                                                                    | 650           | 634           |
| Communications                                                                     | 252           | 238           |
| Packing and forwarding                                                             | 1,330         | 1,174         |
| Power and fuel                                                                     | 504           | 513           |
| Insurance                                                                          | 247           | 304           |
| Rent                                                                               | 677           | 676           |
| Repairs                                                                            |               |               |
| - on building                                                                      | 627           | 277           |
| - on machinery                                                                     | 313           | 254           |
| - others                                                                           | 89            | 121           |
| Legal and professional [includes auditors' remuneration (Refer note 25)]           | 1,568         | 1,200         |
| Advertising and publicity                                                          | 153           | 88            |
| Office supplies, printing and stationery                                           | 41            | 70            |
| Research and development expenditure                                               | 63            | 73            |
| Bank guarantee commission / bank charges                                           | 260           | 232           |
| Donation                                                                           | 2             | 1             |
| Commission to directors                                                            | 14            | 18            |
| Directors' fees                                                                    | 4             | 4             |
| Bad debts [net of reversal of provision for doubtful debts of ₹ 198 (2015: ₹ 267)] | 196           | 162           |
| CSR expenditure                                                                    | 71            | 65            |
| Provision for doubtful debts and advances, net                                     | 439           | (10)          |
| Loss on sale of fixed assets, net                                                  | 8             | -             |
| Miscellaneous expenses                                                             | 1,272         | 1,414         |
|                                                                                    | <u>12,016</u> | <u>10,742</u> |

2016                      2015

\* Includes amount transferred from cash flow hedge reserve to exchange loss / (gains) amounting to ₹ 31 (2015: ₹ - 6)

|                                                                                                                                                              | 2016      | 2015      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|
| <b>24 Commitments and contingent liabilities</b>                                                                                                             |           |           |
| <b>(a) Commitments</b>                                                                                                                                       |           |           |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)                                             | 1,051     | 760       |
| For commitments relating to lease arrangements, refer note 34.                                                                                               |           |           |
| <b>(b) Contingent liabilities (to the extent not provided for)</b>                                                                                           |           |           |
| Income tax (excluding interest)                                                                                                                              | 4,201     | 2,612     |
| Excise, service tax and sales tax liabilities, under dispute                                                                                                 | 7,360     | 5,943     |
| Customs liabilities, under dispute                                                                                                                           | 120       | 120       |
| Claims against the Company not acknowledged as debts                                                                                                         | 366       | 541       |
| In respect of above contingent liabilities, the future cash outflows are determinable only on receipt of judgements pending at various forums / authorities. |           |           |
| <b>25 Auditors' remuneration (for audit services exclusive of service tax)</b>                                                                               |           |           |
| - Audit fees (Previous year includes ₹ 3 in relation to prior year)                                                                                          | 21        | 20        |
| - Tax audit fees                                                                                                                                             | 6         | 5         |
| - Other audit related services                                                                                                                               | 18        | 12        |
| - Reimbursement of expenses                                                                                                                                  | 3         | 3         |
|                                                                                                                                                              | <u>48</u> | <u>40</u> |
| <b>26 Earnings and expenditure in foreign exchange (on accrual basis)</b>                                                                                    |           |           |
| <b>(a) Earnings in foreign currency</b>                                                                                                                      |           |           |
| - Exports of goods direct on FOB basis                                                                                                                       | 10,384    | 8,186     |
| - Project business (based on actual billing)                                                                                                                 | 1,539     | 5,374     |
| - Commission income                                                                                                                                          | 307       | 541       |
| - Service income - others                                                                                                                                    | 4,862     | 3,459     |
| <b>(b) Expenditure in foreign currency</b>                                                                                                                   |           |           |
| - Travelling                                                                                                                                                 | 425       | 339       |
| - Expenditure on contracts at foreign sites                                                                                                                  | 398       | 1,104     |
| - IT cost and other services purchased                                                                                                                       | 1,509     | 1,306     |
| - Others                                                                                                                                                     | 3,238     | 2,456     |
| <b>(c) Value of imports calculated on CIF basis</b>                                                                                                          |           |           |

# Notes to the financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

|                                                           |        |        |
|-----------------------------------------------------------|--------|--------|
| - Raw materials, components, spare parts and traded goods | 36,749 | 33,087 |
| - Capital goods                                           | 581    | 317    |

### 27 Net dividend remitted in foreign exchange

|                                                         | 2016                       |                            | 2015                       |
|---------------------------------------------------------|----------------------------|----------------------------|----------------------------|
| Period to which the dividend relates                    | 1.10.2015 to<br>30.09.2016 | 1.10.2014 to<br>30.09.2015 | 1.10.2013 to<br>30.09.2014 |
| Number of non-resident shareholders                     | Two                        | Two                        | Two                        |
| Number of equity shares held on which dividend was due: |                            |                            |                            |
| - Siemens AG                                            | 255,351,805                | 255,351,805                | 255,351,805                |
| - Siemens Metals Technologies Vermögensverwaltungs GmbH | 11,738,108                 | 11,738,108                 | 11,738,108                 |
| Amount remitted:                                        |                            |                            |                            |
| - Siemens AG                                            | 7,022                      | 2,553                      | 1,532                      |
| - Siemens Metals Technologies Vermögensverwaltungs GmbH | 323                        | 117                        | 70                         |

### 28 Revenue from operations

|                                                            | 2016                  | 2015                  |
|------------------------------------------------------------|-----------------------|-----------------------|
| <b>Sale of products</b>                                    |                       |                       |
| Switchgear items                                           | 14,144                | 11,958                |
| Switchboards, control boards and miscellaneous accessories | 6,327                 | 5,252                 |
| Healthcare equipments / reagents (Refer note 43)           | 9,353                 | 11,307                |
| Variable Speed AC/DC Drive Systems, Motor Control          | 9,612                 | 9,205                 |
| Others                                                     | 22,865                | 19,595                |
|                                                            | <u>62,301</u>         | <u>57,317</u>         |
| <b>Revenue from projects</b>                               | 31,415                | 35,511                |
| <b>Sale of services (Refer note 43)</b>                    |                       |                       |
| Maintenance, repairs and other services                    | 11,419                | 9,462                 |
| Commission income                                          | 307                   | 541                   |
|                                                            | <u>105,442</u>        | <u>102,831</u>        |
| Other operating revenues                                   | 2,647                 | 2,293                 |
|                                                            | <u><u>108,089</u></u> | <u><u>105,124</u></u> |

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

|            | 2016                 |                           | 2015                 |                           |
|------------|----------------------|---------------------------|----------------------|---------------------------|
|            | Value                | % of total<br>consumption | Value                | % of total<br>consumption |
| Imported   | 11,330               | 41%                       | 10,078               | 41%                       |
| Indigenous | 16,056               | 59%                       | 14,715               | 59%                       |
|            | <u><u>27,386</u></u> | <u><u>100%</u></u>        | <u><u>24,793</u></u> | <u><u>100%</u></u>        |

|                                                                                             | 2016          | 2015          |
|---------------------------------------------------------------------------------------------|---------------|---------------|
| <b>30 Purchase of traded goods</b>                                                          |               |               |
| Medical healthcare equipments                                                               | 9,385         | 9,801         |
| Measuring and Control Instruments                                                           | 860           | 971           |
| Switchgear Items                                                                            | 2,841         | 2,380         |
| Variable Speed AC/DC Drive Systems, Motor Control, Modules and Programmable Control Systems | 4,954         | 4,204         |
| Others                                                                                      | 10,053        | 7,446         |
|                                                                                             | <u>28,093</u> | <u>24,802</u> |
| <b>31 Raw materials consumed</b>                                                            |               |               |
| Copper flats, strips and profiles                                                           | 845           | 573           |
| Iron and steel castings and shafts                                                          | 1,146         | 707           |
| Dynamo steel sheets, strips and laminations                                                 | 457           | 358           |
| Hot rolled and cold rolled steel sheets, strips                                             | 567           | 451           |
| Turbine Components                                                                          | 800           | 1,470         |
| Aluminium components                                                                        | 1,488         | 734           |
| Steel components                                                                            | 1,115         | 935           |
| Copper and copper alloy components                                                          | 424           | 368           |
| Insulation materials                                                                        | 1,174         | 968           |
| Packing material                                                                            | 291           | 247           |
| Equipments                                                                                  | 1,635         | 1,269         |
| Gear and Gear boxes                                                                         | 424           | 226           |
| Motor components                                                                            | 1,060         | 915           |
| Assemblies / Parts                                                                          | 1,080         | 1,089         |
| Others                                                                                      | 14,518        | 14,109        |
|                                                                                             | <u>27,024</u> | <u>24,419</u> |

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

# Notes to the financial statements (*Continued*)

## as at 30 September 2016

(Currency: Indian rupees millions)

### 32 Disclosure relating to Provisions

#### **Provision for warranty**

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

#### **Provision for liquidated damages**

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

#### **Provision for loss orders**

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

#### **Provision for other matters**

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

The movements in the above provisions are summarised below:

|                                                                          | <b>Warranty</b> |             | <b>Liquidated damages</b> |             | <b>Loss orders</b> |             | <b>Other matters</b> |             |
|--------------------------------------------------------------------------|-----------------|-------------|---------------------------|-------------|--------------------|-------------|----------------------|-------------|
|                                                                          | <b>2016</b>     | <b>2015</b> | <b>2016</b>               | <b>2015</b> | <b>2016</b>        | <b>2015</b> | <b>2016</b>          | <b>2015</b> |
| Balance as at 1 October                                                  | <b>2,895</b>    | 3,576       | <b>1,567</b>              | 1,791       | <b>1,095</b>       | 2,039       | <b>2,940</b>         | 2,678       |
| Provisions :                                                             |                 |             |                           |             |                    |             |                      |             |
| - Created                                                                | <b>1,502</b>    | 1,490       | <b>439</b>                | 680         | <b>1,038</b>       | 971         | <b>846</b>           | 1,656       |
| - Utilised                                                               | <b>(490)</b>    | (723)       | <b>(288)</b>              | (170)       | <b>(710)</b>       | (1,556)     | <b>(283)</b>         | (207)       |
| - Reversed                                                               | <b>(663)</b>    | (589)       | <b>(291)</b>              | (300)       | <b>(452)</b>       | (169)       | <b>(836)</b>         | (1,148)     |
| - Adjustment on account of change in accounting policy                   | -               | (825)       | -                         | -           | -                  | -           | -                    | -           |
| - Transferred on sale of Healthcare undertaking [Refer note 42(a)]       | <b>(77)</b>     | -           | <b>(2)</b>                | -           | <b>(17)</b>        | -           | <b>(73)</b>          | -           |
| - Transferred on sale of Metals Technologies business [Refer note 42(b)] | -               | (34)        | -                         | (434)       | -                  | (190)       | -                    | (39)        |
| Balance as at 30 September                                               | <b>3,167</b>    | 2,895       | <b>1,425</b>              | 1,567       | <b>954</b>         | 1,095       | <b>2,594</b>         | 2,940       |
| - Current                                                                | <b>3,167</b>    | 2,895       | <b>1,402</b>              | 1,524       | <b>954</b>         | 1,095       | <b>2,594</b>         | 2,940       |
| - Non-current                                                            | -               | -           | <b>23</b>                 | 43          | -                  | -           | -                    | -           |

**2016**                      **2015**

### 33 Disclosure pursuant to Accounting Standard - 7 'Construction Contracts' :

|       |                                                                                                                                              |                |         |
|-------|----------------------------------------------------------------------------------------------------------------------------------------------|----------------|---------|
| (i)   | Contract Revenue recognised for the year ended 30 September                                                                                  | <b>31,415</b>  | 35,511  |
| (ii)  | Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress as at 30 September | <b>106,500</b> | 114,143 |
| (iii) | Amount of advances received                                                                                                                  | <b>4,217</b>   | 3,542   |
| (iv)  | Amount of retentions                                                                                                                         | <b>5,615</b>   | 7,121   |
| (v)   | Amounts due from customers                                                                                                                   | <b>6,345</b>   | 7,615   |
| (vi)  | Amounts due to customers                                                                                                                     | <b>3,633</b>   | 3,986   |

**34 Disclosure pursuant to Accounting Standard - 19 'Leases' :****a) Where the Company is the lessee:**

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:

|                                                         | 2016       | 2015       |
|---------------------------------------------------------|------------|------------|
| (i) Not later than one year from the balance sheet date | 328        | 216        |
| (ii) Later than one year and not later than five years  | 622        | 504        |
| (iii) Later than five years                             | 12         | 20         |
|                                                         | <u>962</u> | <u>740</u> |

Lease rent debited to the statement of profit and loss ₹ 677 (2015: ₹ 676)

Sub-lease payments recognised in the statement of profit and loss ₹ 240 (2015: ₹ 32)

The future sub-lease payments expected to be received under non cancellable sub-lease as at 30 September 2016 is ₹ 1,238 (2015: ₹ Nil)

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, machinery, 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% pa. There are no exceptional / restrictive covenants in the lease agreements.

**b) Where the Company is the lessor:**

Lease income from non cancellable lease arrangement credited to the statement of profit and loss and the future lease income in respect of non cancellable operating lease are summarised below:

|                                                         | 2016         | 2015         |
|---------------------------------------------------------|--------------|--------------|
| (i) Not later than one year from the balance sheet date | 286          | 197          |
| (ii) Later than one year and not later than five years  | 970          | 1,160        |
| (iii) Later than five years                             | -            | 78           |
|                                                         | <u>1,256</u> | <u>1,435</u> |

Lease income recognised during the year in statement of profit and loss ₹ 554 (2015: ₹ 265)

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 of its factory premises, office premises, storage locations, machinery and residential premises.
- (ii) The future lease rental income is determined on the basis of the monthly lease terms as per the agreements.
- (iii) At the expiry of the non cancellable lease period the option of renewal rests with both parties.
- (iv) The lease agreements have escalation clause of 5% to 10% pa. There are no exceptional / restrictive covenants in the lease agreements.

# Notes to the financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 35 Related party transactions

#### 35.1 Parties where control exists

|                                          |                 |
|------------------------------------------|-----------------|
| Siemens AG                               | Holding company |
| Siemens Rail Automation Pvt. Ltd., India | Subsidiary      |

#### 35.2 Other related parties where transactions have taken place during the year

| Fellow Subsidiaries | Name                                                                                                                      | Country        |
|---------------------|---------------------------------------------------------------------------------------------------------------------------|----------------|
|                     | Siemens S.A.                                                                                                              | Angola         |
|                     | Siemens S.A.                                                                                                              | Argentina      |
|                     | Siemens Ltd.                                                                                                              | Australia      |
|                     | ETM professional control GmbH                                                                                             | Austria        |
|                     | Siemens Aktiengesellschaft Österreich                                                                                     | Austria        |
|                     | Siemens Convergence Creators GmbH                                                                                         | Austria        |
|                     | Siemens Metals Technologies Vermögensverwaltungs GmbH (previously known as Siemens VAI Metals Technologies GmbH, Germany) | Austria        |
|                     | Siemens AG Österreich, Plant Rail Systems Wien                                                                            | Austria        |
|                     | Siemens AG Österreich, Plant Transformers Wien                                                                            | Austria        |
|                     | Primetals Technologies Austria GmbH (upto 07.01.2015)                                                                     | 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         |
|                     | Siemens Ltda.                                                                                                             | Brazil         |
|                     | Siemens EOOD                                                                                                              | Bulgaria       |
|                     | Siemens Canada Ltd. - RuggedCom                                                                                           | Canada         |
|                     | Siemens Hearing Instruments Inc.                                                                                          | Canada         |
|                     | Trench Ltd.                                                                                                               | Canada         |
|                     | Siemens Canada Ltd. - Process Instruments Business Unit                                                                   | Canada         |
|                     | Siemens Canada Ltd.                                                                                                       | Canada         |
|                     | Siemens Healthcare Diagnostics Manufacturing Ltd.                                                                         | Cayman Islands |
|                     | Siemens S.A.                                                                                                              | Chile          |
|                     | Beijing Siemens Cerberus Electronics Ltd.                                                                                 | China          |
|                     | MWB (Shanghai) Co Ltd.                                                                                                    | China          |
|                     | Siemens Circuit Protection Systems Ltd., Shanghai                                                                         | China          |
|                     | Siemens Electrical Apparatus Ltd., Suzhou                                                                                 | 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., Hangzhou                                                                   | China          |
|                     | Siemens High Voltage Switchgear Co. Ltd. Shanghai                                                                         | China          |

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

| Fellow Subsidiaries | Name                                                                        | Country        |
|---------------------|-----------------------------------------------------------------------------|----------------|
|                     | Siemens Industrial Automation Ltd., Shanghai                                | China          |
|                     | Siemens International Trading Ltd., Shanghai                                | China          |
|                     | Siemens Ltd., China                                                         | China          |
|                     | Siemens Mechanical Drive Systems (Tianjin) Co. Ltd.                         | China          |
|                     | Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.                   | China          |
|                     | Siemens Numerical Control Ltd., Nanjing                                     | 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.                                                | China          |
|                     | Siemens Switchgear Ltd., Shanghai                                           | China          |
|                     | Siemens Transformer (Guangzhou) Co. Ltd.                                    | China          |
|                     | Siemens VAI Metals Technologies Co. Ltd., Shanghai (upto 07.01.2015)        | China          |
|                     | Siemens Wind Power Blades (Shanghai) Co. Ltd.                               | China          |
|                     | Siemens Wiring Accessories Shandong Ltd.                                    | China          |
|                     | Siemens X-Ray Vacuum Technology Ltd., Wuxi                                  | China          |
|                     | Trench High Voltage Products Ltd., Shenyang                                 | China          |
|                     | Winergy Drive Systems (Tianjin) Co. Ltd.                                    | China          |
|                     | Siemens Sensors & Communication Ltd.                                        | China          |
|                     | Yangtze Delta Manufacturing Co. Ltd., Hangzhou                              | China          |
|                     | Siemens Industry Software (Shanghai) Co. Ltd.                               | China          |
|                     | Siemens Industrial Turbomachinery (Huludao) Co. Ltd.                        | China          |
|                     | Siemens S.A.                                                                | Columbia       |
|                     | Koncar-Energetski Transformatori, d.o.o.                                    | 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 A/S Flow Instruments                                                | Denmark        |
|                     | Siemens S.A.                                                                | El Salvador    |
|                     | 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         |

# Notes to the financial statements *(Continued)* for the year ended 30 September 2016 (Currency: Indian rupees millions)

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

| Fellow Subsidiaries | Name                                                                | Country       |
|---------------------|---------------------------------------------------------------------|---------------|
|                     | Siemens Transmission & Distribution SAS                             | France        |
|                     | Siemens VAI Metals Technologies SAS (upto 07.01.2015)               | France        |
|                     | Trench France S.A.S.                                                | France        |
|                     | Alpha Verteilertechnik GmbH                                         | Germany       |
|                     | Evosoft GmbH                                                        | Germany       |
|                     | HSP Hochspannungsgeräte 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 Industriegetriebe GmbH                                      | Germany       |
|                     | Siemens Power Control GmbH                                          | Germany       |
|                     | Siemens Turbomachinery Equipment GmbH                               | Germany       |
|                     | Siemens VAI Metals Technologies GmbH (upto 07.01.2015)              | Germany       |
|                     | SYKATEC Systeme, Komponenten, Anwendungstechnologie GmbH            | Germany       |
|                     | TLT-Turbo GmbH                                                      | Germany       |
|                     | Trench Germany GmbH                                                 | Germany       |
|                     | Siemens Insulation Center GmbH & Co. KG                             | Germany       |
|                     | Weiss Spindeltechnologie GmbH                                       | Germany       |
|                     | MessMa GmbH (upto 21.09.2015)                                       | Germany       |
|                     | Siemens Healthcare GmbH                                             | Germany       |
|                     | Dresser-Rand GmbH                                                   | Germany       |
|                     | Siemens AG - DF/PD CS, Erlangen                                     | Germany       |
|                     | Siemens Industry Software GmbH                                      | Germany       |
|                     | Siemens AG - Credit Warehouse Germany                               | Germany       |
|                     | Electrium Sales Ltd.                                                | Great Britain |
|                     | I DT Factory Congleton                                              | Great Britain |
|                     | Siemens Healthcare Diagnostics Manufacturing Ltd.                   | Great Britain |
|                     | Siemens Healthcare Diagnostics Products Ltd.                        | Great Britain |
|                     | Siemens Industrial Turbomachinery Ltd.                              | Great Britain |
|                     | Siemens Magnet Technology                                           | Great Britain |
|                     | Siemens plc                                                         | Great Britain |
|                     | Siemens plc, Industry Sector, Metals Technologies (upto 07.01.2015) | Great Britain |
|                     | Siemens Protection Devices Ltd.                                     | Great Britain |
|                     | Siemens Transmission & Distribution Ltd.                            | Great Britain |
|                     | Siemens VAI Metals Technologies Ltd. (upto 07.01.2015)              | Great Britain |
|                     | Siemens Water Technologies Ltd. (upto 15.01.2014)                   | Great Britain |

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

| Fellow Subsidiaries | Name                                                         | Country       |
|---------------------|--------------------------------------------------------------|---------------|
|                     | Siemens Industry Software Ltd.                               | Great Britain |
|                     | Siemens Healthcare Diagnostics Ltd.                          | Hongkong      |
|                     | Siemens Ltd.                                                 | Hongkong      |
|                     | Siemens Healthcare Ltd.                                      | Hongkong      |
|                     | Siemens Industry Software Ltd.                               | Hongkong      |
|                     | Siemens Zrt.                                                 | Hungary       |
|                     | Siemens Healthcare Kft.                                      | Hungary       |
|                     | 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 Postal Parcel & Airport Logistics Pvt. Ltd.          | India         |
|                     | Siemens Technology and Services Pvt. Ltd.                    | India         |
|                     | LMS India Engineering Solutions Pvt. Ltd.                    | India         |
|                     | Preactor Software India Pvt. Ltd.                            | India         |
|                     | VAI Metals Technologies Pvt. Ltd. (upto 07.01.2015)          | India         |
|                     | Dresser-Rand India Pvt. Ltd.                                 | India         |
|                     | Siemens Healthcare Pvt. Ltd.                                 | India         |
|                     | P.T. Siemens Indonesia                                       | Indonesia     |
|                     | PT. Siemens Industrial Power                                 | Indonesia     |
|                     | Europlex Technologies (Ireland) Ltd.                         | Ireland       |
|                     | Siemens Ltd.                                                 | Ireland       |
|                     | Siemens Concentrated Solar Power Ltd.                        | Israel        |
|                     | Siemens Israel Ltd.                                          | Israel        |
|                     | Siemens S.p.A.                                               | Italy         |
|                     | Trench Italia S.r.l.                                         | Italy         |
|                     | HV-Turbo Italia S.r.l.                                       | Italy         |
|                     | Siemens S. p.A Metals Technologies, Milano (upto 07.01.2015) | Italy         |
|                     | Siemens VAI Metals Technologies S.r.l. (upto 07.01.2015)     | Italy         |
|                     | Siemens Healthcare Diagnostics K.K.                          | Japan         |
|                     | Siemens Japan K.K.                                           | Japan         |
|                     | Yaskawa Siemens Automation & Drives Corp.                    | Japan         |
|                     | Siemens TOO                                                  | Kazakhstan    |
|                     | Siemens Ltd. Seoul                                           | Korea         |
|                     | Siemens Energy Solutions Ltd.                                | Korea         |
|                     | Siemens PETNET Korea Co. Ltd.                                | Korea         |
|                     | Siemens Electrical & Electronic Services K.S.C.C.            | Kuwait        |
|                     | Siemens Malaysia Sdn. Bhd.                                   | Malaysia      |

# Notes to the financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

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

| Fellow Subsidiaries | Name                                        | Country      |
|---------------------|---------------------------------------------|--------------|
|                     | 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 Wind Power Blades, SARL AU          | Morocco      |
|                     | Siemens Nederland N.V.                      | Netherlands  |
|                     | Siemens Nederland N.V. - dependent ARE 456b | Netherlands  |
|                     | NEM Energy B.V.                             | Netherlands  |
|                     | Siemens (N.Z.) Ltd.                         | New Zealand  |
|                     | Siemens Ltd.                                | Nigeria      |
|                     | Siemens S.A.                                | Nicaragua    |
|                     | Siemens AS                                  | Norway       |
|                     | Siemens L.L.C.                              | Oman         |
|                     | Siemens S.A.C.                              | Peru         |
|                     | Siemens Power Operations, Inc.              | Philippines  |
|                     | Siemens, Inc.                               | Philippines  |
|                     | Siemens Sp. z o.o.                          | Poland       |
|                     | TurboCare Sp. z o.o.                        | Poland       |
|                     | Siemens S.A.                                | Portugal     |
|                     | Siemens W.L.L.                              | Qatar        |
|                     | Siemens S.R.L.                              | Romania      |
|                     | SIMEA S.R.L., Plan SEIT Sibiu               | Romania      |
|                     | OOO Siemens                                 | Russia       |
|                     | OOO Siemens Gas Turbine Technologies        | Russia       |
|                     | OOO Siemens High Voltage Products           | Russia       |
|                     | Arabia Electric Ltd. (Equipment)            | Saudi-Arabia |
|                     | ISCOSA Industries and Maintenance Ltd.      | Saudi-Arabia |
|                     | Siemens Ltd.                                | Saudi-Arabia |
|                     | Siemens d.o.o. Beograd                      | Serbia       |
|                     | Siemens Pte. Ltd.                           | Singapore    |
|                     | Siemens Water Technologies Pte. Ltd.        | Singapore    |
|                     | Siemens Pte Ltd – AGT Service business      | Singapore    |
|                     | Siemens Healthcare Pte. Ltd.                | Singapore    |
|                     | Siemens s.r.o.                              | Slovakia     |
|                     | Siemens d.o.o.                              | Slovenia     |
|                     | Siemens (Proprietary) Ltd.                  | South Africa |
|                     | Fábrica Electrotécnica Josa, S.A.           | Spain        |
|                     | Siemens S.A.                                | Spain        |
|                     | Siemens AB                                  | Sweden       |

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

| Fellow Subsidiaries | Name                                                                           | Country     |
|---------------------|--------------------------------------------------------------------------------|-------------|
|                     | Siemens Industrial Turbomachinery AB                                           | Sweden      |
|                     | Siemens, Security Products                                                     | Sweden      |
|                     | Siemens Schweiz AG                                                             | Switzerland |
|                     | Siemens Schweiz AG, Building Technologies Division, International Headquarters | Switzerland |
|                     | Siemens Ltd.                                                                   | Taiwan      |
|                     | Siemens Ltd.                                                                   | Thailand    |
|                     | Siemens S.A.                                                                   | Tunisia     |
|                     | Siemens Sanayi ve Ticaret A.S.                                                 | Turkey      |
|                     | Siemens Ukraine (erstwhile DP Siemens Ukraine)                                 | Ukraine     |
|                     | SD (Middle East) LLC                                                           | UAE         |
|                     | Siemens LLC                                                                    | UAE         |
|                     | Siemens Middle East Ltd.                                                       | UAE         |
|                     | Siemens Healthcare FZ LLC                                                      | UAE         |
|                     | Siemens Demag Delaval Turbomachinery, Inc.                                     | USA         |
|                     | Siemens Energy, Inc.                                                           | USA         |
|                     | Siemens Energy, Inc. (US) - Fossil Products (OPP)                              | USA         |
|                     | Siemens Energy, Inc. (US) - Oil and Gas (PT2)                                  | USA         |
|                     | Siemens Energy, Inc. (US) - Transmission (PPR)                                 | USA         |
|                     | Siemens Healthcare Diagnostics Inc.                                            | USA         |
|                     | Siemens Corporation                                                            | USA         |
|                     | Siemens Industry, Inc.                                                         | USA         |
|                     | Siemens Medical Solutions USA, Inc.                                            | USA         |
|                     | Siemens Water Technologies LLC                                                 | USA         |
|                     | SMS Inc. - Customer Solutions Group                                            | USA         |
|                     | Winergy Drive Systems Corporation                                              | USA         |
|                     | Siemens Postal, Parcel & Airport Logistics LLC                                 | USA         |
|                     | Siemens Product Lifecycle Management Software Inc.                             | USA         |
|                     | NEM USA Corp.                                                                  | USA         |
|                     | Siemens VAI Metals Technologies LLC (upto 07.01.2015)                          | USA         |
|                     | Siemens Healthcare GmbH                                                        | USA         |
|                     | Siemens Energy, Inc. (US) – Dist Gen (PRW)                                     | USA         |
|                     | Siemens S.A.                                                                   | Venezuela   |
|                     | Siemens Ltd.                                                                   | Vietnam     |

### 35.3 Key Managerial personnel

|                      |                      |
|----------------------|----------------------|
| Whole-time Directors | Mr. Sunil Mathur     |
|                      | Mr. Christian Rummel |

# Notes to the financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 35.4 Related party transactions

| Description                                                                      | 2016            |            |                     |                          | 2015            |            |                     |                          |
|----------------------------------------------------------------------------------|-----------------|------------|---------------------|--------------------------|-----------------|------------|---------------------|--------------------------|
|                                                                                  | Holding Company | Subsidiary | Fellow Subsidiaries | Key managerial personnel | Holding Company | Subsidiary | Fellow Subsidiaries | Key managerial personnel |
| <b>Revenue (net of taxes)</b>                                                    |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 4,836           | -          | -                   | -                        | 3,891           | -          | -                   | -                        |
| - Siemens Rail Automation Pvt. Ltd.                                              | -               | 59         | -                   | -                        | -               | 35         | -                   | -                        |
| - Siemens W.L.L.                                                                 | -               | -          | 2,693               | -                        | -               | -          | 3,145               | -                        |
| - Siemens Malaysia Sdn. Bhd.                                                     | -               | -          | 1,289               | -                        | -               | -          | 128                 | -                        |
| - Others                                                                         | -               | -          | 4,050               | -                        | -               | -          | 4,450               | -                        |
| <b>Commission income</b>                                                         |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 91              | -          | -                   | -                        | 371             | -          | -                   | -                        |
| - Siemens Industrial Turbomachinery Ltd.                                         | -               | -          | 95                  | -                        | -               | -          | 70                  | -                        |
| - Siemens Healthcare GmbH                                                        | -               | -          | 43                  | -                        | -               | -          | 86                  | -                        |
| - Siemens Industrial Turbomachinery AB                                           | -               | -          | 22                  | -                        | -               | -          | -                   | -                        |
| - Others                                                                         | -               | -          | 27                  | -                        | -               | -          | 14                  | -                        |
| <b>Recoveries from group companies</b>                                           |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 998             | -          | -                   | -                        | 742             | -          | -                   | -                        |
| - Siemens Rail Automation Pvt. Ltd.                                              | -               | 6          | -                   | -                        | -               | 9          | -                   | -                        |
| - Siemens Schweiz AG, Building Technologies Division, International Headquarters | -               | -          | *                   | -                        | -               | -          | 205                 | -                        |
| - Siemens Technology and Services Pvt. Ltd. (STS)                                | -               | -          | 133                 | -                        | -               | -          | 201                 | -                        |
| - Siemens Industry Software (India) Pvt. Ltd.                                    | -               | -          | 20                  | -                        | -               | -          | 22                  | -                        |
| - Siemens Healthcare GmbH                                                        | -               | -          | 120                 | -                        | -               | -          | 46                  | -                        |
| - Others                                                                         | -               | -          | 168                 | -                        | -               | -          | 113                 | -                        |
| <b>Reimbursement of expenses received</b>                                        |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 975             | -          | -                   | -                        | 1,143           | -          | -                   | -                        |
| - Siemens Rail Automation Pvt. Ltd.                                              | -               | 10         | -                   | -                        | -               | 8          | -                   | -                        |
| - Siemens Healthcare GmbH                                                        | -               | -          | 347                 | -                        | -               | -          | 185                 | -                        |
| - Siemens plc, Industry Sector, Metals Technologies                              | -               | -          | -                   | -                        | -               | -          | 21                  | -                        |
| - Siemens Metals Technologies Vermögensverwaltungs GmbH                          | -               | -          | -                   | -                        | -               | -          | 32                  | -                        |
| - Siemens Schweiz AG, Building Technologies                                      | -               | -          | 1                   | -                        | -               | -          | 4                   | -                        |
| - Siemens Industrial Turbomachinery Ltd.                                         | -               | -          | 52                  | -                        | -               | -          | -                   | -                        |
| - Others                                                                         | -               | -          | 214                 | -                        | -               | -          | 263                 | -                        |
| <b>Purchase of goods and services</b>                                            |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 21,166          | -          | -                   | -                        | 21,232          | -          | -                   | -                        |
| - Siemens Rail Automation Pvt. Ltd.                                              | -               | 11         | -                   | -                        | -               | 34         | -                   | -                        |
| - Siemens Healthcare Diagnostics, LA                                             | -               | -          | 1,484               | -                        | -               | -          | 1,209               | -                        |
| - Siemens Healthcare GmbH                                                        | -               | -          | 4,872               | -                        | -               | -          | 2,358               | -                        |
| - Others                                                                         | -               | -          | 7,905               | -                        | -               | -          | 7,357               | -                        |

\* denotes figures less than a million

### 35.4 Related party transactions (Continued)

| Description                                                                      | 2016            |            |                     |                          | 2015            |            |                     |                          |
|----------------------------------------------------------------------------------|-----------------|------------|---------------------|--------------------------|-----------------|------------|---------------------|--------------------------|
|                                                                                  | Holding Company | Subsidiary | Fellow Subsidiaries | Key managerial personnel | Holding Company | Subsidiary | Fellow Subsidiaries | Key managerial personnel |
| <b>Rent income</b>                                                               |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens Rail Automation Pvt. Ltd.                                              | -               | -          | -                   | -                        | -               | 1          | -                   | -                        |
| - Siemens Technology and Services Pvt. Ltd. (STS)                                | -               | -          | 69                  | -                        | -               | -          | 116                 | -                        |
| - Siemens Financial Services Pvt. Ltd.                                           | -               | -          | 59                  | -                        | -               | -          | 50                  | -                        |
| - Siemens Healthcare Pvt. Ltd.                                                   | -               | -          | 56                  | -                        | -               | -          | -                   | -                        |
| - Others                                                                         | -               | -          | 21                  | -                        | -               | -          | 26                  | -                        |
| <b>Interest income</b>                                                           |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                                           | -               | -          | 160                 | -                        | -               | -          | 112                 | -                        |
| - Siemens Rail Automation Pvt. Ltd.                                              | -               | 3          | -                   | -                        | -               | 4          | -                   | -                        |
| - Others                                                                         | -               | -          | 14                  | -                        | -               | -          | 7                   | -                        |
| <b>Interest expenses</b>                                                         |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 29              | -          | -                   | -                        | 30              | -          | -                   | -                        |
| - Siemens plc                                                                    | -               | -          | -                   | -                        | -               | -          | *                   | -                        |
| <b>Bank guarantee charges</b>                                                    |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 75              | -          | -                   | -                        | 69              | -          | -                   | -                        |
| <b>Dividend paid (on payment basis)</b>                                          |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 9,576           | -          | -                   | -                        | 1,532           | -          | -                   | -                        |
| - Siemens Metals Technologies Vermögensverwaltungs GmbH                          | -               | -          | 440                 | -                        | -               | -          | 70                  | -                        |
| <b>Purchase of fixed assets / investment property / capital work in progress</b> |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | 142             | -          | -                   | -                        | 196             | -          | -                   | -                        |
| - Siemens Medical Solutions USA, Inc.                                            | -               | -          | 24                  | -                        | -               | -          | 20                  | -                        |
| - Siemens Healthcare GmbH                                                        | -               | -          | 12                  | -                        | -               | -          | 16                  | -                        |
| - Siemens Ltda.                                                                  | -               | -          | -                   | -                        | -               | -          | 14                  | -                        |
| - Trench Germany GmbH                                                            | -               | -          | 69                  | -                        | -               | -          | -                   | -                        |
| - Others                                                                         | -               | -          | 4                   | -                        | -               | -          | 20                  | -                        |
| <b>Sale of fixed assets / investment property</b>                                |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                                                     | -               | -          | -                   | -                        | 11              | -          | -                   | -                        |
| - Siemens Technology and Services Pvt. Ltd. (STS)                                | -               | -          | -                   | -                        | -               | -          | 1                   | -                        |
| - Others                                                                         | -               | -          | 11                  | -                        | -               | -          | -                   | -                        |
| <b>Sale of metals technologies business [Refer note 42(b)]</b>                   |                 |            |                     |                          |                 |            |                     |                          |
| - VAI Metals Technologies Pvt. Ltd.                                              | -               | -          | -                   | -                        | -               | -          | 10,233              | -                        |
| <b>Sale of SBT R&amp;D business</b>                                              |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens Technology and Services Pvt. Ltd. (STS)                                | -               | -          | -                   | -                        | -               | -          | 61                  | -                        |
| <b>Sale of Healthcare business [Refer note 42(a)]</b>                            |                 |            |                     |                          |                 |            |                     |                          |
| Siemens Healthcare Pvt. Ltd.                                                     | -               | -          | 30,500              | -                        | -               | -          | -                   | -                        |
| <b>Managerial Remuneration **</b>                                                |                 |            |                     |                          |                 |            |                     |                          |
| - Mr. Sunil Mathur                                                               | -               | -          | -                   | 111                      | -               | -          | -                   | 87                       |
| - Mr. Christian Rummel                                                           | -               | -          | -                   | 58                       | -               | -          | -                   | 53                       |

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole. Remuneration in the form of stock awards are included only upon vesting.

Notes to the financial statements *(Continued)*  
for the year ended 30 September 2016  
(Currency: Indian rupees millions)

| Description                                            | 2016            |            |                     |                          | 2015            |            |                     |                          |
|--------------------------------------------------------|-----------------|------------|---------------------|--------------------------|-----------------|------------|---------------------|--------------------------|
|                                                        | Holding Company | Subsidiary | Fellow Subsidiaries | Key managerial personnel | Holding Company | Subsidiary | Fellow Subsidiaries | Key managerial personnel |
| <b>Inter corporate deposits given</b>                  |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                 | -               | -          | 7,900               | -                        | -               | -          | 7,460               | -                        |
| - Siemens Convergence Creators Pvt. Ltd.               | -               | -          | 40                  | -                        | -               | -          | 220                 | -                        |
| - Siemens Technology and Services Pvt. Ltd (STS)       | -               | -          | -                   | -                        | -               | -          | 554                 | -                        |
| - Siemens Rail Automation Pvt. Ltd.                    | -               | 155        | -                   | -                        | -               | 210        | -                   | -                        |
| <b>Refund of inter corporate deposits given</b>        |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                 | -               | -          | 7,250               | -                        | -               | -          | 6,605               | -                        |
| - Siemens Convergence Creators Pvt. Ltd.               | -               | -          | 120                 | -                        | -               | -          | -                   | -                        |
| - Siemens Technology and Services Pvt. Ltd (STS)       | -               | -          | -                   | -                        | -               | -          | 554                 | -                        |
| - Siemens Rail Automation Pvt. Ltd.                    | -               | 149        | -                   | -                        | -               | 260        | -                   | -                        |
| <b>Investment in subsidiary company</b>                |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens Rail Automation Pvt. Ltd.                    | -               | -          | -                   | -                        | -               | 550        | -                   | -                        |
| <b>Outstanding Balances</b>                            |                 |            |                     |                          |                 |            |                     |                          |
| <b>Receivables</b>                                     |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                           | 1,023           | -          | -                   | -                        | 841             | -          | -                   | -                        |
| - Siemens Rail Automation Pvt. Ltd.                    | -               | 3          | -                   | -                        | -               | 6          | -                   | -                        |
| - Siemens W.L.L.                                       | -               | -          | 192                 | -                        | -               | -          | 280                 | -                        |
| - Siemens S.A.S.                                       | -               | -          | 3                   | -                        | -               | -          | 165                 | -                        |
| - Siemens Malaysia Sdn. Bhd.                           | -               | -          | 222                 | -                        | -               | -          | 6                   | -                        |
| - Others                                               | -               | -          | 686                 | -                        | -               | -          | 574                 | -                        |
| <b>Payables</b>                                        |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens AG                                           | 4,550           | -          | -                   | -                        | 4,204           | -          | -                   | -                        |
| - Siemens Rail Automation Pvt. Ltd.                    | -               | 1          | -                   | -                        | -               | 5          | -                   | -                        |
| - Siemens Healthcare GmbH                              | -               | -          | 2                   | -                        | -               | -          | 656                 | -                        |
| - Siemens W.L.L.                                       | -               | -          | 592                 | -                        | -               | -          | 327                 | -                        |
| - Siemens Healthcare Diagnostics Inc, USA              | -               | -          | 243                 | -                        | -               | -          | 191                 | -                        |
| - Others                                               | -               | -          | 2,140               | -                        | -               | -          | 2,509               | -                        |
| <b>Inter corporate deposits given</b>                  |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                 | -               | -          | 3,130               | -                        | -               | -          | 2,480               | -                        |
| - Siemens Convergence Creators Pvt. Ltd.               | -               | -          | 140                 | -                        | -               | -          | 220                 | -                        |
| - Siemens Rail Automation Pvt. Ltd.                    | -               | 51         | -                   | -                        | -               | 45         | -                   | -                        |
| <b>Interest receivable on inter corporate deposits</b> |                 |            |                     |                          |                 |            |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                 | -               | -          | 8                   | -                        | -               | -          | 1                   | -                        |
| - Siemens Convergence Creators Pvt. Ltd.               | -               | -          | 1                   | -                        | -               | -          | 2                   | -                        |
| - Siemens Rail Automation Pvt. Ltd.                    | -               | *          | -                   | -                        | -               | *          | -                   | -                        |
| <b>Managerial remuneration payable **</b>              |                 |            |                     |                          |                 |            |                     |                          |
| - Mr. Sunil Mathur                                     | -               | -          | -                   | 51                       | -               | -          | -                   | 42                       |
| - Mr. Christian Rummel                                 | -               | -          | -                   | 24                       | -               | -          | -                   | 23                       |

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole. Remuneration in the form of stock awards are included only upon vesting.

### 36 (i) Information about business segments

|                                                | Revenue          |                |                         |          |                |                | Results       |               |
|------------------------------------------------|------------------|----------------|-------------------------|----------|----------------|----------------|---------------|---------------|
|                                                | External revenue |                | Inter segmental revenue |          | Total          |                | 2016          | 2015          |
|                                                | 2016             | 2015           | 2016                    | 2015     | 2016           | 2015           |               |               |
| Power and Gas                                  | 13,909           | 15,664         | 91                      | 47       | 14,000         | 15,711         | 1,274         | 1,945         |
| Energy Management                              | 32,786           | 30,009         | 1,420                   | 1,618    | 34,206         | 31,627         | 2,324         | 2,188         |
| Building Technologies                          | 3,635            | 2,974          | 79                      | 63       | 3,714          | 3,037          | 236           | 229           |
| Mobility                                       | 10,933           | 9,671          | -                       | -        | 10,933         | 9,671          | 666           | 475           |
| Digital Factory                                | 17,841           | 15,775         | 919                     | 639      | 18,760         | 16,414         | 1,193         | 1,267         |
| Process Industries and Drives                  | 15,153           | 14,637         | 5,774                   | 4,407    | 20,927         | 19,044         | 926           | 729           |
| Healthcare [Refer note 42(a)]                  | 12,708           | 14,248         | -                       | -        | 12,708         | 14,248         | 466           | 673           |
| Metals Technologies [Refer note 42(b)]         | -                | 1,505          | -                       | -        | -              | 1,505          | -             | (104)         |
| Others                                         | 1,124            | 641            | -                       | -        | 1,124          | 641            | 383           | 179           |
| Eliminations                                   |                  |                | (8,283)                 | (6,774)  | (8,283)        | (6,774)        |               |               |
| <b>Total</b>                                   | <b>108,089</b>   | <b>105,124</b> | <b>-</b>                | <b>-</b> | <b>108,089</b> | <b>105,124</b> | <b>7,468</b>  | <b>7,581</b>  |
| Interest expenses                              |                  |                |                         |          |                |                | 59            | 49            |
| Interest income                                |                  |                |                         |          |                |                | 1,605         | 1,327         |
| Other Income                                   | -                | -              | -                       | -        | -              | -              | 34            | 277           |
| <b>Profit before exceptional items and tax</b> |                  |                |                         |          |                |                | <b>9,048</b>  | <b>9,136</b>  |
| Exceptional items                              |                  |                |                         |          |                |                | 29,923        | 7,828         |
| <b>Profit before tax</b>                       |                  |                |                         |          |                |                | <b>38,971</b> | <b>16,964</b> |
| Income tax                                     |                  |                |                         |          |                |                | (10,167)      | (4,575)       |
| Deferred tax                                   |                  |                |                         |          |                |                | 76            | (556)         |
| <b>Profit after tax</b>                        |                  |                |                         |          |                |                | <b>28,880</b> | <b>11,833</b> |
| <b>Total</b>                                   | <b>108,089</b>   | <b>105,124</b> | <b>-</b>                | <b>-</b> | <b>108,089</b> | <b>105,124</b> | <b>28,880</b> | <b>11,833</b> |

|                                        | Assets         |                | Liabilities   |               | Capital Expenditure |              | Non cash expenditure                                             |              |            |              |
|----------------------------------------|----------------|----------------|---------------|---------------|---------------------|--------------|------------------------------------------------------------------|--------------|------------|--------------|
|                                        |                |                |               |               |                     |              | Depreciation and amortisation / Impairment (Refer note 8 and 41) |              | Others     |              |
|                                        | 2016           | 2015           | 2016          | 2015          | 2016                | 2015         | 2016                                                             | 2015         | 2016       | 2015         |
| Power and Gas                          | 9,890          | 11,995         | 8,114         | 9,556         | 141                 | 99           | 672                                                              | 314          | 608        | (67)         |
| Energy Management                      | 30,579         | 29,018         | 16,335        | 15,088        | 1,353               | 726          | 762                                                              | 619          | (1)        | (730)        |
| Building Technologies                  | 1,802          | 1,381          | 1,336         | 914           | 23                  | 17           | 19                                                               | 28           | 73         | (11)         |
| Mobility                               | 6,314          | 5,377          | 3,442         | 3,009         | 11                  | 43           | 50                                                               | 45           | 17         | 12           |
| Digital Factory                        | 6,718          | 5,793          | 4,526         | 4,014         | 387                 | 116          | 189                                                              | 187          | (69)       | 147          |
| Process Industries and Drives          | 9,738          | 9,521          | 7,323         | 6,756         | 366                 | 270          | 407                                                              | 443          | (209)      | (211)        |
| Healthcare [Refer note 42(a)]          | -              | 5,191          | -             | 6,076         | 550                 | 577          | 347                                                              | 424          | 23         | 555          |
| Metals Technologies [Refer note 42(b)] | -              | -              | -             | -             | -                   | -            | -                                                                | 20           | -          | 18           |
| Others                                 | 3,324          | 3,607          | 1,183         | 688           | 65                  | 628          | 172                                                              | (956)        | -          | (22)         |
|                                        | <b>68,365</b>  | <b>71,883</b>  | <b>42,259</b> | <b>46,101</b> | <b>2,896</b>        | <b>2,476</b> | <b>2,618</b>                                                     | <b>1,124</b> | <b>442</b> | <b>(309)</b> |
| Unallocated corporate items            | 49,050         | 33,394         | 9,337         | 7,910         | 66                  | 57           | -                                                                | -            | -          | -            |
| <b>Total</b>                           | <b>117,415</b> | <b>105,277</b> | <b>51,596</b> | <b>54,011</b> | <b>2,962</b>        | <b>2,533</b> | <b>2,618</b>                                                     | <b>1,124</b> | <b>442</b> | <b>(309)</b> |

# Notes to the financial statements (*Continued*) for the year ended 30 September 2016 (Currency: Indian rupees millions)

## 36 (ii) Secondary segment information

|               | Revenue based on location of customers |                | Carrying amount of segment assets by location |                | Additions to tangible assets and intangible assets |              |
|---------------|----------------------------------------|----------------|-----------------------------------------------|----------------|----------------------------------------------------|--------------|
|               | 2016                                   | 2015           | 2016                                          | 2015           | 2016                                               | 2015         |
| Within India  | 91,737                                 | 88,031         | 110,764                                       | 98,139         | 2,962                                              | 2,533        |
| Outside India | 16,352                                 | 17,093         | 6,651                                         | 7,138          | -                                                  | -            |
| <b>Total</b>  | <b>108,089</b>                         | <b>105,124</b> | <b>117,415</b>                                | <b>105,277</b> | <b>2,962</b>                                       | <b>2,533</b> |

## 36 (iii) Other disclosures :

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

## (iv) Segment information :

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

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

- **Power and Gas:** - Provides products and solutions for generation of electricity from fossil and renewable fuels for utilities, independent power producers and engineering, procurement and construction (EPC) companies and the reliable transport of oil and natural gas.
- **Energy Management:** - Supplier of products, systems, solutions and services for transmission and distribution of electrical energy for power utilities and industrial companies. Portfolio ranges from systems for low-voltage grids and distribution grids to solutions for smart grids and energy automation systems to power supply systems for industrial plants and high-voltage transmission systems.
- **Building Technologies:** - Provider of safe, secure, energy-efficient and eco-friendly buildings and infrastructures. As a technology partner, consultant, service provider, systems integrator and product vendor, offerings range from fire safety, security, building automation, heating, ventilation, air conditioning and energy management.
- **Mobility:** - Supplier of solutions for passenger and freight transportation – including rail vehicles, rail automation systems, rail electrification systems, road traffic technology and IT solutions.
- **Digital Factory:** - Contains portfolio of leading edge software solutions and automation technologies covering the complete life cycle from product design and production execution to services for manufacturing companies.
- **Process Industries and Drives:** - Provides products, systems, solutions and services across entire life cycles for all industry sectors.
- **Healthcare:** - Provides technology for the healthcare industry – medical imaging, laboratory diagnostics and solutions for the healthcare IT.
- **Metals Technologies:** - Provides Metallurgical Plant Building Technology catering services, design and engineering, equipment supply and supervision of erection and commissioning of wire rods and bar mills.
- **Others:** - Services provided to other group companies and lease rentals have been classified as “Others”.

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

### Allocation of common costs

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

### Unallocated corporate items

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

**37 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' :**

**(i) Defined Contribution Plans**

Amount of ₹ 210 (2015: ₹ 222) is recognised as an expense and included in "employee benefits expense" (Refer note 21) in the statement of profit and loss.

**(ii) Defined Benefit Plans**

**a) Amounts for the current period are as follows :**

|            |                                                        | Gratuity |       | Pension |      | Medical |      |
|------------|--------------------------------------------------------|----------|-------|---------|------|---------|------|
|            |                                                        | 2016     | 2015  | 2016    | 2015 | 2016    | 2015 |
| <b>I</b>   | <b>Change in defined benefit obligation</b>            |          |       |         |      |         |      |
|            | Liability at the beginning of the year                 | 2,025    | 1,424 | 172     | 164  | 697     | 336  |
|            | Interest cost                                          | 155      | 117   | 14      | 12   | 54      | 213  |
|            | Current service cost                                   | 183      | 164   | -       | -    | 27      | 104  |
|            | Past service cost                                      | -        | 462   | -       | -    | -       | 49   |
|            | Transfer pursuant to sale of business                  | (208)    | (92)  | -       | -    | (43)    | (13) |
|            | Benefits paid                                          | (165)    | (128) | (36)    | (36) | (49)    | (46) |
|            | Actuarial (gain) / loss on obligations                 | 281      | 78    | 21      | 32   | 98      | 54   |
|            | Liability at the end of the year                       | 2,271    | 2,025 | 171     | 172  | 784     | 697  |
| <b>II</b>  | <b>Fair value of plan assets</b>                       |          |       |         |      |         |      |
|            | Fair value of plan assets at the beginning of the year | 1,356    | 1,273 | -       | -    | -       | -    |
|            | Expected return on plan assets                         | 129      | 115   | -       | -    | -       | -    |
|            | Contributions                                          | 319      | 146   | -       | -    | -       | -    |
|            | Benefits paid                                          | (165)    | (128) | -       | -    | -       | -    |
|            | Actuarial gain / (loss) on plan assets                 | 11       | (50)  | -       | -    | -       | -    |
|            | Fair value of plan assets at the end of the year *     | 1,650    | 1,356 | -       | -    | -       | -    |
| <b>III</b> | <b>Actual return on plan assets</b>                    |          |       |         |      |         |      |
|            | Expected return on plan assets                         | 129      | 115   | -       | -    | -       | -    |
|            | Actuarial gain / (loss) on plan assets                 | 11       | (50)  | -       | -    | -       | -    |
|            | Actual return on plan assets                           | 140      | 65    | -       | -    | -       | -    |
| <b>IV</b>  | <b>Amount recognised in the balance sheet</b>          |          |       |         |      |         |      |
|            | Defined benefit obligation at the end of the year      | 2,271    | 2,025 | 171     | 172  | 784     | 697  |
|            | Fair value of plan assets at the end of the year       | 1,650    | 1,356 | -       | -    | -       | -    |
|            | Amount recognised in the balance sheet                 | 621      | 669   | 171     | 172  | 784     | 697  |

\* Plan assets include balance of ₹ 208 which is in process of being transferred to the Gratuity Trust of Siemens Healthcare Pvt. Ltd. pursuant to the transfer of Healthcare undertaking as detailed in note 42(a).

Notes to the financial statements *(Continued)*  
for the year ended 30 September 2016  
(Currency: Indian rupees millions)

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

|             |                                                                           | Gratuity |        | Pension |       | Medical |        |
|-------------|---------------------------------------------------------------------------|----------|--------|---------|-------|---------|--------|
|             |                                                                           | 2016     | 2015   | 2016    | 2015  | 2016    | 2015   |
| <b>V</b>    | <b>Expenses recognised in the statement of profit and loss</b>            |          |        |         |       |         |        |
|             | Interest cost                                                             | 155      | 117    | 14      | 12    | 54      | 213    |
|             | Current service cost                                                      | 183      | 164    | -       | -     | 27      | 104    |
|             | Expected return on plan assets                                            | (129)    | (115)  | -       | -     | -       | -      |
|             | Past service cost                                                         | -        | 462    | -       | -     | -       | 49     |
|             | Net actuarial (gain) / loss recognised                                    | 270      | 128    | 21      | 32    | 98      | 54     |
|             | Expense recognised in statement of profit and loss (Refer note 21 and 41) | 479      | 756    | 35      | 44    | 179     | 420    |
| <b>VI</b>   | <b>Balance sheet reconciliation</b>                                       |          |        |         |       |         |        |
|             | Opening net liability / (asset)                                           | 669      | 151    | 172     | 164   | 697     | 336    |
|             | Expense as above                                                          | 479      | 756    | 35      | 44    | 179     | 420    |
|             | Transfer pursuant to sale of business                                     | (208)    | (92)   | -       | -     | (43)    | (13)   |
|             | Less Employers contribution                                               | 319      | 146    | 36      | 36    | 49      | 46     |
|             | Amount recognised in the balance sheet                                    | 621      | 669    | 171     | 172   | 784     | 697    |
|             | - Current *                                                               | 827      | 669    | 32      | 32    | 50      | 48     |
|             | - Non current                                                             | -        | -      | 139     | 140   | 734     | 649    |
| <b>VII</b>  | <b>Actuarial Assumptions</b>                                              |          |        |         |       |         |        |
|             | Discount Rate                                                             | 7.00%    | 7.98%  | 7.00%   | 7.98% | 7.00%   | 7.98%  |
|             | Rate of Return on Plan Assets                                             | 9.00%    | 9.00%  | -       | -     | -       | -      |
|             | Attrition rate:                                                           |          |        |         |       |         |        |
|             | upto 30 years                                                             | 15.00%   | 15.00% | -       | -     | 15.00%  | 15.00% |
|             | 31-50 years                                                               | 3.00%    | 3.00%  | -       | -     | 3.00%   | 3.00%  |
|             | above 50 years                                                            | 2.00%    | 2.00%  | -       | -     | 2.00%   | 2.00%  |
|             | Salary Escalation / Pension increase rate / Medical cost increase rate    | 8.00%    | 8.00%  | 5.00%   | 5.00% | 3.50%   | 3.50%  |
| <b>VIII</b> | <b>Sensitivity</b>                                                        |          |        |         |       |         |        |
|             | Change in Liability for 1% increase in discount rate                      | -        | -      | -       | -     | 695     | 624    |
|             | Change in Liability for 1% decrease in discount rate                      | -        | -      | -       | -     | 894     | 788    |
|             | Change in Liability for 1% increase in inflation rate                     | -        | -      | -       | -     | 876     | 773    |
|             | Change in Liability for 1% decrease in inflation rate                     | -        | -      | -       | -     | 731     | 636    |

\* Plan assets include balance of ₹ 208 which is in process of being transferred to the Gratuity Trust of Siemens Healthcare Pvt. Ltd. pursuant to the transfer of Healthcare undertaking as detailed in note 42(a).

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

|  |                                                          | Gratuity |      | Pension |      | Medical |      |
|--|----------------------------------------------------------|----------|------|---------|------|---------|------|
|  |                                                          | 2016     | 2015 | 2016    | 2015 | 2016    | 2015 |
|  | Change in Service Cost for 1% increase in discount rate  | -        | -    | -       | -    | 25      | 23   |
|  | Change in Service Cost for 1% decrease in discount rate  | -        | -    | -       | -    | 38      | 33   |
|  | Change in Interest Cost for 1% increase in discount rate | -        | -    | -       | -    | 54      | 54   |
|  | Change in Interest Cost for 1% decrease in discount rate | -        | -    | -       | -    | 52      | 53   |

| IX | Amount for the Current and Previous periods as per AS15 Para 120(n) are as follows: |          |       |       |       |       |
|----|-------------------------------------------------------------------------------------|----------|-------|-------|-------|-------|
|    |                                                                                     | Gratuity |       |       |       |       |
|    |                                                                                     | 2016     | 2015  | 2014  | 2013  | 2012  |
|    | Liability at the end of the year                                                    | 2,271    | 2,025 | 1,424 | 1,260 | 1,205 |
|    | Fair value of plan assets at the end of the year                                    | 1,650    | 1,356 | 1,273 | 1,296 | 1,129 |
|    | Difference                                                                          | 621      | 669   | 151   | (36)  | 76    |
|    | Experience adjustment on plan liabilities (gain) / loss                             | 73       | (45)  | (35)  | (65)  | 17    |
|    | Experience adjustment on plan assets (loss) / gain                                  | 11       | (50)  | (26)  | (33)  | (25)  |
|    |                                                                                     | Pension  |       |       |       |       |
|    |                                                                                     | 2016     | 2015  | 2014  | 2013  | 2012  |
|    | Liability at the end of the year                                                    | 171      | 172   | 164   | 175   | 173   |
|    | Experience adjustment on plan liabilities (gain) / loss                             | 14       | 27    | 6     | 25    | 9     |
|    | Experience adjustment on plan assets (loss) / gain                                  | -        | -     | -     | -     | -     |
|    |                                                                                     | Medical  |       |       |       |       |
|    |                                                                                     | 2016     | 2015  | 2014  | 2013  | 2012  |
|    | Liability at the end of the year                                                    | 784      | 697   | 336   | 275   | 268   |
|    | Experience adjustment on plan liabilities (gain) / loss                             | 11       | (4)   | 49    | (9)   | 21    |
|    | Experience adjustment on plan assets (loss) / gain                                  | -        | -     | -     | -     | -     |

- 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 ₹172 (2015: ₹ 153) to gratuity fund in 2016-17.
- 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.

# Notes to the financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

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

- d) The Company has contributed ₹ 497 (2015: ₹ 493) towards provident fund during the year ended 30 September 2016. 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 2016.

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

|                                                 | 2016   | 2015  |
|-------------------------------------------------|--------|-------|
| Present value of benefit obligation at year end | 9,555  | 8,893 |
| Fair value of plan assets at year end           | 10,064 | 8,920 |
| Shortfall / (Surplus)                           | (509)  | (27)  |

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

|                                                 | 2016  | 2015  |
|-------------------------------------------------|-------|-------|
| Government of India securities (GOI) bond yield | 7.00% | 7.98% |
| Remaining term of maturity (in years)           | 14.24 | 14.21 |
| Expected guaranteed interest rate               | 8.80% | 8.75% |

#### (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.

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

| Particulars                    | 2016        | 2015        |
|--------------------------------|-------------|-------------|
| Government of India securities | 21%         | 20%         |
| State Government securities    | 29%         | 26%         |
| Public sector unit bonds       | 31%         | 35%         |
| Special Discount scheme        | 19%         | 19%         |
| <b>Total Plan Assets</b>       | <b>100%</b> | <b>100%</b> |

# Notes to the financial statements *(Continued)*

## as at 30 September 2016

### (Currency: Indian rupees millions)

#### 38 Derivative Instruments

##### a) Forward Contracts

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

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

| Currency                 | Buy                 |            |                          | Sell                |            |                          |
|--------------------------|---------------------|------------|--------------------------|---------------------|------------|--------------------------|
|                          | Number of contracts | Amount     | Indian rupees equivalent | Number of contracts | Amount     | Indian rupees equivalent |
| <b>US Dollar</b>         |                     |            |                          |                     |            |                          |
| <b>2016</b>              | <b>378</b>          | <b>107</b> | <b>7,139</b>             | <b>357</b>          | <b>212</b> | <b>14,152</b>            |
| 2015                     | 572                 | 169        | 11,064                   | 316                 | 143        | 9,380                    |
| <b>Euro</b>              |                     |            |                          |                     |            |                          |
| <b>2016</b>              | <b>604</b>          | <b>161</b> | <b>11,947</b>            | <b>247</b>          | <b>133</b> | <b>9,906</b>             |
| 2015                     | 550                 | 176        | 12,924                   | 229                 | 83         | 6,087                    |
| <b>Qatari Riyal</b>      |                     |            |                          |                     |            |                          |
| <b>2016</b>              | <b>3</b>            | <b>2</b>   | <b>36</b>                | <b>5</b>            | <b>129</b> | <b>2,351</b>             |
| 2015                     | 3                   | *          | 11                       | 5                   | 131        | 2,364                    |
| <b>Japanese Yen</b>      |                     |            |                          |                     |            |                          |
| <b>2016</b>              | <b>18</b>           | <b>54</b>  | <b>36</b>                | -                   | -          | -                        |
| 2015                     | 17                  | 90         | 49                       | -                   | -          | -                        |
| <b>Pound Sterling</b>    |                     |            |                          |                     |            |                          |
| <b>2016</b>              | <b>22</b>           | <b>6</b>   | <b>478</b>               | <b>3</b>            | <b>*</b>   | <b>20</b>                |
| 2015                     | 37                  | 4          | 390                      | 4                   | *          | 56                       |
| <b>Swiss Franc</b>       |                     |            |                          |                     |            |                          |
| <b>2016</b>              | <b>20</b>           | <b>3</b>   | <b>199</b>               | -                   | -          | -                        |
| 2015                     | 14                  | 2          | 126                      | -                   | -          | -                        |
| <b>Swedish Krona</b>     |                     |            |                          |                     |            |                          |
| <b>2016</b>              | <b>5</b>            | <b>6</b>   | <b>49</b>                | -                   | -          | -                        |
| 2015                     | 11                  | 21         | 167                      | -                   | -          | -                        |
| <b>Singapore Dollar</b>  |                     |            |                          |                     |            |                          |
| <b>2016</b>              | -                   | -          | -                        | <b>3</b>            | <b>*</b>   | <b>23</b>                |
| 2015                     | 1                   | *          | 23                       | 1                   | *          | 22                       |
| <b>Australian Dollar</b> |                     |            |                          |                     |            |                          |
| <b>2016</b>              | -                   | -          | -                        | -                   | -          | -                        |
| 2015                     | 1                   | *          | 2                        | -                   | -          | -                        |

\* denotes figures less than a million

# Notes to the financial statements *(Continued)*

## as at 30 September 2016

### (Currency: Indian rupees millions)

#### 38 Derivative Instruments (Continued)

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

##### Payables

| Currency              | Foreign currency |      | Indian rupees |      |
|-----------------------|------------------|------|---------------|------|
|                       | 2016             | 2015 | 2016          | 2015 |
| Bangladesh Taka       | 86               | 69   | 73            | 58   |
| Bhutan Ngultrum       | *                | *    | *             | *    |
| Denmark Krone         | *                | *    | 6             | 1    |
| Hongkong Dollar       | *                | *    | *             | *    |
| Swedish Krona         | 1                | -    | 11            | -    |
| Kuwaiti Dinar         | *                | *    | 1             | *    |
| Sri Lankan Rupee      | 78               | 142  | 35            | 65   |
| Mexican Peso          | *                | *    | *             | *    |
| Norwegian Krone       | *                | *    | 1             | 1    |
| Saudi Arabian Riyal   | *                | *    | *             | *    |
| South African Rand    | *                | *    | 1             | 1    |
| Ghana Cedi            | *                | *    | 4             | 5    |
| Qatari Riyal          | 6                | 15   | 104           | 275  |
| Canadian Dollar       | *                | *    | 2             | *    |
| Chinese Yuan Renminbi | *                | *    | 2             | 3    |
| Singapore Dollar      | *                | *    | 18            | 26   |
| Arab Emirates Dirham  | *                | *    | 7             | 2    |
| Australian Dollar     | *                | *    | 5             | 3    |

##### Receivables and bank balances

| Currency             | Foreign currency |      | Indian rupees |       |
|----------------------|------------------|------|---------------|-------|
|                      | 2016             | 2015 | 2016          | 2015  |
| Qatari Riyal         | 54               | 63   | 984           | 1,137 |
| Sri Lankan Rupee     | 172              | 226  | 77            | 105   |
| Bangladesh Taka      | 116              | 85   | 98            | 72    |
| Polish Zloty         | *                | *    | *             | *     |
| Swiss Franc          | *                | -    | 5             | -     |
| Euro                 | 1                | -    | 110           | -     |
| United States Dollar | *                | -    | 21            | -     |
| British Pound        | *                | -    | 14            | -     |
| Ghana Cedi           | 1                | -    | 24            | -     |

The forward contracts have been converted in Indian rupees, at the spot rates, as at 30 September 2016 to facilitate reading purposes only.

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

\* denotes figures less than a million

### 38 Derivative Instruments (Continued)

#### 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 |
|------|-----------|---------------------|----------------------|------------|
| 2016 | Copper    | 4,244               | 4244000 Kgs          | Buy        |
|      | Silver    | 31                  | 930 Kgs              | Buy        |
| 2015 | Copper    | 4,047               | 4047000 Kgs          | Buy        |
|      | Copper    | 340                 | 340000 Kgs           | Sell       |
|      | Silver    | 149                 | 4470 Kgs             | Buy        |

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

### 39 Earnings per share:

|                                                                      | 2016         | 2015         |
|----------------------------------------------------------------------|--------------|--------------|
| Weighted average number of equity shares outstanding during the year | 356,120,255  | 356,120,101  |
| Profit after tax (before exceptional items)                          | 5,933        | 6,034        |
| <b>Basic and diluted earnings per share before exceptional items</b> | <b>16.66</b> | <b>16.95</b> |
| Profit after tax (after exceptional items)                           | 28,880       | 11,833       |
| <b>Basic and diluted earnings per share after exceptional items</b>  | <b>81.10</b> | <b>33.23</b> |

### 40 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

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

|                                                                                                         | 2016   | 2015  |
|---------------------------------------------------------------------------------------------------------|--------|-------|
| Principal amount due to suppliers under MSMED Act                                                       | 698    | 765   |
| Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid.# | 1      | *     |
| Payment made to suppliers (other than interest) beyond the appointed day during the year                | 11,253 | 9,220 |
| Interest paid to suppliers under the MSMED Act                                                          | -      | -     |
| Interest due and payable towards suppliers under MSMED Act towards payments already made                | 78     | 69    |
| Interest accrued and remaining unpaid at the end of the accounting year                                 | 79     | 70    |

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.

# Interest accrued is considered due upon claim from vendors

\* denotes figures less than a million

# Notes to the financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

|                                                                    | 2016          | 2015         |
|--------------------------------------------------------------------|---------------|--------------|
| <b>41 Exceptional items</b>                                        |               |              |
| Profit on sale of Healthcare undertaking [Refer note 42 (a)]       | <b>30,278</b> | -            |
| Impairment loss [Note (a)]                                         | <b>(355)</b>  | -            |
| Reversal of impairment loss and other provisions [Note (b)]        | -             | 1,067        |
| Profit on sale of Metals Technologies business [Refer note 42 (b)] | -             | 7,120        |
| Employee benefits expense [Note (c)]                               | -             | (359)        |
| <b>Total</b>                                                       | <b>29,923</b> | <b>7,828</b> |

- (a) In accordance with the periodic impairment assessment, the Company has re-assessed the usability of certain assets and consequently recognized impairment loss of ₹ 355 (2015: ₹ Nil)
- (b) Earlier, the Company had recognised impairment loss on wind power manufacturing facility which was shown under capital work-in-progress. During previous year, the Company had entered into leasing agreement for the said facility on an as is where is basis. Accordingly, the said facility was capitalised under fixed assets and investment property and impairment provision had been reassessed considering value in use and pre-tax discount rate of 11%. Consequently, an impairment loss of ₹ 1,032 and other consequential provisions of ₹ 35 was reversed in previous year.
- (c) During previous year, the Company had amended the gratuity plan to remove the ceiling for gratuity payout to employees. Accordingly, the one time impact of the increase in the gratuity obligation was shown under exceptional items.

## 42 Discontinued operations

- a) The Board of Directors at its meeting held on 4 March 2016 and the Members of the Company by way of Postal Ballot which closed on 27 April 2016, approved the sale and transfer of the Healthcare undertaking forming the Healthcare segment of the Company to Siemens Healthcare Private Limited (a subsidiary of Siemens AG, Germany) for a consideration of ₹ 30,500 as a slump sale on a going concern basis, with effect from commencement of business on 1 July 2016 and recorded a profit of ₹ 30,278 on sale of Healthcare undertaking which is shown under exceptional items (Refer note 41). Corresponding tax expense on the said transaction amounts to ₹ 7,099.
- b) The Board of Directors and the Committee of Directors at their meetings held on 5 November, 2014 and 8 November, 2014 respectively, had approved sale and transfer of its Metals Technologies (MT) business which formed part of Metals Technologies segment of the Company to VAI Metals Technologies Pvt. Ltd. (a subsidiary of Siemens VAI Metals Technologies GmbH, Germany) as a slump sale on a going concern basis for a consideration of ₹ 10,233 with effect from the close of business hours on 31 December 2014 and had recorded a profit of ₹ 7,120 on sale of MT business which was shown under exceptional items (Refer note 41). Corresponding tax expense on the said transaction amounted to ₹ 1,785.

Revenue, expenses, total assets and liabilities, and net cash relating to discontinued operations included in the financial statement is as follows:

|                                       | 2016          | 2015   |
|---------------------------------------|---------------|--------|
| Revenue                               | <b>12,708</b> | 15,753 |
| Expenses                              | <b>12,241</b> | 15,220 |
| Profit before tax                     | <b>467</b>    | 533    |
| Tax expense                           | <b>162</b>    | 258    |
| Profit after tax                      | <b>305</b>    | 275    |
| Net cash used in operating activities | <b>30</b>     | 480    |
| Net cash used in investing activities | <b>(556)</b>  | (531)  |
| Net cash from financing activities    | -             | -      |
| Total assets                          | -             | 5,191  |
| Total liabilities                     | -             | 6,076  |

Accordingly, previous year numbers have been also classified as discontinued operations.

#### 43 Change in accounting policy

During previous year, the Company had changed its accounting policy for revenue recognition of its Healthcare business whereby the equipment sale are now recognised on installation and extended warranty was recognised over the warranty period as opposed to the earlier practice whereby the revenue for both equipment and extended warranty was recognised on dispatch.

Consequently, the revenue from sale of products, sale of services and profits were lower by ₹ 1,013, ₹ 1,120 and ₹ 74 respectively.

#### 44 Prior year comparatives

Pursuant to the transfer of Healthcare undertaking and Metals Technologies business (Refer note 42) during current and previous year respectively, the current year figures are not strictly comparable with 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 B C & CO LLP**

ICAI Firm Registration Number:- 324982E/E300003  
Chartered Accountants

**per Vikram Mehta**

Partner

Membership No: 105938

Mumbai

Date: 23 November 2016

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

**Deepak S. Parekh**

Chairman

DIN: 00009078

**Sunil Mathur**

Managing Director  
and Chief Executive  
Officer

DIN: 02261944

**Christian Rummel**

Executive Director  
and Chief Financial  
Officer

DIN: 01992982

**Yezdi H. Malegam**

Director and Chairman of  
Audit Committee

DIN: 00092017

**Ketan Thaker**

Company Secretary  
ACS No. 16250

New Delhi

Date: 23 November 2016

# INDEPENDENT AUDITOR'S REPORT

## To the Members of Siemens Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Siemens Limited (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at September 30, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view 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 the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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 of the consolidated state of affairs of the Group as at September 30, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on September 30, 2016 taken on record by the Board of

Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary company incorporated in India, none of the directors of the Group is disqualified as on September 30, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company refer to our separate report in Annexure 1 to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group– Refer Note 25 (b) to the consolidated financial statements;
  - ii. Provision has been made in the consolidated financial statements, as required under the

applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 26 and 32 (a) to the consolidated financial statements in respect of such items as it relates to the Group.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and the clause is not applicable to the subsidiary company.

**For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

**per Vikram Mehta**

Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: 23 November 2016

# Annexure 1 to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Siemens Limited

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

In conjunction with our audit of the consolidated financial statements of Siemens Limited as of and for the year ended September 30, 2016, we have audited the internal financial controls over financial reporting of Siemens Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

## Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

## Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

## Meaning of Internal Financial Controls Over Financial Reporting

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

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the

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

### **Opinion**

In our opinion, the Holding Company and its subsidiary company have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at September 30, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering

the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### **For S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

### **per Vikram Mehta**

Partner

Membership Number: 105938

Place of Signature: Mumbai

Date: 23 November 2016

# Consolidated Balance Sheet

## as at 30 September 2016

(Currency: Indian rupees millions)

|                                                                                        | Notes | 2016                  | 2015                  |
|----------------------------------------------------------------------------------------|-------|-----------------------|-----------------------|
| <b>EQUITY AND LIABILITIES</b>                                                          |       |                       |                       |
| <b>Shareholders' funds</b>                                                             |       |                       |                       |
| Share capital                                                                          | 2     | 712                   | 712                   |
| Reserves and surplus                                                                   | 3     | <u>64,875</u>         | <u>50,465</u>         |
|                                                                                        |       | <b>65,587</b>         | <b>51,177</b>         |
| <b>Non-current liabilities</b>                                                         |       |                       |                       |
| Trade payables and other long-term liabilities                                         | 4     | 525                   | 1,217                 |
| Long-term provisions                                                                   | 5     | <u>2,018</u>          | <u>1,845</u>          |
|                                                                                        |       | <b>2,543</b>          | <b>3,062</b>          |
| <b>Current liabilities</b>                                                             |       |                       |                       |
| Short-term borrowings                                                                  | 6     | 252                   | 252                   |
| Trade payables                                                                         |       |                       |                       |
| Total outstanding dues of micro enterprises and small enterprises                      | 34    | 698                   | 765                   |
| Total outstanding dues of creditors other than micro enterprises and small enterprises |       | 21,308                | 23,050                |
| Other current liabilities                                                              | 7     | 11,264                | 12,834                |
| Short-term provisions                                                                  | 8     | <u>16,018</u>         | <u>14,622</u>         |
|                                                                                        |       | <b>49,540</b>         | <b>51,523</b>         |
| <b>TOTAL</b>                                                                           |       | <u><b>117,670</b></u> | <u><b>105,762</b></u> |
| <b>ASSETS</b>                                                                          |       |                       |                       |
| <b>Non-current assets</b>                                                              |       |                       |                       |
| Fixed assets                                                                           |       |                       |                       |
| Tangible assets                                                                        | 9     | 11,918                | 13,563                |
| Intangible assets                                                                      | 9     | 69                    | 91                    |
| Capital work-in-progress (net)                                                         |       | 791                   | 321                   |
| Goodwill on consolidation                                                              | 9     | 211                   | 282                   |
| Non-current investments                                                                | 10    | 1,097                 | 1,136                 |
| Deferred tax assets (net)                                                              | 11    | 3,253                 | 3,182                 |
| Long-term loans and advances                                                           | 12    | 7,722                 | 7,343                 |
| Other non-current assets                                                               | 13    | <u>1,175</u>          | <u>1,815</u>          |
|                                                                                        |       | <b>26,236</b>         | <b>27,733</b>         |
| <b>Current assets</b>                                                                  |       |                       |                       |
| Inventories                                                                            | 14    | 10,108                | 9,546                 |
| Trade receivables                                                                      | 15    | 30,388                | 30,424                |
| Cash and bank balances                                                                 | 16    | 35,102                | 20,964                |
| Short-term loans and advances                                                          | 17    | 7,856                 | 7,661                 |
| Other current assets                                                                   | 18    | <u>7,980</u>          | <u>9,434</u>          |
|                                                                                        |       | <b>91,434</b>         | <b>78,029</b>         |
| <b>TOTAL</b>                                                                           |       | <u><b>117,670</b></u> | <u><b>105,762</b></u> |
| <b>Significant accounting policies</b>                                                 | 1     |                       |                       |

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

As per our report of even date

**For S R B C & CO LLP**

ICAI Firm Registration Number:- 324982E/E300003  
Chartered Accountants

**per Vikram Mehta**

Partner  
Membership No: 105938

Mumbai  
Date: 23 November 2016

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

**Deepak S. Parekh**  
Chairman  
DIN: 00009078

**Sunil Mathur**  
Managing Director  
and Chief Executive  
Officer  
DIN: 02261944

**Christian Rummel**  
Executive Director  
and Chief Financial  
Officer  
DIN: 01992982

**Yezdi H. Malegam**  
Director and Chairman of  
Audit Committee  
DIN: 00092017

**Ketan Thaker**  
Company Secretary  
ACS No. 16250

New Delhi  
Date: 23 November 2016

# Consolidated Statement of Profit and Loss for the year ended 30 September 2016 (Currency: Indian rupees millions)

|                                                                                           | Notes | 2016            | 2015           |
|-------------------------------------------------------------------------------------------|-------|-----------------|----------------|
| <b>Income</b>                                                                             |       |                 |                |
| Revenue from operations (gross)                                                           |       | 112,596         | 109,041        |
| Less: Excise duty                                                                         |       | (4,238)         | (3,410)        |
| Revenue from operations (net)                                                             | 19    | 108,358         | 105,631        |
| Other income                                                                              | 20    | 1,636           | 1,600          |
| <b>Total revenue</b>                                                                      |       | <b>109,994</b>  | <b>107,231</b> |
| <b>Expenses</b>                                                                           |       |                 |                |
| Raw materials consumed                                                                    |       | 27,023          | 24,389         |
| Purchase of traded goods                                                                  |       | 28,093          | 24,802         |
| (Increase) / decrease in inventories of finished goods, work-in-progress and traded goods |       | (1,616)         | 1,062          |
| Project bought outs and other direct costs                                                | 21    | 18,424          | 20,916         |
| Employee benefits expense                                                                 | 22    | 14,627          | 13,919         |
| Finance costs                                                                             | 23    | 79              | 70             |
| Depreciation and amortization expense                                                     | 9     | 2,347           | 2,235          |
| Other expenses                                                                            | 24    | 12,106          | 10,791         |
| <b>Total expenses</b>                                                                     |       | <b>101,083</b>  | <b>98,184</b>  |
| <b>Profit before exceptional items and tax</b>                                            |       | <b>8,911</b>    | <b>9,047</b>   |
| Exceptional items                                                                         | 35    | 29,923          | 7,828          |
| <b>Profit before tax</b>                                                                  |       | <b>38,834</b>   | <b>16,875</b>  |
| <b>Tax expense</b>                                                                        |       |                 |                |
| Current tax                                                                               |       | (10,167)        | (4,575)        |
| Deferred tax credit / (charge)                                                            |       | 70              | (556)          |
| <b>Total tax expense</b>                                                                  |       | <b>(10,097)</b> | <b>(5,131)</b> |
| <b>Profit after tax</b>                                                                   |       | <b>28,737</b>   | <b>11,744</b>  |
| Minority interest                                                                         |       | -               | -              |
| <b>Profit for the period</b>                                                              |       | <b>28,737</b>   | <b>11,744</b>  |
| Of which:                                                                                 |       |                 |                |
| <b>Continuing operations</b>                                                              |       | <b>28,432</b>   | <b>11,469</b>  |
| <b>Discontinued operations:</b>                                                           | 36    |                 |                |
| Profit before tax from discontinued operations                                            |       | 467             | 533            |
| Tax expense of discontinued operations                                                    |       | 162             | 258            |
| <b>Profit after tax from discontinued operations</b>                                      |       | <b>305</b>      | <b>275</b>     |
| <b>Basic and diluted earnings per share (in ₹)</b>                                        | 33    |                 |                |
| (i) Earnings per share before exceptional items                                           |       | 16.28           | 16.70          |
| (ii) Earnings per share after exceptional items                                           |       | 80.69           | 32.98          |
| <b>Significant accounting policies</b>                                                    | 1     |                 |                |

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

As per our report of even date

## For S R B C & CO LLP

ICAI Firm Registration Number:- 324982E/E300003  
Chartered Accountants

per Vikram Mehta

Partner

Membership No: 105938

Mumbai

Date: 23 November 2016

## For and on behalf of the Board of Directors

Deepak S. Parekh

Chairman

DIN: 00009078

Yezdi H. Malegam

Director and Chairman of

Audit Committee

DIN: 00092017

New Delhi

Date: 23 November 2016

Sunil Mathur

Managing Director

and Chief Executive

Officer

DIN: 02261944

Ketan Thaker

Company Secretary

ACS No. 16250

Christian Rummel

Executive Director

and Chief Financial

Officer

DIN: 01992982

# Cash flow statement for the year ended 30 September 2016 (Currency: Indian rupees millions)

|                                                                                                                   | Notes   | 2016            | 2015    |
|-------------------------------------------------------------------------------------------------------------------|---------|-----------------|---------|
| <b><u>Cash flow from operating activities</u></b>                                                                 |         |                 |         |
| Profit before tax                                                                                                 |         | <b>38,834</b>   | 16,875  |
| <b>Adjustments for:</b>                                                                                           |         |                 |         |
| Finance costs                                                                                                     | 23      | <b>79</b>       | 70      |
| Bad debts                                                                                                         | 24      | <b>196</b>      | 162     |
| Provision for doubtful debts / advances, net                                                                      | 24      | <b>443</b>      | (15)    |
| Depreciation and amortization expense                                                                             | 9       | <b>2,347</b>    | 2,235   |
| Loss / (Profit) on sale of assets, net                                                                            | 20 / 35 | <b>8</b>        | (191)   |
| Impairment loss                                                                                                   | 35      | <b>355</b>      | -       |
| Reversal of impairment loss and other provisions                                                                  | 35      | -               | (1,067) |
| Profit on sale of business                                                                                        | 20 / 35 | <b>(30,278)</b> | (7,154) |
| Liabilities written back                                                                                          | 19 / 20 | <b>(348)</b>    | (166)   |
| Unrealised exchange loss / (gain), net                                                                            | 24      | <b>(196)</b>    | (461)   |
| Interest income                                                                                                   | 20      | <b>(1,602)</b>  | (1,324) |
| <b>Operating profit before working capital changes</b>                                                            |         | <b>9,838</b>    | 8,964   |
|                                                                                                                   |         |                 |         |
| (Increase) / Decrease in inventories                                                                              |         | <b>(2,609)</b>  | 468     |
| (Increase) / Decrease in trade and other receivables                                                              |         | <b>(491)</b>    | (1,688) |
| Increase / (Decrease) in trade payables and other liabilities                                                     |         | <b>1,556</b>    | 61      |
| Increase / (Decrease) in provisions                                                                               |         | <b>337</b>      | 248     |
| <b>Net change in working capital</b>                                                                              |         | <b>(1,207)</b>  | (911)   |
| <b>Cash generated from operations</b>                                                                             |         | <b>8,631</b>    | 8,053   |
| Direct taxes paid, net                                                                                            |         | <b>(3,503)</b>  | (2,309) |
| <b>Net cash generated from operating activities</b>                                                               |         | <b>5,128</b>    | 5,744   |
|                                                                                                                   |         |                 |         |
| <b><u>Cash flow from investing activities</u></b>                                                                 |         |                 |         |
| Purchase of fixed assets and investment property                                                                  |         | <b>(3,006)</b>  | (2,889) |
| Proceeds from sale of fixed assets, investment property and advance received                                      |         | <b>106</b>      | 323     |
| Deposits (with maturity more than 3 months) with banks                                                            |         | <b>(22,774)</b> | (7)     |
| Proceeds from sale of business [net of tax of ₹ 3,131 (2015: ₹ 1,600) and transaction cost of ₹ 75 (2015: ₹ Nil)] |         | <b>27,293</b>   | 8,726   |
| Interest received                                                                                                 |         | <b>1,324</b>    | 1,275   |
| Inter corporate deposits given                                                                                    |         | <b>(8,510)</b>  | (8,399) |
| Refund of inter corporate deposits given                                                                          |         | <b>7,940</b>    | 7,419   |
| <b>Net cash generated from / (used in) investing activities</b>                                                   |         | <b>2,373</b>    | 6,448   |

|                                                                  | Notes | 2016            | 2015           |
|------------------------------------------------------------------|-------|-----------------|----------------|
| <b><u>Cash flow from financing activities</u></b>                |       |                 |                |
| Interest paid                                                    |       | (70)            | (139)          |
| Dividend paid (including tax thereon)                            |       | (16,073)        | (2,561)        |
| Proceeds from short- term borrowings                             |       | -               | 252            |
| <b>Net cash used in financing activities</b>                     |       | <b>(16,143)</b> | <b>(2,448)</b> |
| <b>Net increase / (decrease) in cash and bank balances</b>       |       | <b>(8,642)</b>  | <b>9,744</b>   |
| <b>Cash and cash equivalents at beginning of the year</b>        |       | <b>20,922</b>   | <b>11,171</b>  |
| <b>Effect of exchange (loss) / gain on cash and bank balance</b> |       | <b>1</b>        | <b>7</b>       |
| <b>Cash and cash equivalents at the end of the year</b>          | 16    | <b>12,281</b>   | <b>20,922</b>  |

Notes:

- 1) The cash flow statement reflects the combined cash flow pertaining to continuing and discontinued operations [Refer note 36(a) and (b)].

As per our report of even date

**For S R B C & CO LLP**

ICAI Firm Registration Number:- 324982E/E300003  
Chartered Accountants

**per Vikram Mehta**

Partner  
Membership No: 105938

Mumbai  
Date: 23 November 2016

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

**Deepak S. Parekh**

Chairman  
DIN: 00009078

**Yezdi H. Malegam**

Director and Chairman of  
Audit Committee  
DIN: 00092017

New Delhi  
Date: 23 November 2016

**Sunil Mathur**

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Officer  
DIN: 02261944

**Ketan Thaker**

Company Secretary  
ACS No. 16250

**Christian Rummel**

Executive Director  
and Chief Financial  
Officer  
DIN: 01992982

# Notes to the consolidated financial statements for the year ended 30 September 2016 (Currency: Indian rupees millions)

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

The consolidated 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"). The Group has prepared these consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

## **Principles of consolidation**

The consolidated financial statements include the financial statements of Siemens Limited ('the Company') or ('the parent company') and its wholly owned subsidiary, Siemens Rail Automation Private Ltd ('the subsidiary'). The Company and the subsidiary constitute the Siemens Group ('the Group').

The list of subsidiary is set out below:

| Entity                               | Country of incorporation | % Holding 2016 | % Holding 2015 |
|--------------------------------------|--------------------------|----------------|----------------|
| Siemens Rail Automation Private Ltd. | India                    | 100%           | 100%           |

The consolidated financial statements have been prepared on the following basis:

The excess/deficit of cost to the parent company of its investment in the subsidiary over its portion of equity in the subsidiary at the respective dates on which investment in such subsidiary was made is recognised in the consolidated financial statements as goodwill/capital reserve. The parent company's portion of equity in such subsidiary is determined on the basis of book values of assets and liabilities as per the financial statements of the subsidiary as on the date of investment and if not available, the financial statements for the immediately preceding period adjusted for the effects of significant transactions. Goodwill is amortised over a period of 5 years from date of acquisition/ investment.

The financial statements of the parent company and the subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealized profits in full. Unrealized losses resulting from intra-group transactions are also eliminated except to the extent that recoverable value of related assets is lower than their cost to the Company. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the subsidiary.

Subsidiary is consolidated from the date on which effective control is transferred to the Company and is no longer consolidated from the date of disposal.

Minority interest's share of net profit is adjusted against the income to arrive at the net income attributable to owners of the parent. Minority interest's share of net assets is presented separately in the balance sheet.

Consolidated financial statements are prepared using uniform accounting policies for transactions and other events in similar circumstance.

## **1. Significant accounting policies**

### **1.1 Use of estimates**

The preparation of consolidated financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities on the date of the consolidated 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.

## 1.2 Tangible fixed assets and depreciation (Continued)

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.

Depreciation on tangible assets is provided on a straight-line basis over the useful lives of assets estimated by the management, taking into account the nature of the asset on technical evaluation of the useful life, which may not necessarily be in alignment with the indicative useful lives prescribed by Schedule II to the Companies Act, 2013. Such class of assets and their estimated useful lives are as under:

| Assets                             | Estimated useful lives |
|------------------------------------|------------------------|
| <b>Land</b>                        |                        |
| - Freehold                         | -                      |
| - Leasehold                        | Over the lease period  |
| <b>Buildings</b>                   |                        |
| - Factory buildings                | 30 years               |
| - Other buildings                  | 50 years               |
| - Roads                            | 10 years               |
| - Leasehold improvements           | Over the lease period  |
| <b>Plant and equipments</b>        | 3 – 20 years           |
| <b>Furniture and fixtures</b>      | 5 years                |
| <b>Office equipments</b>           |                        |
| - Computers                        | 3 years                |
| - Hardware, mainframes and servers | 5 years                |
| - Other office equipments          | 3 - 5 years            |
| <b>Vehicles</b>                    | 4 years                |

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 consolidated financial statements.

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

## 1.3 Intangible assets

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

| Assets             | Estimated useful lives |
|--------------------|------------------------|
| Goodwill           | 3 - 5 years            |
| Software           | 3 - 5 years            |
| Technical know-how | 5 - 10 years           |

## 1.4 Impairment of assets

The Group 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 Group 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.

# Notes to the consolidated financial statements (*Continued*) for the year ended 30 September 2016 (Currency: Indian rupees millions)

## 1.5 Investments

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

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

### Investment property

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

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

Depreciation on investment property is provided on a straight-line basis over the useful lives of assets estimated by the management. Such classes of investment properties and their estimated useful lives are as under:

| Assets           | Estimated useful lives |
|------------------|------------------------|
| <b>Land</b>      |                        |
| - Freehold land  | -                      |
| - Leasehold land | Over the lease period  |
| <b>Buildings</b> | 30 years               |

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 Group 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 other than revenue from sale of healthcare equipments which is recognized upon installation at customer premises. Sales are stated exclusive of sales tax and net of trade and quantity discount.

Revenue recognised in respect of extended warranty offered to customers relating to healthcare equipment is deferred and is recognised on a straight line basis over the period of the extended warranty contract. Deferred revenue is classified as other liabilities.

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

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

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

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

Interest income is recognised on the time proportion basis.

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

## 1.7 Inventories

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

### 1.7 *Inventories (continued)*

Raw materials are carried 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 carried 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 Group 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 Group is the lessor:**

Assets subject to operating leases are included in fixed assets and investment property. 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 are recognised in the period in which the employee renders the related service.

#### **(b) Post-employment benefits**

(i) **Defined Contribution Plans:** The Group's approved superannuation scheme and employee state insurance scheme are defined contribution plans. The provident fund scheme of the subsidiary is a defined contribution plan. The Group'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 Group's gratuity, pension and medical benefit schemes and parent companies provident fund 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 Group is exposed to currency fluctuations on foreign currency transactions. Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions.

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

# Notes to the consolidated financial statements (*Continued*) for the year ended 30 September 2016 (Currency: Indian rupees millions)

## 1.10 Foreign currency transactions (*Continued*)

### **Translation**

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

### **Derivative instruments**

The Group's exposure to foreign currency fluctuations relates to foreign currency assets, liabilities and forecasted cash flows. The Group limits the effects of foreign exchange rate fluctuations by following established risk management policies including the use of derivatives. The Group 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 Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Group 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 Cash Flow Hedge Reserve 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 earnings per share are 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.

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

### **1.13 Provision and Contingencies**

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

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

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

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

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

Cash and cash equivalents include cash, cheques in hand, cash at bank and deposits with banks having maturity of three months or less. The bank deposits with original maturity of upto three months are classified as cash and cash equivalents and bank deposits with original maturity of more than three months are classified as other bank balances.

### **1.15 Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

### **1.16 Operating cycle**

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. The Group has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

Notes to the consolidated financial statements *(Continued)*  
as at 30 September 2016  
(Currency: Indian rupees millions)

2016

2015

2

Share capital

Authorised

1,000,000,000 Equity Shares of ₹ 2 each (2015: 1,000,000,000 Equity shares of ₹ 2 each)

2,000

2,000

Issued

356,983,950 Equity Shares of ₹ 2 each (2015: 356,983,950 Equity shares of ₹ 2 each)

714

714

Subscribed and fully paid-up

356,120,255 Equity Shares of ₹ 2 each fully paid-up  
(2015: 356,120,255 Equity shares of ₹ 2 each fully paid-up)

712

712

a)

Shares held by holding company and subsidiary of holding company:

255,351,805 (2015: 255,351,805) Equity shares of ₹ 2 each, fully paid-up, are held by the Holding Company, Siemens AG, Germany;

11,738,108 (2015: 11,738,108) Equity shares of ₹ 2 each, fully paid-up, are held by Siemens Metals Technologies Vermögensverwaltungs GmbH (formerly known as 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:

|                                                 | 2016        |        | 2015        |        |
|-------------------------------------------------|-------------|--------|-------------|--------|
|                                                 | Number      | Amount | Number      | Amount |
| Shares outstanding at the beginning of the year | 356,120,255 | 712    | 356,119,885 | 712    |
| Shares issued / subscribed during the year      | -           | -      | 370         | *      |
| Shares outstanding at the end of the year       | 356,120,255 | 712    | 356,120,255 | 712    |

During previous year, the paid up share capital was increased on allotment of 370 equity shares of ₹ 2 each, to members 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 30 September:

|                                     | 2016               |              | 2015               |              |
|-------------------------------------|--------------------|--------------|--------------------|--------------|
| Name of shareholder                 | No. of shares held | % of Holding | No. of shares held | % of Holding |
| Siemens Aktiengesellschaft, Germany | 255,351,805        | 71.70%       | 255,351,805        | 71.70%       |

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.

## 2 Share capital (Continued)

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

| Equity shares allotted as                                                                                                           | 2016       | 2015       |
|-------------------------------------------------------------------------------------------------------------------------------------|------------|------------|
| Fully paid up to the shareholders of Siemens Healthcare Diagnostics Ltd in accordance with the scheme of amalgamation               | 3,134,700  | 3,134,700  |
| Fully paid up to the shareholders of Siemens VAI Metals Technologies Pvt. Ltd. (SVAI) in accordance with the scheme of amalgamation | 11,738,108 | 11,738,108 |
| Fully paid up to the shareholders of Siemens Power Engineering Pvt. Ltd. (SPEL) in accordance with the scheme of amalgamation       | 3,461,538  | 3,461,538  |
| Fully paid up to the shareholders of Winergy Drive Systems India Pvt. Ltd. (Winergy) in accordance with the scheme of amalgamation  | 625,139    | 625,139    |

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

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

During the year ended 30 September 2016, the amount of per share interim dividend distributed to equity shareholders is ₹ 27.50 (2015: ₹ Nil) aggregating to ₹ 9,793. The amount of per share final dividend recognised for distribution to equity shareholders is ₹ 6 (2015: ₹ 10).

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.

## 3 Reserves and surplus

|                                                                   | 2016   | 2015   |
|-------------------------------------------------------------------|--------|--------|
| a) Capital reserve                                                | 538    | 538    |
| b) Amalgamation reserve                                           | 56     | 56     |
| c) Capital redemption reserve                                     | *      | *      |
| d) Securities premium account                                     | 1,567  | 1,567  |
| e) Revaluation reserve                                            |        |        |
| - Balance brought forward                                         | -      | 9      |
| - Transfer to general reserve                                     | -      | (9)    |
| f) Cash flow hedge reserve                                        |        |        |
| - Balance brought forward                                         | (31)   | 6      |
| - Transferred to the statement of profit and loss (Refer note 24) | 31     | (6)    |
| - Additions / (deductions) during the year                        | 1      | (31)   |
|                                                                   | 1      | (31)   |
| g) General reserve                                                |        |        |
| - Balance brought forward                                         | 31,503 | 31,494 |
| - Transfer from revaluation reserve                               | -      | 9      |
|                                                                   | 31,503 | 31,503 |

\* denotes figures less than a million

Notes to the consolidated financial statements *(Continued)*  
as at 30 September 2016  
(Currency: Indian rupees millions)

|                                                                       | 2016          | 2015          |
|-----------------------------------------------------------------------|---------------|---------------|
| <b>3 Reserves and surplus (Continued)</b>                             |               |               |
| h) <b>Surplus in the statement of profit and loss</b>                 |               |               |
| - Balance brought forward                                             | 16,832        | 9,374         |
| - Profit for the year                                                 | 28,737        | 11,744        |
| Less: Appropriations                                                  |               |               |
| - Interim dividend                                                    | (9,793)       | -             |
| - Tax on proposed dividend                                            | (1,994)       | -             |
| - Proposed dividend                                                   | (2,137)       | (3,561)       |
| - Tax on proposed dividend                                            | (435)         | (725)         |
| - Transfer to general reserve                                         | -             | -             |
| Total appropriations                                                  | (14,359)      | (4,286)       |
| <b>Net surplus in the statement of profit and loss</b>                | <b>31,210</b> | <b>16,832</b> |
| <b>Total reserves and surplus</b>                                     | <b>64,875</b> | <b>50,465</b> |
| <b>4 Trade payables and other long-term liabilities</b>               |               |               |
| a) <b>Trade payables</b>                                              | 132           | 151           |
| b) <b>Others</b>                                                      |               |               |
| - Long-term employee incentives / benefits                            | 166           | 193           |
| - Derivative contracts                                                | 18            | 17            |
| - Deferred revenue [Refer note 36(a)]                                 | -             | 810           |
| - Security deposits                                                   | 130           | -             |
| - Other liabilities                                                   | 79            | 46            |
|                                                                       | 393           | 1,066         |
|                                                                       | 525           | 1,217         |
| <b>5 Long-term provisions</b>                                         |               |               |
| a) <b>Provision for employee benefits</b>                             |               |               |
| - Pension (Refer note 31)                                             | 139           | 140           |
| - Leave wages                                                         | 650           | 578           |
| - Medical benefits (Refer note 31)                                    | 735           | 649           |
| - Silver jubilee and star awards                                      | 465           | 422           |
| - Retention bonus                                                     | 6             | 13            |
|                                                                       | 1,995         | 1,802         |
| b) <b>Others</b>                                                      |               |               |
| - Liquidated damages (Refer note 26)                                  | 23            | 43            |
|                                                                       | 2,018         | 1,845         |
| <b>6 Short-term borrowings (Unsecured)</b>                            |               |               |
| Loan from Related party - Siemens Industry Software Pvt. Ltd.(Note a) | 252           | 252           |
|                                                                       | 252           | 252           |

a) Loan is repayable on demand and carries interest 7.25% p.a

|                                                                   | 2016          | 2015          |
|-------------------------------------------------------------------|---------------|---------------|
| <b>7 Other current liabilities</b>                                |               |               |
| Advances from customers                                           | 3,089         | 4,676         |
| Billing in excess / advance billings                              | 3,715         | 3,448         |
| Unclaimed dividend                                                | 41            | 39            |
| Security deposits                                                 | 89            | 77            |
| Other liabilities                                                 |               |               |
| - Accrued salaries and benefits                                   | 2,027         | 2,099         |
| - Withholding and other taxes payable                             | 687           | 584           |
| - Derivative contracts                                            | 329           | 441           |
| - Liability for capital goods                                     | 390           | 312           |
| - Interest accrued and due                                        | 79            | 70            |
| - Deferred revenue [Refer note 36(a)]                             | -             | 272           |
| - Others                                                          | 818           | 816           |
|                                                                   | <u>11,264</u> | <u>12,834</u> |
| <b>8 Short-term provisions</b>                                    |               |               |
| <b>a) Provision for employee benefits</b>                         |               |               |
| - Pension (Refer note 31)                                         | 32            | 32            |
| - Leave wages                                                     | 56            | 56            |
| - Medical benefits (Refer note 31)                                | 50            | 48            |
| - Gratuity (Refer note 31)                                        | 833           | 673           |
| - Silver jubilee and star awards                                  | 48            | 41            |
| - Retention bonus                                                 | 24            | 35            |
|                                                                   | <u>1,043</u>  | <u>885</u>    |
| <b>b) Others</b>                                                  |               |               |
| - Warranty (Refer note 26)                                        | 3,167         | 2,895         |
| - Loss order (Refer note 26)                                      | 954           | 1,095         |
| - Liquidated damages (Refer note 26)                              | 1,402         | 1,524         |
| - Proposed dividend                                               | 2,137         | 3,561         |
| - Tax on proposed dividend                                        | 435           | 725           |
| - Provision for tax [net of advance tax ₹ 8,651 (2015: ₹ 10,616)] | 4,286         | 997           |
| - Other matters (Refer note 26)                                   | 2,594         | 2,940         |
|                                                                   | <u>14,975</u> | <u>13,737</u> |
|                                                                   | <u>16,018</u> | <u>14,622</u> |

# Notes to the consolidated financial statements (Continued)

## as at 30 September 2016

### (Currency: Indian rupees millions)

#### 9. Fixed Assets

|                                                                               | Tangible assets |                |                                  |                                              |                                         |                                    |           | Intangible assets |               |                         |                   |           | Previous year |            |
|-------------------------------------------------------------------------------|-----------------|----------------|----------------------------------|----------------------------------------------|-----------------------------------------|------------------------------------|-----------|-------------------|---------------|-------------------------|-------------------|-----------|---------------|------------|
|                                                                               | Freehold land   | Leasehold land | Buildings (Refer note i and iii) | Plant and equipments (Refer note iii and iv) | Furniture and fixtures (Refer note iii) | Office equipments (Refer note iii) | Vehicles  | Total             | Previous year | Goodwill (Refer note v) | Technical knowhow | Software  |               | Total      |
| <b>Gross block</b>                                                            |                 |                |                                  |                                              |                                         |                                    |           |                   |               |                         |                   |           |               |            |
| At 1 October 2015                                                             | 500             | 689            | 6619                             | 17,767                                       | 744                                     | 1,907                              | 32        | 28,258            | 27,485        | 422                     | 398               | 101       | 921           | 936        |
| Addition on acquisition of the subsidiary                                     | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | 30            | -                       | -                 | -         | -             | 6          |
| Additions                                                                     | -               | -              | 229                              | 1,841                                        | 38                                      | 258                                | 1         | 2,367             | 2,863         | -                       | -                 | 10        | 10            | 10         |
| Deductions / adjustments                                                      | -               | -              | (6)                              | (530)                                        | (53)                                    | (76)                               | -         | (665)             | (1,345)       | -                       | -                 | (15)      | (15)          | (2)        |
| Reclassifications                                                             | 60              | (60)           | -                                | -                                            | -                                       | -                                  | -         | -                 | -             | -                       | -                 | -         | -             | -          |
| Assets transferred on sale of Healthcare undertaking [Refer note 36(a)]       | -               | -              | -                                | (2,882)                                      | (11)                                    | (81)                               | -         | (2974)            | -             | (167)                   | -                 | (7)       | (174)         | -          |
| Assets transferred on sale of Metals Technologies business [Refer note 36(b)] | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | (451)         | -                       | -                 | -         | -             | (29)       |
| Transferred from asset held for sale                                          | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | 23            | -                       | -                 | -         | -             | -          |
| Transferred to asset held for sale                                            | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | -             | -                       | -                 | -         | -             | -          |
| Transferred from investment property                                          | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | 2             | -                       | -                 | -         | -             | -          |
| Transferred to investment property                                            | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | (349)         | -                       | -                 | -         | -             | -          |
| <b>At 30 September 2016</b>                                                   | <b>560</b>      | <b>629</b>     | <b>6842</b>                      | <b>16,196</b>                                | <b>718</b>                              | <b>2,008</b>                       | <b>33</b> | <b>26,986</b>     | <b>28,258</b> | <b>255</b>              | <b>398</b>        | <b>89</b> | <b>742</b>    | <b>921</b> |
| <b>Accumulated depreciation / amortisation</b>                                |                 |                |                                  |                                              |                                         |                                    |           |                   |               |                         |                   |           |               |            |
| At 1 October 2015                                                             | -               | 304            | 1,621                            | 10,603                                       | 593                                     | 1,543                              | 31        | 14,695            | 13,965        | 422                     | 332               | 76        | 830           | 822        |
| Addition on acquisition of the subsidiary                                     | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | 16            | -                       | -                 | -         | -             | 3          |
| Charge for the year (Refer note ii)                                           | -               | 2              | 228                              | 1,697                                        | 111                                     | 170                                | 1         | 2,209             | 2,127         | -                       | 18                | 10        | 28            | 31         |
| Impairment loss (Refer note 35)                                               | -               | -              | -                                | 353                                          | -                                       | -                                  | -         | 353               | -             | -                       | 2                 | -         | 2             | -          |
| Deductions / adjustments                                                      | -               | -              | (3)                              | (415)                                        | (56)                                    | (77)                               | -         | (551)             | (1,135)       | -                       | -                 | (15)      | (15)          | (2)        |
| Assets transferred on sale of Healthcare undertaking [Refer note 36(a)]       | -               | -              | -                                | (1,594)                                      | (1)                                     | (43)                               | -         | (1638)            | -             | (167)                   | -                 | (5)       | (172)         | -          |
| Assets transferred on sale of Metals Technologies business [Refer note 36(b)] | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | (280)         | -                       | -                 | -         | -             | (24)       |
| Transferred from asset held for sale                                          | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | 15            | -                       | -                 | -         | -             | -          |
| Transferred from investment property                                          | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | 2             | -                       | -                 | -         | -             | -          |
| Transferred to investment property                                            | -               | -              | -                                | -                                            | -                                       | -                                  | -         | -                 | (15)          | -                       | -                 | -         | -             | -          |
| <b>At 30 September 2016</b>                                                   | <b>-</b>        | <b>306</b>     | <b>1,846</b>                     | <b>10,644</b>                                | <b>647</b>                              | <b>1,593</b>                       | <b>32</b> | <b>15,068</b>     | <b>14,695</b> | <b>255</b>              | <b>352</b>        | <b>66</b> | <b>673</b>    | <b>830</b> |
| <b>Net block</b>                                                              |                 |                |                                  |                                              |                                         |                                    |           |                   |               |                         |                   |           |               |            |
| <b>At 30 September 2016</b>                                                   | <b>560</b>      | <b>323</b>     | <b>4996</b>                      | <b>5,552</b>                                 | <b>71</b>                               | <b>415</b>                         | <b>1</b>  | <b>11,918</b>     | <b>13563</b>  | <b>0</b>                | <b>46</b>         | <b>23</b> | <b>69</b>     | <b>91</b>  |
| At 30 September 2015                                                          | 500             | 385            | 4,998                            | 7,164                                        | 151                                     | 364                                | 1         | 13,563            |               | 0                       | 66                | 25        | 91            |            |

## 9. Fixed Assets (Continued)

### Notes :-

i Gross block of buildings includes ₹ 831 (2015: ₹392) representing 365 shares of ₹50 each and 11 shares of ₹100 each (2015: 345 shares of ₹50 each and 10 shares of ₹100 each) in various co-operative housing societies respectively.

### ii Depreciation and amortisation expense:

|                                                | 2016         | 2015         |
|------------------------------------------------|--------------|--------------|
| Depreciation on tangible assets                | 2,209        | 2,128        |
| Amortisation of intangible assets              | 28           | 31           |
| Amortisation of Goodwill                       | 71           | 71           |
| Depreciation on investment property            | 39           | 5            |
| <b>As per the statement of profit and loss</b> | <b>2,347</b> | <b>2,235</b> |

### iii Assets include assets given on operating lease

| Particulars                      | 2016      |                      |                        |                   |  | 2015      |                      |                        |                   |  |
|----------------------------------|-----------|----------------------|------------------------|-------------------|--|-----------|----------------------|------------------------|-------------------|--|
|                                  | Buildings | Plant and equipments | Furniture and fixtures | Office equipments |  | Buildings | Plant and equipments | Furniture and fixtures | Office equipments |  |
| Gross Block                      | 394       | 522                  | 51                     | 23                |  | 153       | 489                  | 46                     | 24                |  |
| Written Down Value               | 256       | 346                  | 10                     | 3                 |  | 107       | 327                  | 6                      | 3                 |  |
| Depreciation charge for the year | 49        | 52                   | 15                     | 14                |  | 4         | 8                    | 3                      | 2                 |  |

iv Plant and equipments includes Gross Block of ₹ 25 (2015: ₹ 25) and Net Block of ₹ 5 (2015: ₹ 7) cost incurred by the Company on certain assets ownership of which vests with the West Bengal State Electricity Board.

### v Goodwill on consolidation

| Particulars                        | 2016       | 2015       |
|------------------------------------|------------|------------|
| Opening Balance                    | 282        | -          |
| Add : Addition during the year     | -          | 353        |
| Less :Amortisation during the year | 71         | 71         |
| <b>Closing Balance</b>             | <b>211</b> | <b>282</b> |

Notes to the consolidated financial statements (*Continued*)  
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|                                                                                                                                                      | 2016          | 2015         |
|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|--------------|
| <b>10 Non-current investments</b>                                                                                                                    |               |              |
| <i>Investment property less accumulated depreciation / impairment loss</i>                                                                           |               |              |
| Land and building (at cost)                                                                                                                          | 1,156         | 1,156        |
| Less: Accumulated depreciation / impairment loss                                                                                                     | (59)          | (20)         |
| <b>Net block</b>                                                                                                                                     | <b>1,097</b>  | <b>1,136</b> |
| <b>11 Deferred tax assets (net)</b>                                                                                                                  |               |              |
| <i>Deferred tax assets</i>                                                                                                                           |               |              |
| Arising on account of timing differences in :                                                                                                        |               |              |
| Provision for doubtful debts and advances                                                                                                            | 605           | 561          |
| Expenditure debited to the statement of profit and loss but allowable for tax purposes in following years                                            | 2,934         | 3,054        |
| Other provisions                                                                                                                                     | 66            | 66           |
|                                                                                                                                                      | <b>3,605</b>  | <b>3,681</b> |
| <i>Less - Deferred tax liability</i>                                                                                                                 |               |              |
| Arising on account of timing differences in :                                                                                                        |               |              |
| Depreciation / impairment provisions                                                                                                                 | 352           | 499          |
| <b>Deferred tax assets (net)</b>                                                                                                                     | <b>3,253</b>  | <b>3,182</b> |
| <b>12 Long-term loans and advances (unsecured considered good, unless otherwise stated)</b>                                                          |               |              |
| Balances with statutory / government authorities [includes payments made under protest of ₹ 657 (2015: ₹ 493)]                                       | 1,771         | 1,422        |
| Advance payments of income tax [net of provision for tax ₹ 35,874 (2015: ₹ 27,255) including payments made under protest of ₹ 4,235 (2015: ₹ 4,249)] | 5,229         | 5,473        |
| Capital advances                                                                                                                                     | 377           | 141          |
| Deposits                                                                                                                                             | 252           | 251          |
| Other loans and advances                                                                                                                             | 93            | 56           |
|                                                                                                                                                      | <b>7,722</b>  | <b>7,343</b> |
| <b>13 Other non-current assets</b>                                                                                                                   |               |              |
| Long-term trade receivables (unsecured, considered good)                                                                                             | 1,064         | 1,805        |
| Derivative contracts                                                                                                                                 | 31            | 5            |
| Others                                                                                                                                               | 78            | -            |
| Bank deposits with maturity of more than 12 months                                                                                                   | 2             | 5            |
|                                                                                                                                                      | <b>1,175</b>  | <b>1,815</b> |
| <b>14 Inventories (valued at lower of cost and net realisable value)</b>                                                                             |               |              |
| Raw materials [includes Goods in Transit ₹ 795 (2015 : ₹ 514)]                                                                                       | 3,599         | 2,737        |
| Work-in-progress                                                                                                                                     | 3,969         | 3,278        |
| Finished goods                                                                                                                                       | 702           | 699          |
| Traded goods [includes Goods in Transit ₹ 541 (2015 : ₹ 422)]                                                                                        | 1,838         | 2,832        |
|                                                                                                                                                      | <b>10,108</b> | <b>9,546</b> |

|                                                                                              | 2016          | 2015          |
|----------------------------------------------------------------------------------------------|---------------|---------------|
| <b>15 Trade receivables (unsecured)</b>                                                      |               |               |
| Trade receivables outstanding                                                                |               |               |
| - for a period exceeding six months from the date they are due for payment                   | 4,745         | 4,046         |
| - other receivables                                                                          | 27,330        | 27,898        |
|                                                                                              | <u>32,075</u> | <u>31,944</u> |
| Of which                                                                                     |               |               |
| - considered good                                                                            | 30,388        | 30,424        |
| - considered doubtful                                                                        | 1,687         | 1,520         |
|                                                                                              | <u>32,075</u> | <u>31,944</u> |
| Provision for doubtful receivables                                                           | (1,687)       | (1,520)       |
|                                                                                              | <u>30,388</u> | <u>30,424</u> |
| <b>16 Cash and bank balances</b>                                                             |               |               |
| <b>Cash and Cash Equivalents</b>                                                             |               |               |
| <b>Balances with banks</b>                                                                   |               |               |
| - On current accounts                                                                        | 1,101         | 1,558         |
| - Bank deposits with original maturity of less than 3 months                                 | 11,167        | 19,070        |
| Cash on hand                                                                                 | 3             | 6             |
| Cheques / drafts on hand                                                                     | 10            | 288           |
|                                                                                              | <u>12,281</u> | <u>20,922</u> |
| <b>Other bank balances</b>                                                                   |               |               |
| Bank deposits with original maturity of more than 3 months                                   |               |               |
| but less than 12 months                                                                      | 22,780        | 3             |
| Unpaid dividend account                                                                      | 41            | 39            |
|                                                                                              | <u>35,102</u> | <u>20,964</u> |
| <b>17 Short-term loans and advances (unsecured considered good, unless otherwise stated)</b> |               |               |
| Advance to suppliers                                                                         |               |               |
| - considered good                                                                            | 729           | 647           |
| - considered doubtful                                                                        | 6             | 34            |
|                                                                                              | <u>735</u>    | <u>681</u>    |
| Provision for doubtful advances                                                              | (6)           | (34)          |
|                                                                                              | <u>729</u>    | <u>647</u>    |
| Other loans and advances                                                                     |               |               |
| - considered good                                                                            | 806           | 774           |
| - considered doubtful                                                                        | 53            | 43            |
|                                                                                              | <u>859</u>    | <u>817</u>    |
| Provision for doubtful advances                                                              | (53)          | (43)          |
|                                                                                              | <u>806</u>    | <u>774</u>    |
| Deposits                                                                                     |               |               |
| - considered good                                                                            | 254           | 328           |
| - considered doubtful                                                                        | 5             | 24            |
|                                                                                              | <u>259</u>    | <u>352</u>    |
| Provision for doubtful deposits                                                              | (5)           | (24)          |
|                                                                                              | <u>254</u>    | <u>328</u>    |
| Inter corporate deposits to related parties (Refer note 29)                                  | 3,272         | 2,700         |
| Balances with statutory / government authorities, net                                        | 2,795         | 3,212         |
|                                                                                              | <u>7,856</u>  | <u>7,661</u>  |
| <b>18 Other current assets</b>                                                               |               |               |
| Project excess cost and unbilled revenue                                                     | 6,950         | 8,933         |
| Derivative contracts                                                                         | 607           | 380           |
| Interest accrued on inter corporate deposits                                                 | 9             | 3             |
| Interest accrued on bank deposits                                                            | 355           | 84            |
| Other receivables                                                                            | 59            | 34            |
|                                                                                              | <u>7,980</u>  | <u>9,434</u>  |

Notes to the consolidated financial statements (*Continued*)  
for the year ended 30 September 2016  
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|                                                                                          | 2016           | 2015           |
|------------------------------------------------------------------------------------------|----------------|----------------|
| <b>19 Revenue from operations (net)</b>                                                  |                |                |
| <i>Revenue from operations, net of excise duty</i>                                       |                |                |
| Sale of products (Refer note 37)                                                         | 62,301         | 57,317         |
| Revenue from projects (Refer note 27)                                                    | 31,748         | 36,046         |
| Sale of services (Refer note 37)                                                         | 11,419         | 9,473          |
| Commission income                                                                        | 307            | 541            |
|                                                                                          | <u>105,775</u> | <u>103,377</u> |
| <i>Other operating revenue</i>                                                           |                |                |
| Export incentives                                                                        | 186            | 172            |
| Recoveries from group companies                                                          | 1,380          | 1,512          |
| Rental income                                                                            | 554            | 265            |
| Liabilities written back                                                                 | 314            | 115            |
| Others                                                                                   | 149            | 190            |
|                                                                                          | <u>2,583</u>   | <u>2,254</u>   |
|                                                                                          | <u>108,358</u> | <u>105,631</u> |
| <b>20 Other income</b>                                                                   |                |                |
| Interest income                                                                          | 1,602          | 1,324          |
| Profit on sale of assets, net                                                            | -              | 191            |
| Others                                                                                   | 34             | 85             |
|                                                                                          | <u>1,636</u>   | <u>1,600</u>   |
| <b>21 Project bought outs and other direct costs</b>                                     |                |                |
| Spares and stores consumed                                                               | 362            | 374            |
| Project bought outs                                                                      | 14,584         | 17,446         |
| Other direct costs                                                                       | 3,478          | 3,096          |
|                                                                                          | <u>18,424</u>  | <u>20,916</u>  |
| Included in other direct costs, change in excise duty on closing stock of finished goods | 27             | (27)           |
| <b>22 Employee benefits expense</b>                                                      |                |                |
| Salaries, wages and bonus, net                                                           | 12,872         | 12,391         |
| Contribution to provident and other funds                                                | 1,224          | 1,044          |
| Staff welfare expenses                                                                   | 531            | 484            |
|                                                                                          | <u>14,627</u>  | <u>13,919</u>  |
| <b>23 Finance costs</b>                                                                  |                |                |
| Interest costs                                                                           | 79             | 70             |
|                                                                                          | <u>79</u>      | <u>70</u>      |

|                                                                                    | 2016          | 2015          |
|------------------------------------------------------------------------------------|---------------|---------------|
| <b>24 Other expenses</b>                                                           |               |               |
| Exchange loss / (gains), net *                                                     | 144           | 459           |
| Travel and conveyance                                                              | 1,769         | 1,763         |
| Software license fees and other information technology related costs               | 1,348         | 1,036         |
| Rates and taxes                                                                    | 652           | 634           |
| Communications                                                                     | 259           | 244           |
| Packing and forwarding                                                             | 1,331         | 1,174         |
| Power and fuel                                                                     | 506           | 515           |
| Insurance                                                                          | 249           | 307           |
| Rent                                                                               | 686           | 688           |
| Repairs                                                                            |               |               |
| - on building                                                                      | 627           | 277           |
| - on machinery                                                                     | 313           | 254           |
| - others                                                                           | 96            | 132           |
| Legal and professional                                                             | 1,590         | 1,206         |
| Advertising and publicity                                                          | 153           | 88            |
| Office supplies, printing and stationery                                           | 43            | 72            |
| Research and development expenditure                                               | 63            | 73            |
| Bank guarantee commission / bank charges                                           | 260           | 232           |
| Donation                                                                           | 2             | 1             |
| Commission to directors                                                            | 19            | 18            |
| Directors' fees                                                                    | 4             | 4             |
| Bad debts [net of reversal of provision for doubtful debts of ₹ 198 (2015: ₹ 267)] | 196           | 162           |
| CSR expenditure                                                                    | 71            | 65            |
| Provision for doubtful debts and advances, net                                     | 443           | (15)          |
| Loss on sale of fixed assets, net                                                  | 8             | -             |
| Miscellaneous expenses                                                             | 1,274         | 1,402         |
|                                                                                    | <u>12,106</u> | <u>10,791</u> |

\* Includes amount transferred from cash flow hedge reserve to exchange loss / (gains) amounting to ₹ 31 (2015: ₹ - 6)

## 25 Commitments and contingent liabilities

### (a) Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

|              |            |
|--------------|------------|
| <u>1,051</u> | <u>760</u> |
|--------------|------------|

For commitments relating to lease arrangements, refer note 28

### (b) Contingent liabilities (to the extent not provided for)

|                                                              |            |            |
|--------------------------------------------------------------|------------|------------|
| Income tax (excluding interest)                              | 4,201      | 2,612      |
| Excise, service tax and sales tax liabilities, under dispute | 7,365      | 6,047      |
| Customs liabilities, under dispute                           | 120        | 120        |
| Claims against the Company not acknowledged as debts         | <u>366</u> | <u>541</u> |

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

# Notes to the consolidated financial statements *(Continued)*

## as at 30 September 2016

(Currency: Indian rupees millions)

### 26 Disclosure relating to Provisions

#### *Provision for warranty*

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

#### *Provision for liquidated damages*

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

#### *Provision for loss orders*

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

#### *Provision for other matters*

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

The movements in the above provisions are summarised below:

|                                                                          | Warranty     |              | Liquidated damages |              | Loss orders |              | Other matters |              |
|--------------------------------------------------------------------------|--------------|--------------|--------------------|--------------|-------------|--------------|---------------|--------------|
|                                                                          | 2016         | 2015         | 2016               | 2015         | 2016        | 2015         | 2016          | 2015         |
| Balance as at 1 October                                                  | 2,895        | 3,576        | 1,567              | 1,791        | 1,095       | 2,039        | 2,940         | 2,678        |
| Provisions :                                                             |              |              |                    |              |             |              |               |              |
| - Created                                                                | 1,502        | 1,490        | 439                | 680          | 1,038       | 971          | 846           | 1,656        |
| - Utilised                                                               | (490)        | (723)        | (288)              | (170)        | (710)       | (1,556)      | (283)         | (207)        |
| - Reversed                                                               | (663)        | (589)        | (291)              | (300)        | (452)       | (169)        | (836)         | (1,148)      |
| - Adjustment on account of change in accounting policy (Refer note 37)   | -            | (825)        | -                  | -            | -           | -            | -             | -            |
| - Transferred on sale of Healthcare Undertaking [Refer note 36(a)]       | (77)         | -            | (2)                | -            | (17)        | -            | (73)          | -            |
| - Transferred on sale of Metals Technologies business [Refer note 36(b)] | -            | (34)         | -                  | (434)        | -           | (190)        | -             | (39)         |
| Balance as at 30 September                                               | <u>3,167</u> | <u>2,895</u> | <u>1,425</u>       | <u>1,567</u> | <u>954</u>  | <u>1,095</u> | <u>2,594</u>  | <u>2,940</u> |
| - Current                                                                | 3,167        | 2,895        | 1,402              | 1,524        | 954         | 1,095        | 2,594         | 2,940        |
| - Non-current                                                            | -            | -            | 23                 | 43           | -           | -            | -             | -            |

|                                                                                                                                                   | 2016    | 2015    |
|---------------------------------------------------------------------------------------------------------------------------------------------------|---------|---------|
| <b>27 Disclosure pursuant to Accounting Standard - 7 'Construction Contracts' :</b>                                                               |         |         |
| (i) Contract Revenue recognised for the year ended 30 September                                                                                   | 31,748  | 36,046  |
| (ii) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress as at 30 September | 108,833 | 116,626 |
| (iii) Amount of advances received                                                                                                                 | 4,218   | 3,549   |
| (iv) Amount of retentions                                                                                                                         | 5,757   | 7,275   |
| (v) Amounts due from customers                                                                                                                    | 6,345   | 7,933   |
| (vi) Amounts due to customers                                                                                                                     | 3,633   | 4,086   |

**28 Disclosure pursuant to Accounting Standard - 19 'Leases' :**

**a) Where the Group is the lessee:**

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:

|                                                         |            |     |
|---------------------------------------------------------|------------|-----|
| (i) Not later than one year from the balance sheet date | <b>338</b> | 225 |
| (ii) Later than one year and not later than five years  | <b>632</b> | 514 |
| (iii) Later than five years                             | <b>12</b>  | 20  |
|                                                         | <b>982</b> | 759 |

Lease rent debited to the statement of profit and loss ₹ 686 (2015: ₹ 688)

Sub-lease payments recognised in the statement of profit and loss ₹ 240 (2015: ₹ 32)

The future sub-lease payments expected to be received under non cancellable sub-lease as at 30 September 2016 is ₹ 1,238 (2015: ₹ Nil)

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

General description of the leasing arrangement:

- (i) The Group has entered into operating lease arrangements for its office premises, storage locations, machinery, 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 Group.
- (iv) Some of the lease agreements have escalation clause ranging from 5% to 15%. There are no exceptional / restrictive covenants in the lease agreements.

**b) Where the Group is the lessor:**

Lease income from non cancellable lease arrangement credited to the statement of profit and loss and the future lease income in respect of non cancellable operating lease are summarised below:

|                                                         |              |       |
|---------------------------------------------------------|--------------|-------|
| (i) Not later than one year from the balance sheet date | <b>286</b>   | 197   |
| (ii) Later than one year and not later than five years  | <b>970</b>   | 1,160 |
| (iii) Later than five years                             | -            | 78    |
|                                                         | <b>1,256</b> | 1,435 |

Lease income recognised during the year in statement of profit and loss ₹ 554 (2015: ₹ 265)

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

General description of the leasing arrangement:

- (i) The Group has entered into operating lease arrangements of its factory premises, office premises, storage locations, machinery and residential premises.
- (ii) The future lease rental income is determined on the basis of the monthly lease terms as per the agreements.
- (iii) At the expiry of the non cancellable lease period the option of renewal rests with both parties.
- (iv) The lease agreements have escalation clause of 5% pa. There are no exceptional / restrictive covenants in the lease agreements.

# Notes to the consolidated financial statements *(Continued)* for the year ended 30 September 2016 (Currency: Indian rupees millions)

## 29 Related party transactions

### 29.1 Parties where control exists

Siemens AG                      Holding company

### 29.2 Other related parties where transactions have taken place during the year

| Fellow Subsidiaries | Name                                                                                                                         | Country        |
|---------------------|------------------------------------------------------------------------------------------------------------------------------|----------------|
|                     | Siemens S.A.                                                                                                                 | Angola         |
|                     | Siemens S.A.                                                                                                                 | Argentina      |
|                     | Siemens Ltd.                                                                                                                 | Australia      |
|                     | Siemens Rail Automation Pty.Ltd.                                                                                             | Australia      |
|                     | ETM professional control GmbH                                                                                                | Austria        |
|                     | Siemens Aktiengesellschaft Österreich                                                                                        | Austria        |
|                     | Siemens Convergence Creators GmbH                                                                                            | Austria        |
|                     | Siemens Metals Technologies Vermögensverwaltungs GmbH<br>(previously known as Siemens VAI Metals Technologies GmbH, Germany) | Austria        |
|                     | Siemens AG Österreich, Plant Rail Systems Wien                                                                               | Austria        |
|                     | Siemens AG Österreich, Plant Transformers Wien                                                                               | Austria        |
|                     | Primetals Technologies Austria GmbH (upto 07.01.2015)                                                                        | 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         |
|                     | Siemens Ltda.                                                                                                                | Brazil         |
|                     | Siemens EOOD                                                                                                                 | Bulgaria       |
|                     | Siemens Canada Ltd. - RuggedCom                                                                                              | Canada         |
|                     | Siemens Hearing Instruments Inc.                                                                                             | Canada         |
|                     | Trench Ltd.                                                                                                                  | Canada         |
|                     | Siemens Canada Ltd. - Process Instruments Business Unit                                                                      | Canada         |
|                     | Siemens Canada Ltd.                                                                                                          | Canada         |
|                     | Siemens Healthcare Diagnostics Manufacturing Ltd.                                                                            | Cayman Islands |
|                     | Siemens S.A.                                                                                                                 | Chile          |
|                     | Beijing Siemens Cerberus Electronics Ltd.                                                                                    | China          |
|                     | MWB (Shanghai) Co Ltd.                                                                                                       | China          |
|                     | Siemens Circuit Protection Systems Ltd., Shanghai                                                                            | China          |
|                     | Siemens Electrical Apparatus Ltd., Suzhou                                                                                    | 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., Hangzhou                                                                     | China          |

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

|                                                                       |                |
|-----------------------------------------------------------------------|----------------|
| Siemens High Voltage Switchgear Co., Ltd. Shanghai                    | China          |
| Siemens Industrial Automation Ltd., Shanghai                          | China          |
| Siemens International Trading Ltd., Shanghai                          | China          |
| Siemens Ltd., China                                                   | China          |
| Siemens Mechanical Drive Systems (Tianjin) Co., Ltd.                  | China          |
| Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.             | China          |
| Siemens Numerical Control Ltd., Nanjing                               | 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.                                          | China          |
| Siemens Switchgear Ltd., Shanghai                                     | China          |
| Siemens Transformer (Guangzhou) Co., Ltd.                             | China          |
| Siemens VAI Metals Technologies Co., Ltd., Shanghai (upto 07.01.2015) | China          |
| Siemens Wind Power Blades (Shanghai) Co., Ltd.                        | China          |
| Siemens Wiring Accessories Shandong Ltd.                              | China          |
| Siemens X-Ray Vacuum Technology Ltd., Wuxi                            | China          |
| Trench High Voltage Products Ltd., Shenyang                           | China          |
| Winergy Drive Systems (Tianjin) Co. Ltd.                              | China          |
| Siemens Sensors & Communication Ltd.                                  | China          |
| Yangtze Delta Manufacturing Co. Ltd., Hangzhou                        | China          |
| Siemens Industry Software (Shanghai) Co., Ltd.                        | China          |
| Siemens Industrial Turbomachinery (Huludao) Co. Ltd.                  | China          |
| Siemens S.A.                                                          | Columbia       |
| Koncar-Energetski Transformatori, d.o.o.                              | Croatia        |
| Siemens d.d.                                                          | Croatia        |
| Siemens Electric Machines s.r.o.                                      | Czech Republic |
| Siemens, s.r.o.                                                       | Czech Republic |
| Siemens, s.r.o., odstěpný závod Industrial Turbomachinery             | Czech Republic |
| Siemens A/S                                                           | Denmark        |
| Siemens Wind Power A/S                                                | Denmark        |
| Siemens A/S Flow Instruments                                          | Denmark        |
| Siemens S.A.                                                          | El Salvador    |
| Siemens Technologies S.A.E.                                           | Egypt          |
| Siemens Osakeyhtiö                                                    | Finland        |
| Flender-Graffenstaden SAS                                             | France         |
| Siemens Industry Software SAS                                         | France         |
| Siemens S.A.S.                                                        | France         |

# Notes to the consolidated financial statements *(Continued)* for the year ended 30 September 2016 (Currency: Indian rupees millions)

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

|                                                                               |               |
|-------------------------------------------------------------------------------|---------------|
| Siemens SAS, Division Production Sensors and Communication, Usine de Haguenau | France        |
| Siemens Transmission & Distribution SAS                                       | France        |
| Siemens VAI Metals Technologies SAS (upto 07.01.2015)                         | France        |
| Trench France S.A.S.                                                          | France        |
| Alpha Verteilertechnik GmbH                                                   | Germany       |
| evosoft GmbH                                                                  | Germany       |
| HSP Hochspannungsgeräte 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 Industriegetriebe GmbH                                                | Germany       |
| Siemens Power Control GmbH                                                    | Germany       |
| Siemens Turbomachinery Equipment GmbH                                         | Germany       |
| Siemens VAI Metals Technologies GmbH (upto 07.01.2015)                        | Germany       |
| SYKATEC Systeme, Komponenten, Anwendungstechnologie GmbH                      | Germany       |
| TLT-Turbo GmbH                                                                | Germany       |
| Trench Germany GmbH                                                           | Germany       |
| Siemens Insulation Center GmbH & Co. KG                                       | Germany       |
| Weiss Spindeltechnologie GmbH                                                 | Germany       |
| MessMa GmbH (upto 21.09.2015)                                                 | Germany       |
| Siemens Healthcare GmbH                                                       | Germany       |
| Dresser-Rand GmbH                                                             | Germany       |
| Siemens AG - DF/PD CS, Erlangen                                               | Germany       |
| Siemens Industry Software GmbH                                                | Germany       |
| Siemens AG - Credit Warehouse Germany                                         | Germany       |
| Electrium Sales Ltd.                                                          | Great Britain |
| I DT Factory Congleton                                                        | Great Britain |
| Siemens Healthcare Diagnostics Manufacturing Ltd                              | Great Britain |
| Siemens Healthcare Diagnostics Products Ltd                                   | Great Britain |
| Siemens Industrial Turbomachinery Ltd.                                        | Great Britain |
| Siemens Magnet Technology                                                     | Great Britain |
| Siemens plc                                                                   | Great Britain |
| Siemens plc, Industry Sector, Metals Technologies (upto 07.01.2015)           | Great Britain |
| Siemens Protection Devices Ltd.                                               | Great Britain |
| Siemens Transmission & Distribution Ltd.                                      | Great Britain |

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

|                                                              |               |
|--------------------------------------------------------------|---------------|
| Siemens VAI Metals Technologies Ltd. (upto 07.01.2015)       | Great Britain |
| Siemens Water Technologies Ltd. (upto 15.01.2014)            | Great Britain |
| Siemens Industry Software Ltd.                               | Great Britain |
| Siemens Healthcare Diagnostics Ltd.                          | Hongkong      |
| Siemens Ltd.                                                 | Hongkong      |
| Siemens Healthcare Ltd.                                      | Hongkong      |
| Siemens Industry Software Ltd.                               | Hongkong      |
| Siemens Zrt.                                                 | Hungary       |
| Siemens Healthcare Kft.                                      | Hungary       |
| 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 Postal Parcel & Airport Logistics Pvt. Ltd.          | India         |
| Siemens Technology and Services Pvt. Ltd.                    | India         |
| LMS India Engineering Solutions Pvt Ltd                      | India         |
| Preactor Software India Pvt. Ltd.                            | India         |
| VAI Metals Technologies Pvt. Ltd. (upto 07.01.2015)          | India         |
| Dresser-Rand India Pvt. Ltd.                                 | India         |
| Siemens Healthcare Pvt. Ltd.                                 | India         |
| P.T. Siemens Indonesia                                       | Indonesia     |
| PT. Siemens Industrial Power                                 | Indonesia     |
| Europlex Technologies (Ireland) Ltd.                         | Ireland       |
| Siemens Ltd.                                                 | Ireland       |
| Siemens Concentrated Solar Power Ltd.                        | Israel        |
| Siemens Israel Ltd.                                          | Israel        |
| Siemens S.p.A.                                               | Italy         |
| Trench Italia S.r.l.                                         | Italy         |
| HV-Turbo Italia S.r.l.                                       | Italy         |
| Siemens S. p.A Metals Technologies, Milano (upto 07.01.2015) | Italy         |
| Siemens VAI Metals Technologies S.r.l. (upto 07.01.2015)     | Italy         |
| Siemens Healthcare Diagnostics K.K.                          | Japan         |
| Siemens Japan K.K.                                           | Japan         |
| Yaskawa Siemens Automation & Drives Corp.                    | Japan         |
| Siemens TOO                                                  | Kazakhstan    |
| Siemens Ltd. Seoul                                           | Korea         |
| Siemens Energy Solutions Ltd.                                | Korea         |
| Siemens PETNET Korea Co. Ltd.                                | Korea         |

# Notes to the consolidated financial statements *(Continued)* for the year ended 30 September 2016 (Currency: Indian rupees millions)

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

|                                                     |              |
|-----------------------------------------------------|--------------|
| Siemens Electrical and 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 Wind Power Blades, SARL AU                  | Morocco      |
| Siemens Nederland N.V.                              | Netherlands  |
| Siemens Nederland N.V. - dependent ARE 456b         | Netherlands  |
| NEM Energy B.V.                                     | Netherlands  |
| Siemens (N.Z.) Ltd.                                 | New Zealand  |
| Siemens Ltd.                                        | Nigeria      |
| Siemens S.A.                                        | Tunisia      |
| Siemens AS                                          | Norway       |
| Siemens L.L.C.                                      | Oman         |
| Siemens S.A.C.                                      | Peru         |
| Siemens Power Operations, Inc.                      | Philippines  |
| Siemens, Inc.                                       | Philippines  |
| Siemens Sp. z o.o.                                  | Poland       |
| TurboCare Sp. z o.o.                                | Poland       |
| Siemens S.A.                                        | Portugal     |
| Siemens W.L.L.                                      | Qatar        |
| Siemens S.R.L.                                      | Romania      |
| SIMEA S.R.L., Plan SEIT Sibiu                       | Romania      |
| OOO Siemens                                         | Russia       |
| OOO Siemens Gas Turbine Technologies                | Russia       |
| OOO Siemens High Voltage Products                   | Russia       |
| Arabia Electric Ltd. (Equipment)                    | Saudi-Arabia |
| ISCOSA Industries and Maintenance Ltd.              | Saudi-Arabia |
| Siemens Ltd.                                        | Saudi-Arabia |
| Siemens d.o.o. Beograd                              | Serbia       |
| Siemens Pte. Ltd.                                   | Singapore    |
| Siemens Water Technologies Pte. Ltd.                | Singapore    |
| Siemens Pte Ltd – AGT Service business              | Singapore    |
| Siemens Healthcare Pte. Ltd.                        | Singapore    |
| Siemens s.r.o.                                      | Slovakia     |
| Siemens d.o.o.                                      | Slovenia     |
| Siemens (Proprietary) Ltd.                          | South Africa |
| Fábrica Electrotécnica Josa, S.A.                   | Spain        |
| Siemens S.A.                                        | Spain        |

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

|                                                                                |                |
|--------------------------------------------------------------------------------|----------------|
| Siemens Rail Automation S.A.U Dimetronics 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 Ltd.                                                                   | Thailand       |
| Siemens S.A.                                                                   | Tunisia        |
| Siemens Sanayi ve Ticaret A.S.                                                 | Turkey         |
| Siemens Ukraine (erstwhile DP Siemens Ukraine)                                 | Ukraine        |
| Siemens Rail Automation Holdings Ltd.                                          | United Kingdom |
| SD (Middle East) LLC                                                           | UAE            |
| Siemens LLC                                                                    | UAE            |
| Siemens Middle East Ltd.                                                       | UAE            |
| Siemens Healthcare FZ LLC                                                      | UAE            |
| Siemens Demag Delaval Turbomachinery, Inc.                                     | USA            |
| Siemens Energy, Inc.                                                           | USA            |
| Siemens Energy, Inc. (US) - Fossil Products (OPP)                              | USA            |
| Siemens Energy, Inc. (US) - Oil and Gas (PT2)                                  | USA            |
| Siemens Energy, Inc. (US) - Transmission (PPR)                                 | USA            |
| Siemens Healthcare Diagnostics Inc.                                            | USA            |
| Siemens Corporation                                                            | USA            |
| Siemens Industry, Inc.                                                         | USA            |
| Siemens Medical Solutions USA, Inc.                                            | USA            |
| Siemens Water Technologies LLC                                                 | USA            |
| SMS Inc. - Customer Solutions Group                                            | USA            |
| Winergy Drive Systems Corporation                                              | USA            |
| Siemens Postal, Parcel and Airport Logistics LLC                               | USA            |
| Siemens Product Lifecycle Management Software Inc.                             | USA            |
| NEM USA Corp.                                                                  | USA            |
| Siemens VAI Metals Technologies LLC (upto 07.01.2015)                          | USA            |
| Siemens Energy, Inc. (US) – Dist Gen (PRW)                                     | USA            |
| Siemens S.A.                                                                   | Venezuela      |
| Siemens Ltd.                                                                   | Vietnam        |

## 29.3 Key Managerial personnel

|                             |                      |
|-----------------------------|----------------------|
| <b>Whole-time Directors</b> | Mr. Sunil Mathur     |
|                             | Mr. Christian Rummel |

# Notes to the consolidated financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 29.4 Related party transactions

| Description                                                                      | 2016            |                     |                          | 2015            |                     |                          |
|----------------------------------------------------------------------------------|-----------------|---------------------|--------------------------|-----------------|---------------------|--------------------------|
|                                                                                  | Holding Company | Fellow Subsidiaries | Key managerial personnel | Holding Company | Fellow Subsidiaries | Key managerial personnel |
| <b>Revenue (net of taxes)</b>                                                    |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 4,836           | -                   | -                        | 3,891           | -                   | -                        |
| - Siemens W.L.L.                                                                 | -               | 2,693               | -                        | -               | 3,145               | -                        |
| - Siemens Malaysia Sdn. Bhd.                                                     | -               | 1,289               | -                        | -               | 128                 | -                        |
| - Others                                                                         | -               | 4,050               | -                        | -               | 4,451               | -                        |
| <b>Commission income</b>                                                         |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 91              | -                   | -                        | 371             | -                   | -                        |
| - Siemens Industrial Turbomachinery Ltd.                                         | -               | 95                  | -                        | -               | 70                  | -                        |
| - Siemens Healthcare GmbH                                                        | -               | 43                  | -                        | -               | 86                  | -                        |
| - Siemens Industrial Turbomachinery AB                                           | -               | 22                  | -                        | -               | -                   | -                        |
| - Others                                                                         | -               | 27                  | -                        | -               | 13                  | -                        |
| <b>Recoveries from group companies</b>                                           |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 998             | -                   | -                        | 742             | -                   | -                        |
| - Siemens Schweiz AG, Building Technologies Division, International Headquarters | -               | *                   | -                        | -               | 205                 | -                        |
| - Siemens Technology and Services Pvt. Ltd. (STS)                                | -               | 133                 | -                        | -               | 201                 | -                        |
| - Siemens Industry Software (India) Pvt. Ltd.                                    | -               | 20                  | -                        | -               | 22                  | -                        |
| - Siemens Healthcare GmbH                                                        | -               | 120                 | -                        | -               | 46                  | -                        |
| - Others                                                                         | -               | 168                 | -                        | -               | 113                 | -                        |
| <b>Reimbursement of expenses</b>                                                 |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 975             | -                   | -                        | 1,143           | -                   | -                        |
| - Siemens Healthcare GmbH                                                        | -               | 347                 | -                        | -               | 185                 | -                        |
| - Siemens plc, Industry Sector, Metals Technologies                              | -               | -                   | -                        | -               | 21                  | -                        |
| - Siemens Metals Technologies Vermögensverwaltungs GmbH                          | -               | -                   | -                        | -               | 32                  | -                        |
| - Siemens Schweiz AG, Building Technologies                                      | -               | 1                   | -                        | -               | 4                   | -                        |
| - Siemens Industrial Turbomachinery Ltd.                                         | -               | 52                  | -                        | -               | -                   | -                        |
| - Others                                                                         | -               | 214                 | -                        | -               | 263                 | -                        |
| <b>Purchase of goods and services</b>                                            |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 21,166          | -                   | -                        | 21,233          | -                   | -                        |
| - Siemens Healthcare Diagnostics, LA                                             | -               | 1,484               | -                        | -               | 1,209               | -                        |
| - Siemens Healthcare GmbH                                                        | -               | 4,872               | -                        | -               | 2,358               | -                        |
| - Others                                                                         | -               | 7,925               | -                        | -               | 7,391               | -                        |
| <b>Rent income</b>                                                               |                 |                     |                          |                 |                     |                          |
| - Siemens Technology and Services Pvt. Ltd. (STS)                                | -               | 69                  | -                        | -               | 116                 | -                        |
| - Siemens Financial Services Pvt. Ltd.                                           | -               | 59                  | -                        | -               | 50                  | -                        |
| - Siemens Healthcare Pvt. Ltd.                                                   | -               | 56                  | -                        | -               | -                   | -                        |
| - Others                                                                         | -               | 21                  | -                        | -               | 26                  | -                        |

\* denotes figures less than a million

## 29.4 Related party transactions (Continued)

| Description                                                                      | 2016            |                     |                          | 2015            |                     |                          |
|----------------------------------------------------------------------------------|-----------------|---------------------|--------------------------|-----------------|---------------------|--------------------------|
|                                                                                  | Holding Company | Fellow Subsidiaries | Key managerial personnel | Holding Company | Fellow Subsidiaries | Key managerial personnel |
| <b>Interest income</b>                                                           |                 |                     |                          |                 |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                                           | -               | 160                 | -                        | -               | 112                 | -                        |
| - Others                                                                         | -               | 14                  | -                        | -               | 7                   | -                        |
| <b>Interest expenses</b>                                                         |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 29              | -                   | -                        | 30              | -                   | -                        |
| - Siemens Industry Software (India) Pvt. Ltd.                                    | -               | 19                  | -                        | -               | 21                  | -                        |
| - Siemens plc                                                                    | -               | -                   | -                        | -               | *                   | -                        |
| <b>Bank guarantee charges</b>                                                    |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 75              | -                   | -                        | 69              | -                   | -                        |
| <b>Dividend paid (on payment basis)</b>                                          |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 9,576           | -                   | -                        | 1,532           | -                   | -                        |
| - Siemens Metals Technologies Vermögensverwaltungs GmbH                          | -               | 440                 | -                        | -               | 70                  | -                        |
| <b>Purchase of fixed assets / investment property / capital work in progress</b> |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | 142             | -                   | -                        | 196             | -                   | -                        |
| - Siemens Medical Solutions USA, Inc.                                            | -               | 24                  | -                        | -               | 20                  | -                        |
| - Siemens Healthcare GmbH                                                        | -               | 12                  | -                        | -               | 16                  | -                        |
| - Siemens Ltd.a.                                                                 | -               | -                   | -                        | -               | 14                  | -                        |
| - Trench Germany GmbH                                                            | -               | 69                  | -                        | -               | -                   | -                        |
| - Others                                                                         | -               | 4                   | -                        | -               | 20                  | -                        |
| <b>Sale of fixed assets</b>                                                      |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                                                     | -               | -                   | -                        | 11              | -                   | -                        |
| - Siemens Technology and Services Pvt. Ltd. (STS)                                | -               | -                   | -                        | -               | 1                   | -                        |
| - Others                                                                         | -               | 11                  | -                        | -               | -                   | -                        |
| <b>Sale of metals technologies business [Refer note 36(b)]</b>                   |                 |                     |                          |                 |                     |                          |
| - VAI Metals Technologies Pvt. Ltd.                                              | -               | -                   | -                        | -               | 10,233              | -                        |
| <b>Sale of SBT R&amp;D business</b>                                              |                 |                     |                          |                 |                     |                          |
| - Siemens Technology and Services Pvt. Ltd. (STS)                                | -               | -                   | -                        | -               | 61                  | -                        |
| <b>Sale of Healthcare business [Refer note 36(a)]</b>                            |                 |                     |                          |                 |                     |                          |
| - Siemens Healthcare Pvt. Ltd.                                                   | -               | 30,500              | -                        | -               | -                   | -                        |
| <b>Managerial Remuneration **</b>                                                |                 |                     |                          |                 |                     |                          |
| - Mr. Sunil Mathur                                                               | -               | -                   | 111                      | -               | -                   | 87                       |
| - Mr. Christian Rummel                                                           | -               | -                   | 58                       | -               | -                   | 53                       |

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole. Remuneration in the form of stock awards are included only upon vesting.

# Notes to the consolidated financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 29.4 Related party transactions *(Continued)*

| Description                                            | 2016            |                     |                          | 2015            |                     |                          |
|--------------------------------------------------------|-----------------|---------------------|--------------------------|-----------------|---------------------|--------------------------|
|                                                        | Holding Company | Fellow Subsidiaries | Key managerial personnel | Holding Company | Fellow Subsidiaries | Key managerial personnel |
| <b>Inter corporate deposits given</b>                  |                 |                     |                          |                 |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                 | -               | 7,900               | -                        | -               | 7,460               | -                        |
| - Siemens Convergence Creators Pvt. Ltd.               | -               | 40                  | -                        | -               | 220                 | -                        |
| - Siemens Technology and Services Pvt. Ltd. (STS)      | -               | -                   | -                        | -               | 554                 | -                        |
| - Siemens Healthcare Pvt. Ltd.                         | -               | -                   | -                        | -               | -                   | -                        |
| <b>Refund of inter corporate deposits given</b>        |                 |                     |                          |                 |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                 | -               | 7,250               | -                        | -               | 6,605               | -                        |
| - Siemens Convergence Creators Pvt. Ltd.               | -               | 120                 | -                        | -               | -                   | -                        |
| - Siemens Technology and Services Pvt. Ltd. (STS)      | -               | -                   | -                        | -               | 554                 | -                        |
| - Siemens Healthcare Pvt. Ltd.                         | -               | -                   | -                        | -               | -                   | -                        |
| <b>Outstanding Balances Receivables</b>                |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                           | 1,023           | -                   | -                        | 841             | -                   | -                        |
| - Siemens W.L.L.                                       | -               | 192                 | -                        | -               | 280                 | -                        |
| - Siemens S.A.S.                                       | -               | 3                   | -                        | -               | 165                 | -                        |
| - Siemens Malaysia Sdn. Bhd.                           | -               | 222                 | -                        | -               | 6                   | -                        |
| - Others                                               | -               | 686                 | -                        | -               | 580                 | -                        |
| <b>Payables</b>                                        |                 |                     |                          |                 |                     |                          |
| - Siemens AG                                           | 4,550           | -                   | -                        | 4,204           | -                   | -                        |
| - Siemens Healthcare GmbH                              | -               | 2                   | -                        | -               | 656                 | -                        |
| - Siemens W.L.L.                                       | -               | 592                 | -                        | -               | 327                 | -                        |
| - Siemens Healthcare Diagnostics Inc, USA              | -               | 243                 | -                        | -               | 191                 | -                        |
| - Others                                               | -               | 2,150               | -                        | -               | 2,552               | -                        |
| <b>Inter corporate deposits</b>                        |                 |                     |                          |                 |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                 | -               | 3,130               | -                        | -               | 2,480               | -                        |
| - Siemens Convergence Creators Pvt. Ltd.               | -               | 140                 | -                        | -               | 220                 | -                        |
| <b>Interest receivable on inter corporate deposits</b> |                 |                     |                          |                 |                     |                          |
| - Siemens Financial Services Pvt. Ltd.                 | -               | 8                   | -                        | -               | 1                   | -                        |
| - Siemens Convergence Creators Pvt. Ltd.               | -               | 1                   | -                        | -               | 2                   | -                        |
| <b>Inter corporate deposits Payable</b>                |                 |                     |                          |                 |                     |                          |
| - Siemens Industries Software India Pvt. Ltd.          | -               | 252                 | -                        | -               | 252                 | -                        |
| <b>Interest payable on inter corporate deposits</b>    |                 |                     |                          |                 |                     |                          |
| - Siemens Industries Software India Pvt. Ltd.          | -               | *                   | -                        | -               | *                   | -                        |
| <b>Managerial remuneration payable **</b>              |                 |                     |                          |                 |                     |                          |
| - Mr. Sunil Mathur                                     | -               | -                   | 51                       | -               | -                   | 42                       |
| - Mr. Christian Rummel                                 | -               | -                   | 24                       | -               | -                   | 23                       |

\* denotes figures less than a million

\*\* Remuneration does not include the provisions made for gratuity, leave and medical benefits, as they are determined on an actuarial basis for the company as a whole. Remuneration in the form of stock awards are included only upon vesting.

### 30 (i) Information about business segments

|                                                    | Revenue          |                |                         |          |                |                | Results       |               |
|----------------------------------------------------|------------------|----------------|-------------------------|----------|----------------|----------------|---------------|---------------|
|                                                    | External revenue |                | Inter segmental revenue |          | Total          |                | 2016          | 2015          |
|                                                    | 2016             | 2015           | 2016                    | 2015     | 2016           | 2015           |               |               |
| Power and Gas                                      | 13,909           | 15,664         | 91                      | 47       | 14,000         | 15,711         | 1,274         | 1,945         |
| Energy Management                                  | 32,786           | 30,009         | 1,420                   | 1,618    | 34,206         | 31,627         | 2,324         | 2,188         |
| Building Technologies                              | 3,635            | 2,974          | 79                      | 63       | 3,714          | 3,037          | 236           | 229           |
| Mobility                                           | 11,202           | 10,178         | -                       | -        | 11,202         | 10,178         | 551           | 411           |
| Digital Factory                                    | 17,841           | 15,775         | 919                     | 639      | 18,760         | 16,414         | 1,193         | 1,267         |
| Process Industries and Drives                      | 15,153           | 14,637         | 5,774                   | 4,407    | 20,927         | 19,044         | 926           | 729           |
| Healthcare (Refer note 36(a))                      | 12,708           | 14,248         | -                       | -        | 12,708         | 14,248         | 466           | 673           |
| Metals Technologies<br>(Refer note 36(b))          | -                | 1,505          | -                       | -        | -              | 1,505          | -             | (104)         |
| Others                                             | 1,124            | 641            | -                       | -        | 1,124          | 641            | 384           | 179           |
| Eliminations                                       | -                | -              | (8,283)                 | (6,774)  | (8,283)        | (6,774)        | -             | -             |
| <b>Total</b>                                       | <b>108,358</b>   | <b>105,631</b> | <b>-</b>                | <b>-</b> | <b>108,358</b> | <b>105,631</b> | <b>7,354</b>  | <b>7,517</b>  |
| Interest expenses                                  |                  |                |                         |          |                |                | 79            | 70            |
| Interest income                                    |                  |                |                         |          |                |                | 1,602         | 1,324         |
| Other Income                                       |                  |                |                         |          |                |                | 34            | 276           |
| <b>Profit before exceptional items<br/>and tax</b> |                  |                |                         |          |                |                | <b>8,911</b>  | <b>9,047</b>  |
| Exceptional items                                  |                  |                |                         |          |                |                | 29,923        | 7,828         |
| <b>Profit before tax</b>                           |                  |                |                         |          |                |                | <b>38,834</b> | <b>16,875</b> |
| Income tax                                         |                  |                |                         |          |                |                | (10,167)      | (4,575)       |
| Deferred tax                                       |                  |                |                         |          |                |                | 70            | (556)         |
| <b>Profit after tax</b>                            |                  |                |                         |          |                |                | <b>28,737</b> | <b>11,744</b> |
| <b>Total</b>                                       | <b>108,358</b>   | <b>105,631</b> | <b>-</b>                | <b>-</b> | <b>108,358</b> | <b>105,631</b> | <b>28,737</b> | <b>11,744</b> |

|                                           | Assets         |                | Liabilities   |               | Capital Expenditure |              | Non cash expenditure                                                      |              |            |              |
|-------------------------------------------|----------------|----------------|---------------|---------------|---------------------|--------------|---------------------------------------------------------------------------|--------------|------------|--------------|
|                                           |                |                |               |               |                     |              | Depreciation and<br>amortisation / Impairment<br>(Refer note<br>9 and 35) |              | Others     |              |
|                                           | 2016           | 2015           | 2016          | 2015          | 2016                | 2015         | 2016                                                                      | 2015         | 2016       | 2015         |
| Power and Gas                             | 9,890          | 11,995         | 8,114         | 9,556         | 141                 | 99           | 672                                                                       | 314          | 608        | (67)         |
| Energy Management                         | 30,579         | 29,018         | 16,335        | 15,088        | 1,353               | 726          | 762                                                                       | 619          | (1)        | (730)        |
| Building Technologies                     | 1,802          | 1,381          | 1,336         | 914           | 23                  | 17           | 19                                                                        | 28           | 73         | (11)         |
| Mobility                                  | 6,569          | 5,907          | 3,929         | 3,583         | 11                  | 84           | 133                                                                       | 124          | 18         | 7            |
| Digital Factory                           | 6,718          | 5,793          | 4,526         | 4,014         | 387                 | 116          | 189                                                                       | 187          | (69)       | 147          |
| Process Industries and Drives             | 9,738          | 9,521          | 7,323         | 6,756         | 366                 | 270          | 407                                                                       | 443          | (209)      | (211)        |
| Healthcare (Refer note 36(a))             | -              | 5,191          | -             | 6,076         | 550                 | 577          | 347                                                                       | 424          | 23         | 555          |
| Metals Technologies<br>(Refer note 36(b)) | -              | -              | -             | -             | -                   | -            | -                                                                         | 20           | -          | 18           |
| Others                                    | 3,324          | 3,607          | 1,183         | 688           | 65                  | 628          | 172                                                                       | (956)        | -          | (22)         |
|                                           | <b>68,620</b>  | <b>72,413</b>  | <b>42,745</b> | <b>46,674</b> | <b>2,896</b>        | <b>2,517</b> | <b>2,701</b>                                                              | <b>1,203</b> | <b>443</b> | <b>(314)</b> |
| Unallocated corporate items               | 49,049         | 33,349         | 9,337         | 7,910         | 66                  | 57           | -                                                                         | -            | -          | -            |
| <b>Total</b>                              | <b>117,670</b> | <b>105,762</b> | <b>52,082</b> | <b>54,584</b> | <b>2,962</b>        | <b>2,574</b> | <b>2,701</b>                                                              | <b>1,203</b> | <b>443</b> | <b>(314)</b> |

# Notes to the consolidated financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 30 (ii) Secondary segment information

|               | Revenue based on location of customers |         | Carrying amount of segment assets by location |         | Additions to tangible assets and intangible assets |       |
|---------------|----------------------------------------|---------|-----------------------------------------------|---------|----------------------------------------------------|-------|
|               | 2016                                   | 2015    | 2016                                          | 2015    | 2016                                               | 2015  |
| Within India  | 92,006                                 | 88,538  | 111,019                                       | 98,624  | 2,962                                              | 2,574 |
| Outside India | 16,352                                 | 17,093  | 6,651                                         | 7,138   | -                                                  | -     |
| Total         | 108,358                                | 105,631 | 117,670                                       | 105,762 | 2,962                                              | 2,574 |

### (iii) Other disclosures :

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

### (iv) Segment information :

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

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

- **Power and Gas :-** Provides products and solutions for generation of electricity from fossil and renewable fuels for utilities, independent power producers and engineering, procurement and construction (EPC) companies and the reliable transport of oil and natural gas.
- **Energy Management :-** Supplier of products, systems, solutions and services for transmission and distribution of electrical energy for power utilities and industrial companies. Portfolio ranges from systems for low-voltage grids and distribution grids to solutions for smart grids and energy automation systems to power supply systems for industrial plants and high-voltage transmission systems.
- **Building Technologies :-** Provider of safe, secure, energy-efficient and eco-friendly buildings and infrastructures. As a technology partner, consultant, service provider, systems integrator and product vendor, offerings range from fire safety, security, building automation, heating, ventilation, air conditioning and energy management.
- **Mobility :-** Supplier of solutions for passenger and freight transportation – including rail vehicles, rail automation systems, rail electrification systems, road traffic technology and IT solutions.
- **Digital Factory :-** Contains portfolio of leading edge software solutions and automation technologies covering the complete life cycle from product design and production execution to services for manufacturing companies.
- **Process Industries and Drives :-** Provides products, systems, solutions and services across entire life cycles for all industry sectors.
- **Healthcare :-** Provides technology for the healthcare industry – medical imaging, laboratory diagnostics and solutions for the healthcare IT.
- **Metals Technologies :-** Provides Metallurgical Plant Building Technology catering services, design and engineering, equipment supply and supervision of erection and commissioning of wire rods and bar mills.
- **Others :-** Services provided to other group companies and lease rentals have been classified as “Others”.

(iv) **Segment information (Continued)**

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

**Allocation of common costs**

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

**Unallocated items**

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

**31 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' :**

(i) **Defined Contribution Plans**

Amount of ₹ 214 (2015: ₹ 226) is recognised as an expense and included in "employee benefits expense" (Refer note 22) in the statement of profit and loss.

(ii) **Defined Benefit Plans**

a) **Amounts for the current period are as follows :**

|           |                                                        | Gratuity |       | Pension |      | Medical |      |
|-----------|--------------------------------------------------------|----------|-------|---------|------|---------|------|
|           |                                                        | 2016     | 2015  | 2016    | 2015 | 2016    | 2015 |
| <b>I</b>  | <b>Change in defined benefit obligation</b>            |          |       |         |      |         |      |
|           | Liability at the beginning of the year                 | 2,030    | 1,424 | 172     | 164  | 697     | 336  |
|           | Addition on acquisition of the subsidiary              | -        | 4     | -       | -    | -       | -    |
|           | Interest cost                                          | 155      | 117   | 14      | 12   | 55      | 213  |
|           | Current service cost                                   | 184      | 165   | -       | -    | 28      | 104  |
|           | Past service cost                                      | -        | 462   | -       | -    | -       | 49   |
|           | Transfer pursuant to sale of business                  | (208)    | (92)  | -       | -    | (43)    | (13) |
|           | Benefits paid                                          | (166)    | (128) | (36)    | (36) | (49)    | (46) |
|           | Actuarial (gain) / loss on obligations                 | 282      | 78    | 21      | 32   | 97      | 54   |
|           | Liability at the end of the year                       | 2,277    | 2,030 | 171     | 172  | 785     | 697  |
| <b>II</b> | <b>Fair value of plan assets</b>                       |          |       |         |      |         |      |
|           | Fair value of plan assets at the beginning of the year | 1,357    | 1,273 | -       | -    | -       | -    |
|           | Expected return on plan assets                         | 129      | 116   | -       | -    | -       | -    |
|           | Contributions                                          | 319      | 146   | -       | -    | -       | -    |
|           | Benefits paid                                          | (166)    | (128) | -       | -    | -       | -    |
|           | Actuarial gain / (loss) on plan assets                 | 11       | (50)  | -       | -    | -       | -    |
|           | Fair value of plan assets at the end of the year *     | 1,650    | 1,357 | -       | -    | -       | -    |

\* Plan assets include balance of ₹ 208 which is in process of being transferred to the gratuity trust of Siemens Healthcare Pvt. Ltd. pursuant to the transfer of Healthcare undertaking as detailed in note 36(a)

Notes to the consolidated financial statements *(Continued)*  
for the year ended 30 September 2016  
(Currency: Indian rupees millions)

31. Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' Continued :

|            |                                                                           | Gratuity |       | Pension |      | Medical |      |
|------------|---------------------------------------------------------------------------|----------|-------|---------|------|---------|------|
|            |                                                                           | 2016     | 2015  | 2016    | 2015 | 2016    | 2015 |
| <b>III</b> | <b>Actual return on plan assets</b>                                       |          |       |         |      |         |      |
|            | Expected return on plan assets                                            | 129      | 116   | -       | -    | -       | -    |
|            | Actuarial gain / (loss) on plan assets                                    | 11       | (50)  | -       | -    | -       | -    |
|            | Actual return on plan assets                                              | 140      | 66    | -       | -    | -       | -    |
| <b>IV</b>  | <b>Amount recognised in the balance sheet</b>                             |          |       |         |      |         |      |
|            | Defined benefit obligation at the end of the year                         | 2,277    | 2,030 | 171     | 172  | 785     | 697  |
|            | Fair value of plan assets at the end of the year                          | 1,650    | 1,357 | -       | -    | -       | -    |
|            | Amount recognised in the balance sheet                                    | 627      | 673   | 171     | 172  | 785     | 697  |
| <b>V</b>   | <b>Expenses recognised in the statement of profit and loss</b>            |          |       |         |      |         |      |
|            | Interest cost                                                             | 155      | 117   | 14      | 12   | 55      | 213  |
|            | Current service cost                                                      | 184      | 165   | -       | -    | 28      | 104  |
|            | Expected return on plan assets                                            | (129)    | (116) | -       | -    | -       | -    |
|            | Past service cost                                                         | -        | 462   | -       | -    | -       | 49   |
|            | Net actuarial (gain) / loss recognised                                    | 271      | 128   | 21      | 32   | 97      | 54   |
|            | Expense recognised in statement of profit and loss (Refer note 22 and 35) | 481      | 756   | 35      | 44   | 180     | 420  |
| <b>VI</b>  | <b>Balance sheet reconciliation</b>                                       |          |       |         |      |         |      |
|            | Opening net liability / (asset)                                           | 673      | 151   | 172     | 164  | 697     | 336  |
|            | Addition on acquisition of the subsidiary                                 | -        | 4     | -       | -    | -       | -    |
|            | Expense as above                                                          | 481      | 756   | 35      | 44   | 180     | 420  |
|            | Net transfer from other company                                           | -        | -     | -       | -    | -       | -    |
|            | Transfer from other company                                               | -        | -     | -       | -    | -       | -    |
|            | Transfer pursuant to sale of business                                     | (208)    | (92)  | -       | -    | (43)    | (13) |
|            | Less Employers contribution                                               | 319      | 146   | 36      | 36   | 49      | 46   |
|            | Amount recognised in the balance sheet                                    | 627      | 673   | 171     | 172  | 785     | 697  |
|            | - Current *                                                               | 833      | 673   | 32      | 32   | 50      | 48   |
|            | - Non current                                                             | -        | -     | 139     | 140  | 735     | 649  |

\* Plan assets include balance of ₹ 208 which is in process of being transferred to the gratuity trust of Siemens Healthcare Pvt. Ltd. pursuant to the transfer of Healthcare undertaking as detailed in note 36(a).

**31. Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' Continued :**

|            |                                                                       | Gratuity |        | Pension |       | Medical |        |
|------------|-----------------------------------------------------------------------|----------|--------|---------|-------|---------|--------|
|            |                                                                       | 2016     | 2015   | 2016    | 2015  | 2016    | 2015   |
| <b>VII</b> | <b>Actuarial Assumptions</b>                                          |          |        |         |       |         |        |
|            | Discount Rate                                                         | 7.00%    | 7.98%  | 7.00%   | 7.98% | 7.00%   | 7.98%  |
|            | Rate of Return on Plan Assets                                         | 9.00%    | 9.00%  | -       | -     | -       | -      |
|            | Attrition rate:                                                       |          |        |         |       |         |        |
|            | upto 30 years                                                         | 15.00%   | 15.00% | -       | -     | 15.00%  | 15.00% |
|            | 31-50 years                                                           | 3.00%    | 3.00%  | -       | -     | 3.00%   | 3.00%  |
|            | above 50 years                                                        | 2.00%    | 2.00%  | -       | -     | 2.00%   | 2.00%  |
|            | Salary Escalation/ Medical cost increase rate / Pension increase rate | 8.00%    | 8.00%  | 5.00%   | 5.00% | 3.50%   | 3.50%  |

|             |                                                          |   |   |   |   |     |     |
|-------------|----------------------------------------------------------|---|---|---|---|-----|-----|
| <b>VIII</b> | <b>Sensitivity</b>                                       |   |   |   |   |     |     |
|             | Change in Liability for 1% increase in discount rate     | - | - | - | - | 695 | 624 |
|             | Change in Liability for 1% decrease in discount rate     | - | - | - | - | 894 | 788 |
|             | Change in Liability for 1% increase in inflation rate    | - | - | - | - | 876 | 773 |
|             | Change in Liability for 1% decrease in inflation rate    | - | - | - | - | 731 | 636 |
|             | Change in Service Cost for 1% increase in discount rate  | - | - | - | - | 25  | 23  |
|             | Change in Service Cost for 1% decrease in discount rate  | - | - | - | - | 38  | 33  |
|             | Change in Interest Cost for 1% increase in discount rate | - | - | - | - | 54  | 54  |
|             | Change in Interest Cost for 1% decrease in discount rate | - | - | - | - | 52  | 53  |

|           |                                                                                            |                 |             |             |             |             |
|-----------|--------------------------------------------------------------------------------------------|-----------------|-------------|-------------|-------------|-------------|
| <b>IX</b> | <b>Amount for the Current and Previous periods as per AS15 Para 120(n) are as follows:</b> |                 |             |             |             |             |
|           |                                                                                            | <b>Gratuity</b> |             |             |             |             |
|           |                                                                                            | <b>2016</b>     | <b>2015</b> | <b>2014</b> | <b>2013</b> | <b>2012</b> |
|           | Liability at the end of the year                                                           | 2,277           | 2,030       | 1,424       | 1,260       | 1,205       |
|           | Fair value of plan assets at the end of the year                                           | 1,650           | 1,357       | 1,273       | 1,296       | 1,129       |
|           | Difference                                                                                 | 627             | 673         | 151         | (36)        | 76          |
|           | Experience adjustment on plan liabilities (gain) / loss                                    | 73              | (45)        | (35)        | (65)        | 17          |
|           | Experience adjustment on plan assets (loss) / gain                                         | 11              | (50)        | (26)        | (33)        | (25)        |

# Notes to the consolidated financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 31. Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' Continued :

|  |                                                         | Pension |      |      |      |      |
|--|---------------------------------------------------------|---------|------|------|------|------|
|  |                                                         | 2016    | 2015 | 2014 | 2013 | 2012 |
|  | Liability at the end of the year                        | 171     | 172  | 164  | 175  | 173  |
|  | Experience adjustment on plan liabilities (gain) / loss | 14      | 27   | 6    | 25   | 9    |
|  | Experience adjustment on plan assets (loss) / gain      | -       | -    | -    | -    | -    |

|  |                                                         | Medical |      |      |      |      |
|--|---------------------------------------------------------|---------|------|------|------|------|
|  |                                                         | 2016    | 2015 | 2014 | 2013 | 2012 |
|  | Liability at the end of the year                        | 784     | 697  | 336  | 275  | 268  |
|  | Experience adjustment on plan liabilities (gain) / loss | 11      | (4)  | 49   | (9)  | 21   |
|  | Experience adjustment on plan assets (loss) / gain      | -       | -    | -    | -    | -    |

- b) The fund formed by the Parent Company manages the investments of the Gratuity Fund while that of the subsidiary is administered by Life Insurance Corporation of India (LIC) . 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 Group expects to contribute ₹ 172 (2015: ₹ 155) to gratuity fund in 2015-16.
- 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 Parent Company has contributed ₹ 497 (2015: ₹ 493) towards provident fund during the year ended 30 September 2016. 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 2016.

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

|                                                 | 2016   | 2015  |
|-------------------------------------------------|--------|-------|
| Present value of benefit obligation at year end | 9,555  | 8,893 |
| Fair value of plan assets at year end           | 10,064 | 8,920 |
| Shortfall / (Surplus)                           | (509)  | (27)  |

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

|                                                 |       |       |
|-------------------------------------------------|-------|-------|
| Government of India securities (GOI) bond yield | 7.00% | 7.98% |
| Remaining term of maturity (in years)           | 14.24 | 14.21 |
| Expected guaranteed interest rate               | 8.80% | 8.75% |

**31. Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' Continued :**

(iii) The subsidiary has contributed ₹ 4 (2015: ₹ 3) towards provident fund which has been included under the head employees benefits expenses.

**(iv) General descriptions of significant defined plans**

**I Gratuity Plan**

Gratuity is payable to all eligible employees of the Group on superannuation, death and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Group'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 Parent 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.

**(v) Broad category of plan assets as a percentage of total plan assets of the Gratuity plan**

| Particulars                    | 2016        | 2015        |
|--------------------------------|-------------|-------------|
| Government of India securities | 21%         | 20%         |
| State Government securities    | 29%         | 26%         |
| Public sector unit bonds       | 31%         | 35%         |
| Special Discount scheme        | 19%         | 19%         |
| <b>Total Plan Assets</b>       | <b>100%</b> | <b>100%</b> |

**32 Derivative Instruments**

**a) Forward Contracts**

The Group 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 Group does not enter into any forward contract which is intended for trading or speculative purposes.

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

| Currency            | Buy                 |        |                          | Sell                |        |                          |
|---------------------|---------------------|--------|--------------------------|---------------------|--------|--------------------------|
|                     | Number of contracts | Amount | Indian rupees equivalent | Number of contracts | Amount | Indian rupees equivalent |
| <b>US Dollar</b>    |                     |        |                          |                     |        |                          |
| 2016                | 378                 | 107    | 7,139                    | 357                 | 212    | 14,152                   |
| 2015                | 572                 | 169    | 11,064                   | 316                 | 143    | 9,380                    |
| <b>Euro</b>         |                     |        |                          |                     |        |                          |
| 2016                | 604                 | 161    | 11,947                   | 247                 | 133    | 9,906                    |
| 2015                | 550                 | 176    | 12,924                   | 229                 | 83     | 6,087                    |
| <b>Qatari Riyal</b> |                     |        |                          |                     |        |                          |
| 2016                | 3                   | 2      | 36                       | 5                   | 129    | 2,351                    |
| 2015                | 3                   | *      | 11                       | 5                   | 131    | 2,364                    |
| <b>Japanese Yen</b> |                     |        |                          |                     |        |                          |
| 2016                | 18                  | 54     | 36                       | -                   | -      | -                        |
| 2015                | 17                  | 90     | 49                       | -                   | -      | -                        |

\* denotes figures less than a million

Notes to the consolidated financial statements *(Continued)*  
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a) Forward Contracts (Continued)

| Currency                 | Buy                 |        |                          | Sell                |        |                          |
|--------------------------|---------------------|--------|--------------------------|---------------------|--------|--------------------------|
|                          | Number of contracts | Amount | Indian rupees equivalent | Number of contracts | Amount | Indian rupees equivalent |
| <b>Pound Sterling</b>    |                     |        |                          |                     |        |                          |
| 2016                     | 22                  | 6      | 478                      | 3                   | *      | 20                       |
| 2015                     | 37                  | 4      | 390                      | 4                   | *      | 56                       |
| <b>Swiss Franc</b>       |                     |        |                          |                     |        |                          |
| 2016                     | 20                  | 3      | 199                      | -                   | -      | -                        |
| 2015                     | 14                  | 2      | 126                      | -                   | -      | -                        |
| <b>Swedish Krona</b>     |                     |        |                          |                     |        |                          |
| 2016                     | 5                   | 6      | 49                       | -                   | -      | -                        |
| 2015                     | 11                  | 21     | 167                      | -                   | -      | -                        |
| <b>Singapore Dollar</b>  |                     |        |                          |                     |        |                          |
| 2016                     | -                   | -      | -                        | 3                   | *      | 23                       |
| 2015                     | 1                   | *      | 23                       | 1                   | *      | 22                       |
| <b>Australian Dollar</b> |                     |        |                          |                     |        |                          |
| 2016                     | -                   | -      | -                        | -                   | -      | -                        |
| 2015                     | 1                   | *      | 2                        | -                   | -      | -                        |

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

Payables:

| Currency                    | Foreign currency |      | Indian rupees |      |
|-----------------------------|------------------|------|---------------|------|
|                             | 2016             | 2015 | 2016          | 2015 |
| Bangladeshi Taka            | 86               | 69   | 73            | 58   |
| Bhutanese ngultrum          | *                | *    | *             | *    |
| Danish Krone                | *                | *    | 6             | 1    |
| Hong Kong Dollar            | *                | *    | *             | *    |
| Swedish Krona               | 1                | -    | 11            | -    |
| Kuwaiti Dinar               | *                | *    | 1             | *    |
| Sri Lankan Rupee            | 78               | 142  | 35            | 65   |
| Mexican Peso                | *                | *    | *             | *    |
| Norwegian Krone             | *                | *    | 1             | 1    |
| Saudi Riyal                 | *                | *    | *             | *    |
| South African Rand          | *                | *    | 1             | 1    |
| Ghanaian Cedi               | *                | *    | 4             | 5    |
| Qatari Rial                 | 6                | 15   | 104           | 275  |
| Euro                        | *                | *    | 4             | 11   |
| British Pound               | *                | *    | -             | 30   |
| Canadian Dollar             | *                | *    | 2             | *    |
| Chinese Yuan                | *                | *    | 2             | 3    |
| Singapore Dollar            | *                | *    | 18            | 26   |
| United Arab Emirates Dirham | *                | *    | 7             | 2    |
| Australian Dollar           | *                | *    | 5             | 8    |

\* denotes figures less than a million

- b) The Group has the following unhedged exposures in various foreign currencies as at the year end (Continued):  
**Receivables and Bank balances**

| Currency             | Foreign currency |      | Indian rupees |       |
|----------------------|------------------|------|---------------|-------|
|                      | 2016             | 2015 | 2016          | 2015  |
| Qatari Rial          | 54               | 63   | 984           | 1,137 |
| Sri Lankan Rupee     | 172              | 226  | 77            | 105   |
| Bangladeshi Taka     | 116              | 85   | 98            | 72    |
| Polish Zloty         | *                | *    | *             | *     |
| Swiss Franc          | *                | -    | 5             | -     |
| Euro                 | 1                | -    | 110           | -     |
| United States Dollar | *                | -    | 21            | -     |
| British Pound        | *                | -    | 14            | -     |
| Ghana Cedi           | 1                | -    | 24            | -     |

The forward contracts have been converted in Indian rupees, at the spot rates, as at 30 September 2016 to facilitate reading purposes only.

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

\* denotes figures less than a million

c) **Commodity Contracts**

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

| Year | Commodity | Number of Contracts | Contractual Quantity | Buy / Sell |
|------|-----------|---------------------|----------------------|------------|
| 2016 | Copper    | 4,244               | 4244000 Kgs          | Buy        |
|      | Silver    | 31                  | 930 Kgs              | Buy        |
| 2015 | Copper    | 4,047               | 4047000 Kgs          | Buy        |
|      | Copper    | 340                 | 340000 Kgs           | Sell       |
|      | Silver    | 149                 | 4470 Kgs             | Buy        |

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

**33 Earnings per share:**

|                                                                      | 2016         | 2015         |
|----------------------------------------------------------------------|--------------|--------------|
| Weighted average number of equity shares outstanding during the year | 356,120,255  | 356,120,101  |
| Profit after tax (before exceptional items)                          | 5,796        | 5,946        |
| <b>Basic and diluted earnings per share before exceptional items</b> | <b>16.28</b> | <b>16.70</b> |
| Profit after tax (after exceptional items)                           | 28,737       | 11,744       |
| <b>Basic and diluted earnings per share after exceptional items</b>  | <b>80.69</b> | <b>32.98</b> |

# Notes to the consolidated financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 34 Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

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

|                                                                                                         | 2016   | 2015  |
|---------------------------------------------------------------------------------------------------------|--------|-------|
| Principal amount due to suppliers under MSMED Act                                                       | 698    | 765   |
| Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid.# | 1      | *     |
| Payment made to suppliers (other than interest) beyond the appointed day during the year                | 11,253 | 9,220 |
| Interest paid to suppliers under the MSMED Act                                                          | -      | -     |
| Interest due and payable towards suppliers under MSMED Act towards payments already made                | 78     | 69    |
| Interest accrued and remaining unpaid at the end of the accounting year                                 | 79     | 70    |

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 Group.

# Interest accrued is considered due upon claim from vendors

\* denotes figures less than a million

### 35 Exceptional items

|                                                                   | 2016          | 2015         |
|-------------------------------------------------------------------|---------------|--------------|
| Profit on sale of Healthcare undertaking [Refer note 36(a)]       | 30,278        | -            |
| Impairment loss [Note (a)]                                        | (355)         | -            |
| Reversal of impairment loss and other provisions [Note (b)]       | -             | 1,067        |
| Profit on sale of Metals Technologies business [Refer note 36(b)] | -             | 7,120        |
| Employee benefits expense [Note (c)]                              | -             | (359)        |
| <b>Total</b>                                                      | <b>29,923</b> | <b>7,828</b> |

- In accordance with the periodic impairment assessment, the Group has re-assessed the usability of certain assets and consequently recognized impairment loss of ₹ 355 (2015: ₹ Nil)
- Earlier, the Group had recognised impairment loss on wind power manufacturing facility which was shown under capital work-in-progress. During previous year, the Group had entered into leasing agreement for the said facility on an as is where is basis. Accordingly, the said facility was capitalised under fixed assets and investment property and impairment provision had been reassessed considering value in use and pre-tax discount rate of 11%. Consequently, an impairment loss of ₹ 1,032 and other consequential provisions of ₹ 35 was reversed in previous year.
- During previous year, the Parent Company had amended the gratuity plan to remove the ceiling for gratuity payout to employees. Accordingly, the one time impact of the increase in the gratuity obligation was shown under exceptional items.

### 36 Discontinued operations

- a) The Board of Directors of the Parent Company at its meeting held on 4 March 2016 and the Members of the Company by way of Postal Ballot which closed on 27 April 2016, approved the sale and transfer of the Healthcare undertaking forming the Healthcare segment of the Company to Siemens Healthcare Private Limited (a subsidiary of Siemens AG, Germany) for a consideration of ₹ 30,500 as a slump sale on a going concern basis, with effect from commencement of business on 1 July 2016 and recorded a profit of ₹ 30,278 on sale of Healthcare undertaking which is shown under exceptional items (Refer note 41). Corresponding tax expense on the said transaction amounts to ₹ 7,099.
- b) The Board of Directors and the Committee of Directors of the Parent Company at their meetings held on 5 November, 2014 and 8 November, 2014 respectively, had approved sale and transfer of its Metals Technologies (MT) business which formed part of Metals Technologies segment of the Company to VAI Metals Technologies Pvt. Ltd. (a subsidiary of Siemens VAI Metals Technologies GmbH, Germany) as a slump sale on a going concern basis for a consideration of ₹ 10,233 with effect from the close of business hours on 31 December 2014 and had recorded a profit of ₹ 7,120 on sale of MT business which was shown under exceptional items (Refer note 41). Corresponding tax expense on the said transaction amounted to ₹ 1,785.

Revenue, expenses, total assets and liabilities, and net cash relating to discontinued operations included in the financial statement is as follows:

|                                       | 2016   | 2015   |
|---------------------------------------|--------|--------|
| Revenue                               | 12,708 | 15,753 |
| Expenses                              | 12,241 | 15,220 |
| Profit before tax                     | 467    | 533    |
| Tax expense                           | 162    | 258    |
| Profit after tax                      | 305    | 275    |
| Net cash used in operating activities | 30     | 480    |
| Net cash used in investing activities | (556)  | (531)  |
| Net cash from financing activities    | -      | -      |
| Total assets                          | -      | 5,191  |
| Total liabilities                     | -      | 6,076  |

### 37 Change in accounting policy

During the previous year, the Group had changed its accounting policy for revenue recognition of its Healthcare business whereby the equipment sale are now recognised on installation and extended warranty is recognised over the warranty period as opposed to the earlier practice whereby the revenue for both equipment and extended warranty was recognised on dispatch.

Consequently, the revenue from sale of products, sale of services and profits were lower by ₹ 1,013, ₹ 1,120 and ₹ 74 respectively.

### 38 Acquisitions during the previous year:

The parent company has acquired its subsidiary, Siemens Rail Automation Pvt. Ltd. on 1 October 2014. The effect of the acquisition of subsidiary on consolidated financial statements in the previous year are as below:

|                                      | Amount |
|--------------------------------------|--------|
| Purchase consideration               | 550    |
| Net asset taken over                 | 197    |
| Goodwill on account of consolidation | 353    |

# Notes to the consolidated financial statements *(Continued)*

## for the year ended 30 September 2016

(Currency: Indian rupees millions)

### 39 Information required for Consolidated Financial Statements pursuant to Schedule III of The Companies Act, 2013

| Name of the entity in the                               | 30 September 2016               |               |                                      |               | 30 September 2015               |               |                                      |               |
|---------------------------------------------------------|---------------------------------|---------------|--------------------------------------|---------------|---------------------------------|---------------|--------------------------------------|---------------|
|                                                         | Net Assets                      |               | Share in Profit and Loss             |               | Net Assets                      |               | Share in Profit and Loss             |               |
|                                                         | As % of consolidated Net Assets | Amount        | As % of consolidated Profit and Loss | Amount        | As % of consolidated Net Assets | Amount        | As % of consolidated Profit and Loss | Amount        |
| <b>Parent</b>                                           |                                 |               |                                      |               |                                 |               |                                      |               |
| Siemens Ltd.                                            | 99.8%                           | 65,819        | 100.2%                               | 28,880        | 99.7%                           | 51,266        | 100.2%                               | 11,833        |
| <b>Subsidiary</b>                                       |                                 |               |                                      |               |                                 |               |                                      |               |
| <b>Indian</b>                                           |                                 |               |                                      |               |                                 |               |                                      |               |
| Siemens Rail Automation Pvt. Ltd.                       | 0.2%                            | 106           | -0.2%                                | (72)          | 0.3%                            | 178           | -0.2%                                | (18)          |
| <b>Sub Total</b>                                        |                                 | 65,925        |                                      | 28,808        |                                 | 51,444        |                                      | 11,815        |
| Inter Company Elimination and Consolidation Adjustments |                                 | (338)         |                                      | (71)          |                                 | (267)         |                                      | (71)          |
| <b>GRAND TOTAL</b>                                      | <b>100.0%</b>                   | <b>65,587</b> | <b>100.0%</b>                        | <b>28,737</b> | <b>100.0%</b>                   | <b>51,177</b> | <b>100.0%</b>                        | <b>11,744</b> |

Net Assets and Share of Profit and Loss reported in the above table have been considered from the respective audited financial statements after making necessary changes for consolidation adjustments having impact on the consolidated net assets and net profits.

### 40 Prior year comparatives

Pursuant to the transfer of Healthcare undertaking and Metals Technologies business (Refer note 36), the current year figures are not strictly comparable with 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 B C & CO LLP

ICAI Firm Registration Number:- 324982E/E300003  
Chartered Accountants

per **Vikram Mehta**

Partner

Membership No: 105938

Mumbai

Date: 23 November 2016

#### For and on behalf of the Board of Directors

**Deepak S. Parekh**

Chairman

DIN: 00009078

**Yezdi H. Malegam**

Director and Chairman of  
Audit Committee

DIN: 00092017

New Delhi

Date: 23 November 2016

**Sunil Mathur**

Managing Director  
and Chief Executive  
Officer

DIN: 02261944

**Ketan Thaker**

Company Secretary

ACS No. 16250

**Christian Rummel**

Executive Director  
and Chief Financial  
Officer

DIN: 01992982

# SIEMENS LIMITED

CIN : L28920MH1957PLC010839

Registered Office: 130, Pandurang Budhkar Marg, Worli, Mumbai – 400 018  
Phone: +91 22 3967 7000; Fax: +91 22 3967 7500 Website: [www.siemens.co.in](http://www.siemens.co.in)  
E-mail: [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com)

Dear Member(s),

## **Sub.: Green Initiative - Electronic mode of service of documents**

The Ministry of Corporate Affairs (MCA) has allowed paperless compliances by companies through electronic mode by providing the same under the Companies Act, 2013 and rules framed there under. The Members can receive various notices and correspondences 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.

We are sure that you will whole-heartedly support this initiative for a greener environment and co-operate with the Company to make it a success. We therefore request you to fill up the E-communication Registration Form below, for registering your e-mail ID and send it:

- i) In respect of shares held in physical form, to the Registrar and Share Transfer Agent (RTA), TSR Darashaw Limited at [csg-green@tsrdarashaw.com](mailto:csg-green@tsrdarashaw.com), or to the Company at [Corporate-Secretariat.in@siemens.com](mailto:Corporate-Secretariat.in@siemens.com); and
- ii) In respect of shares held in demat mode, to your respective Depository Participants.

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

Let's be part of this 'Green Initiative'.

Thanking You,  
Yours faithfully,

For **Siemens Limited**



**Ketan Thaker**  
Company Secretary



## **E-COMMUNICATION REGISTRATION FORM**

**TSR Darashaw Limited**

**Unit: Siemens Limited**

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

|                                                                                                  |   |       |
|--------------------------------------------------------------------------------------------------|---|-------|
| Folio No. / DP ID & Client ID                                                                    | : | _____ |
| Name of sole / first named Member                                                                | : | _____ |
| Name of Joint Holder(s)                                                                          | : | _____ |
| E-mail ID address (to be registered)                                                             | : | _____ |
| Phone number (alongwith STD Code) / Mobile No.<br>(in case the shares are held in physical form) | : | _____ |

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

Signature of the Member: \_\_\_\_\_

**Note:** Members holding shares in demat mode are requested to address and send the E-Communication Registration Form to their respective Depository Participant (DP). Members are requested to keep DP / RTA / Company informed as and when there is any change in the e-mail address. Unless the e-mail ID given above is changed by you by sending another communication in writing / e-mail, the Company will continue to send the documents to you on the above mentioned e-mail ID.



# SIEMENS LIMITED

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

## ATTENDANCE SLIP

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

|                          |  |                                           |
|--------------------------|--|-------------------------------------------|
| DP. ID                   |  | NAME AND ADDRESS OF THE REGISTERED MEMBER |
| Client ID /<br>Folio No. |  |                                           |
| No. of Shares            |  |                                           |

I hereby record my presence at the 59<sup>th</sup> Annual General Meeting of the Company to be held at Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021 on Wednesday, 8<sup>th</sup> February, 2017, at 3.00 p.m.

Full name of the Proxy, if attending the Meeting:

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

### Note:

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

# SIEMENS LIMITED

CIN : L28920MH1957PLC010839

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

59<sup>th</sup> Annual General Meeting on Wednesday, 8<sup>th</sup> February, 2017, at 3.00 p.m.

## PROXY FORM

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

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

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

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

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

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

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

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

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

Continued.....



As my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 59<sup>th</sup> Annual General Meeting of the Company to be held on Wednesday, 8<sup>th</sup> February, 2017, at 3.00 p.m at Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai – 400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Item No.          | Description of the Resolutions as set out in the 59 <sup>th</sup> AGM Notice dated 23 <sup>rd</sup> November, 2016                                                                                                                                                                                                                                                                                                 | No. of shares held | (FOR)<br><br>I / We assent to the resolution | (AGAINST)<br><br>I / We dissent to the resolution |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----------------------------------------------|---------------------------------------------------|
| ORDINARY BUSINESS |                                                                                                                                                                                                                                                                                                                                                                                                                    |                    |                                              |                                                   |
| 1.                | Consideration and adoption of:<br>(a) the Audited Financial Statements of the Company for the Financial Year ended 30 <sup>th</sup> September, 2016, together with the Reports of the Directors and the Auditors thereon; and<br>(b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 30 <sup>th</sup> September, 2016 and the Report of the Auditors thereon.            |                    |                                              |                                                   |
| 2.                | Dividend:<br>(a) To confirm the payment of Special Dividend (Interim Dividend) of ₹ 27.50 per Equity Share of ₹ 2/- each declared by the Board of Directors on 4 <sup>th</sup> August, 2016.<br>(b) To declare a Final Dividend on Equity Shares for the financial year ended 30 <sup>th</sup> September, 2016. {The Board of Directors has recommended a Final Dividend of ₹ 6/- per Equity Share of ₹ 2/- each.} |                    |                                              |                                                   |
| 3.                | Re-appointment of Ms. Mariel von Schumann (DIN 06625674), who retires by rotation and being eligible, offers herself for re-appointment.                                                                                                                                                                                                                                                                           |                    |                                              |                                                   |
| 4.                | Ratification of appointment of Messrs S R B C & CO LLP, Chartered Accountants (Firm Registration No. 324982E/ E300003), as Statutory Auditors of the Company from conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting.                                                                                                                                                   |                    |                                              |                                                   |
| SPECIAL BUSINESS  |                                                                                                                                                                                                                                                                                                                                                                                                                    |                    |                                              |                                                   |
| 5.                | Payment of remuneration to Messrs R. Nanabhoy & Co., Cost Accountants (Firm Registration No. 7464) the Cost Auditors of the Company for FY 2016-17.                                                                                                                                                                                                                                                                |                    |                                              |                                                   |
| 6.                | Approval of transactions with Siemens Healthcare Private Limited.                                                                                                                                                                                                                                                                                                                                                  |                    |                                              |                                                   |

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

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

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

Affix  
Revenue  
Stamp

#### Notes:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 59<sup>th</sup> Annual General Meeting.
- A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
- Please convey your assent in column "FOR" and dissent in the column "AGAINST" by placing a tick (✓) mark in the appropriate column above.

## Notes

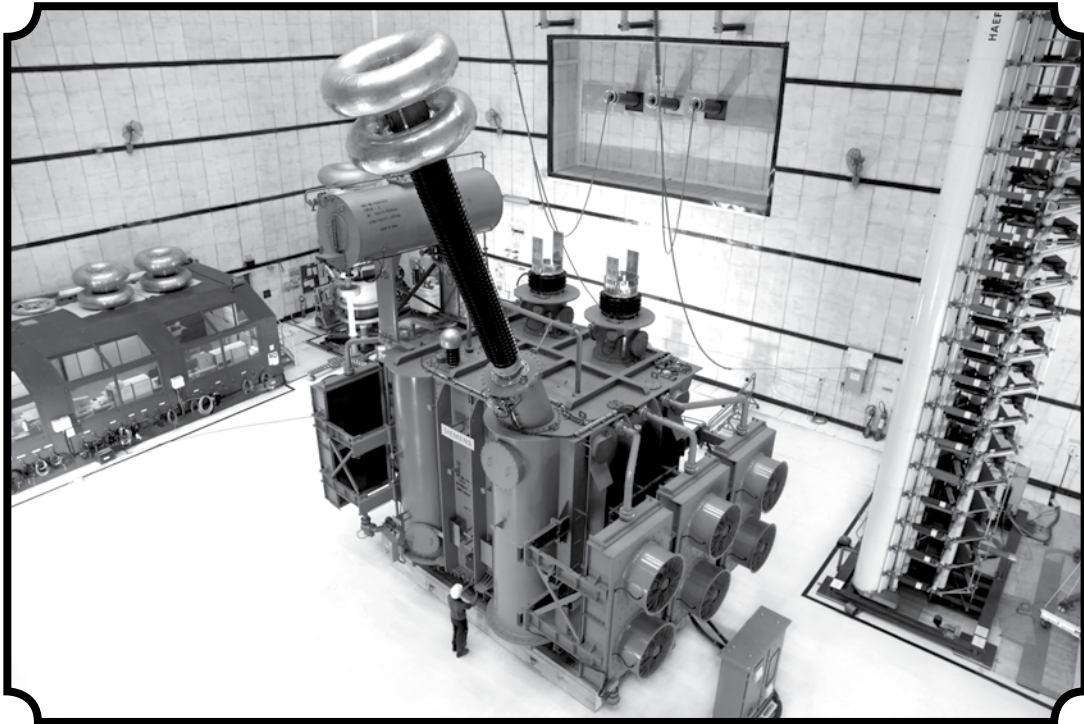
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## Notes

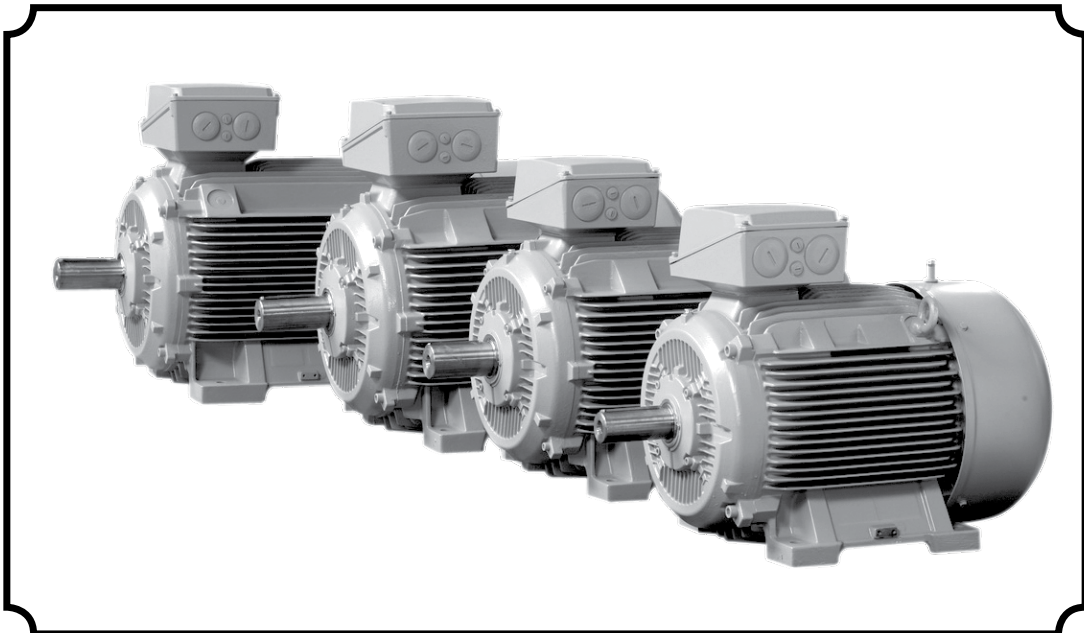
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Siemens Limited has set up a “Smart Building” experience centre at its Kalwa campus in Navi Mumbai. The interactive experience centre showcases systems and solutions that make buildings smart, safe, secure, comfortable and energy-efficient. Some of the systems that can be experienced include Integrated Building Management Systems (IBMS), Fire Detection and Suppression, Access Control, and Intelligent Video Surveillance with analytics. The centre also has a dedicated training facility.



Siemens Limited started dispatch of the largest-ever 'Made in India' single-phase Generator Step-Up (GSU) Transformer of rating 315 MVA, 23.5kV / 420kV for installation at NTPC's Kudgi Super Thermal Power Station in Bijapur, Karnataka. This transformer is an essential component of the Power Station, which once operational will boost the high-capacity power generation for the southern states of Karnataka, Andhra Pradesh, Tamil Nadu and Kerala.



Siemens Limited announced the launch of its new range of energy efficient motor SIMOTICS 1LE7. The new SIMOTICS 1LE7 range of motors is the newest entrant in the existing range of motors offered worldwide from Siemens.



Suresh Prabhu, Union Minister for Railways, presented the Indian Merchants' Chamber 'Most responsible MNC of India 2016' award to Mr. Sunil Mathur, MD & CEO, Siemens Limited in the presence of Mr. Deepak Parekh, Chairman of HDFC and Siemens Limited.



Project Asha aims at sustainable integrated rural development using inclusive technology for improving living conditions. Amle, Palghar District, is one of the seventeen villages of Project Asha where multi cropping is done through the year.



50 Years of History and Pride: The Kalwa Motor Works entered its 50th year of operations, having been set up in 1966. The motors from our Kalwa Works have been recognized with the Global Efficiency Medal by Super-Efficient Equipment Appliance Deployment (SEAD), Global Efficiency Medal.

**Siemens Ltd.,**  
CIN: L28920MH1957PLC010839

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Website: <http://www.siemens.co.in>  
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Twitter: [www.twitter.com/siemensindia](http://www.twitter.com/siemensindia)