SIEMENS



Partnering India: Integrated solutions for a sustainable future.

Annual Report 2014

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



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



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



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



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



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

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Board of Directors

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

Committees of Directors

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

Risk Management Committee	**Share Transfer Committee**	**Corporate Governance Committee**
Mr. Yezdi H. Malegam - Chairman Mr. Deepak S. Parekh Mr. Keki B. Dadiseth Mr. Johannes Apitzsch	Mr. Sunil Mathur - Chairman Mr. Christian Rummel	Mr. Keki B. Dadiseth - Chairman Mr. Deepak S. Parekh Mr. Yezdi H. Malegam Mr. Darius C. Shroff Mr. Joe Kaeser Mr. Sunil Mathur Dr. Roland Busch Mr. Johannes Apitzsch

Company Secretary

Ketan Thaker

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

Details of 57th Annual General Meeting

Day and Date : Friday, 30th January, 2015

Time : 3.00 p.m.

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

Financial Highlights - Siemens Limited

(₹ in Million)

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

Chairman's Statement



Dear Shareholders,

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

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

Performance highlights

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

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

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

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

Performance analysis

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

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

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

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

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

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

Corporate Citizenship

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

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

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

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

People excellence

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

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

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

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

The road ahead – the outlook for Siemens Ltd.

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

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

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

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



Deepak Parekh
Chairman

Notice

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

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements for the year ended 30th September, 2014, together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Joe Kaeser (DIN 00867264), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass, with or without modifications, the following Resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or amendments or re-enactments thereof for the time being in force), Messrs. S R B C & Co. LLP, Chartered Accountants (Firm Registration No. 324982E), be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of 4 (four) years from the conclusion of this Annual General Meeting (subject to ratification of such appointment by the Members at every Annual General Meeting) till the conclusion of the 61st Annual General Meeting of the Company, in place of Messrs. S. R. Batliboi & Associates LLP, Chartered Accountants (Firm Registration No. 101049W), the retiring Auditors of the Company, on such remuneration as may be decided by the Board of Directors of the Company from time to time.

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

SPECIAL BUSINESS:

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

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

   As an Ordinary Resolution:

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

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

   As an Ordinary Resolution:

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

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

   As an Ordinary Resolution:

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

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

As an Ordinary Resolution:

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

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

As an Ordinary Resolution:

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

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

As an Ordinary Resolution:

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

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

As an Ordinary Resolution:

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

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

As an Ordinary Resolution:

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

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