



SIEMENS

Strong roots, sustainable growth

Annual Report 2011

www.siemens.co.in

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Moving those who move the economy forward.



Siemens answers are making travelling within and between cities a lot smoother.

Indian cities have seen incredible growth in the last few years. More people are pouring into the cities every day, putting the existing infrastructure under tremendous pressure. But cities like Mumbai and Bengaluru are finally finding the balance between growth and livability. With the help of Siemens propulsion and electrical systems, passengers on Mumbai's local trains are discovering that journeys can be smoother and comfortable, even during peak hours. While our advanced infrastructure systems at the Bengaluru airport are making air travel a pleasurable experience. When it comes to making cities that are livable and sustainable, Siemens has the answers that last.

[siemens.com/answers](https://www.siemens.com/answers)

Building cities worth building a future in.



Siemens answers are making cities more lasting, livable and prosperous.

The growth story of a country is written in its cities. Which is why, Siemens is helping Indian cities become places where people and business can thrive. Like in Mumbai, our propulsion and electrical systems are taking the stress out of travelling in local trains. In another part of the city, buildings like the Oberoi Mall in Goregaon are discovering that energy consumption and costs can be lowered without sacrificing comfort. Doctors at Medicity in Delhi are using our advanced medical scanners to diagnose critical diseases earlier. Helping patients save cost and more importantly, live healthier for longer. For a country looking to power itself into the future, Siemens has the answers that last.

Small cells don't have to lead to big problems.



Siemens answers are helping doctors detect diseases earlier, saving costs and extending lives.

When diseases are caught early, they make less of an impact on everyone. That's because a large majority of today's healthcare cost go toward treating the late stages of diseases like cancer and heart conditions. With Siemens advanced diagnostic technology, doctors can accurately identify these killers earlier. So patients get the treatment they need sooner. Thus saving lives and cutting costs. When it comes to putting people's health first, Siemens has the answers that last.

Financial Highlights - Siemens Limited

(` in Million)

	2010-11	2009-10	2008-09	2007-08	2006-07
Orders received	122886	124305	87964	87722	95720
Income, Profit and Dividend					
Total Income (including exceptional income)	121967	94777	89508	85361	79479
Profit Before Depreciation, Interest and Tax	14399	13708	15155	9596	9236
Depreciation	1522	1015	778	637	492
Interest	127	106	59	41	2
Profit Before Tax	12750	12587	14319	8918	8742
Tax	4295	4315	3870	2984	2776
Profit After Tax	8454	8272	10449	5934	5966
Dividend - %	300%	250%	250%	150%	240%
Dividend - ` Per Share	6	5	5	3	4.8
Share Capital, Assets and Book Value					
Share Capital	681	674	674	674	337
Reserves & Surplus	37481	34103	28492	20017	15572
Net Worth (Shareholders' Fund) ^	38162	34778	29166	20691	15909
Loans	-	2	6	11	15
Total Capital Employed	38162	34780	29172	20702	15924
Capital Represented by:					
Fixed Assets	14183	9805	7352	6442	5570
Investments	-	3885	4770	5237	4676
Net Current Assets & Other Assets	23979	21090	17050	9023	5678
Total Assets	38162	34780	29172	20702	15924
Book Value - `	112.14	103.15	86.50	61.37	94.37
Returns					
On Total Income (PBT) - %	10.45	13.28	16.00	10.45	11.00
On Capital Employed (PBIT) - %	33.74	36.50	49.28	43.28	54.91
On Shareholders Fund (PAT) - %	22.15	23.79	35.83	28.68	37.50
Per Share (PAT) - `	24.95	24.53	30.99	17.78	35.39

^ Bonus shares issued in the year 2007-2008

Chairman's Statement



Dear Shareholders,

The year 2010-11 took off where the previous year ended - in an upbeat mode - but as the year progressed, uncertainties in the domestic economy emerged. Among the factors that have led to moderation of growth are higher inflation, higher interest rates that led to reduced liquidity, lower consumption, unabated increase in commodity prices and other input costs.

However, our order intake of the past two years, which has remained stable, is evidence of the fact that Siemens Ltd. came out of the economic crisis of 2007-08 stronger. Since a majority of our revenues are generated from the domestic business, our steady financial performance also proved that the Indian economy is indeed resilient compared to the global economy. We built capabilities oriented toward making us more customer-focused, worked on strengthening internal processes and streamlined the organization to increase our competitiveness. These initiatives will enable us to sustain our growth path.

It is significant to note that the company's parent Siemens AG increased its stake from 55% to 75% earlier in the year through an investment of approximately 1 billion Euros. This is a clear message that Siemens Ltd. and the Indian market will play a greater role in Siemens worldwide.

Performance Highlights

All our three Sectors performed satisfactorily despite stiff competition and pricing pressure. For the financial year ended September 30, 2011, Sales rose by 28% to ₹ 11,941.9 crores for the year ended September 30, 2011, as compared to ₹ 9,315.2 crores in the previous year.

The Company received New Orders valued at ₹ 12,288.6 crores, a marginal 1% drop in the face of tough market conditions in the 12 months ended September 30, 2011, as compared to ₹ 12,430.5 crores in the previous year. On a comparable basis, though, and after excluding the impact of two Mega Projects awarded by Torrent Power, the UNO SUGEN and DGen, and from the Qatar General Water & Electricity Corporation (Kahramaa) in the previous and current periods, Orders of our base business grew by 25%.

The unexecuted order value as of September 30, 2011 stood at ₹ 13,921.3 crores - a rise of 2% as compared to ₹ 13,583.9 crores in the previous year.

Profit from Operations was stable at ₹ 1,197.4 crores, as compared to ₹ 1,191.7 crores in the previous year.

For the year ended September 30, 2011, the Company's Profit before Tax stood at ₹ 1,275 crores, as compared to ₹ 1,258.7 crores in the previous year. The Profit after Tax also stood at ₹ 845.4 crores as compared to ₹ 827.2 crores in the previous year. Please note that our profits are strictly not comparable to last year's financials as in the last year Group companies – Siemens Building Technologies Pvt. Ltd., Vista Security Technics Pvt. Ltd., Siemens Healthcare Diagnostics Ltd. and Siemens Rolling Stock Pvt. Ltd. – were merged into Siemens Ltd.

The Board of Directors has recommended a dividend of ₹ 6/- for every equity share of ₹ 2/- for the financial year ended September 2011. During the previous fiscal, the Company had paid a dividend of ₹ 5/- for every equity share of ₹ 2/-.

Performance Analysis

Operationally, all three Sectors – Energy, Healthcare and Industry – performed well, with many business units maintaining their leadership positions in the markets they operate in.

Among the major achievements during the past year, the Energy Sector rolled out its 100th gas-insulated switchgear (GIS) substation from its factory in Aurangabad. The state-of-the-art factory has achieved a distinction by supplying the complete range of GIS, starting from 72.5 kV up to 420 kV in a short span of time. The Energy Sector also launched a new wind turbine for the Indian market. The new product is ideal for areas with low-speed winds and for customers engaged in power generation.

The Industry Sector executed an order for a special electronics package called Race Control Management, which is one of the most crucial parts of F1 race tracks, for the recently-held F1 Grand Prix – the first time the race was held in India. The

package also included video surveillance and storage, digital signaling system and a time keeping system. Additionally, Siemens also provided the complete IT backbone (VOIP & Data network), information displays and media distribution system for the media centre for this project. The Siemens Race Control Management system enabled the FIA staff to control the race centrally

The Mobility Division won India's largest Cargo Handling System contract from Delhi Cargo Service Center. It also won contracts to electrify the Kolkata Metro and Chennai Metro.

The Healthcare Sector continues to bring affordable healthcare into the Indian market. It set industry benchmarks by supplying over 100 Magnetic Resonance Imaging (MRI) units and over 150 Computerized Tomography (CT) units during the year. The Imaging (HIM) and Clinical Products (HCP) business units also maintained their leadership positions in the industry. The Healthcare Sector also installed high-end technologies for Kovai Medical Center & Hospital such as Artis Zee Biplane Cathlab, MAGNETOM Skyra 3T MRI scanner, Biograph 6 PET/CT scanner, Symbia T SPECT-CT scanner and MAMMOMAT Inspiration mammography system – all the products made available in the state of Tamil Nadu for the first time.

The year was also a successful one for the SMART initiative, the company's bottom-of-the-pyramid product strategy. The company launched ten products with localized features during the year, winning the confidence of customers. Our order intake for SMART products doubled this year compared to last year in terms of percentage of total order intake.

It is clear from consumption trends that more and more corporates are seeking sustainable solutions that are environment-friendly. Sales of our environmental portfolio grew by 35%.

People – our Mainstays

The Company's motivated employees have been one of the most significant mainstays in the performance of the organization. It made consistent efforts to become an employer of choice, and attract, retain and develop its talent. I am glad to share that the Company has been maintaining an attrition ratio below the industry average. Apart from introducing high-potential recruiting initiatives such as the Siemens Graduate Program, the Company increased its emphasis on work-life balance and conducted various on-going skill and competence development programs. Among the significant learning and development initiatives were the Siemens Core Learning Programs including the Supply Chain Management (SCM) 3 Core Learning Program, the Sales Management Learning Program and the Leadership Excellence Program.

The mantra for the Company's human resource department has been to “Connect, Automate and Communicate”. This effort was reflected in the results of the Global Engagement and Compliance Survey 2010 conducted to help create an inspiring and motivating work environment for its employees where the Company received 93% favorable responses in the Employee Engagement category.

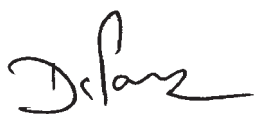
The Road Ahead – Outlook for Siemens Ltd.

The current state of the economy, with a moderated pace of growth, is expected to spill over into the next financial year.

Siemens Ltd. however is ideally poised to meet the infrastructure needs of the country through its Energy, Industry and Healthcare Sectors. With the creation of a fourth Sector for Infrastructure & Cities it has placed an added focus on the infrastructure requirements of rapidly growing cities and urban areas.

With the Company's continued focus on generating sustainable value to its customers and stakeholders, I am confident that the company will continue to do well.

In conclusion, I would like to heartily thank the Board, the management and especially our dedicated employees for their consistent support and commitment to Siemens Ltd; as well as our esteemed customers for their confidence and loyalty.



Deepak Parekh
Chairman

Board of Directors

Non-executive Directors

Mr. Deepak S. Parekh	Chairman
Mr. Darius C. Shroff	Director
Mr. Yezdi H. Malegam	Director
Mr. Narendra J. Jhaveri	Director
Mr. Keki Dadiseth	Director
Mr. Pradip V. Nayak	Director
Mr. Joe Kaeser	Director
Dr. Roland Busch	Director
Dr. Otmar Schmitt	Alternate Director for Mr. Joe Kaeser
Mr. Stephan Schneider	Alternate Director for Dr. Roland Busch

Whole-time Directors and Corporate Management

Dr. Armin Bruck	Managing Director and Chief Executive Officer
Mr. Sunil D. Mathur	Executive Director and Chief Financial Officer

Company Secretary

Ajai Jain
Vice President (Legal) & Company Secretary

Committees of Directors

Audit Committee	Investors Grievance Committee	Remuneration Committee	Corporate Governance Committee	Investment Committee
Yezdi H. Malegam (Chairman) Deepak S. Parekh Keki Dadiseth Joe Kaeser / Dr. Otmar Schmitt	Darius C. Shroff (Chairman) Pradip V. Nayak Dr. Armin Bruck	Narendra J. Jhaveri (Chairman) Darius C. Shroff Deepak S. Parekh Pradip V. Nayak	Keki Dadiseth (Chairman) Deepak S. Parekh Yezdi H. Malegam Darius C. Shroff Joe Kaeser / Dr. Otmar Schmitt Dr. Armin Bruck	Deepak S. Parekh (Chairman) Yezdi H. Malegam Pradip V. Nayak Joe Kaeser / Dr. Otmar Schmitt Sunil D. Mathur

Notice

NOTICE is hereby given that the 54th 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 Tuesday, 31st January, 2012, at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 30th September, 2011, Balance Sheet as at that date together with the Reports of the Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Deepak S. Parekh, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Yezdi H. Malegam, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Mr. Sunil Mathur, who retires by rotation and being eligible, offers himself for re-appointment.
6. To re-appoint Messrs S.R. Batliboi & Associates, Chartered Accountants (Firm Registration Number : 101049W), as Statutory Auditors of the Company to hold office from the conclusion of the 54th Annual General Meeting upto the conclusion of the next i.e. 55th Annual General Meeting of the Company and to authorise the Board of Directors of the Company to fix their remuneration.

SPECIAL BUSINESS:

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

7. Appointment of Dr. Roland Busch as Special Director of the Company

As an Ordinary Resolution:

"RESOVLED THAT Dr. Ronald Busch, who was appointed by the Board of Directors as an Additional Director with effect from 29th July, 2011, under Section 260 of the Companies Act, 1956 and Article 110 of the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under the provisions of Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director be and is hereby appointed as a Special Director of the Company and shall not be liable to retire by rotation."

8. Revision in remuneration of Dr. Armin Bruck, Managing Director

As an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, if required, the Company hereby accords its approval to the revision in the remuneration payable to Dr. Armin Bruck, Managing Director with effect from 1st January, 2012, as set out under Serial No. 2 of the Explanatory Statement annexed to this Notice."

9. Revision in remuneration of Mr. Sunil Mathur, Executive Director

As an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, and subject to the approval of the Central Government, if required, the Company hereby accords its approval to the revision in the remuneration payable to Mr. Sunil Mathur, Executive Director with effect from 1st January, 2012, as set out under Serial No. 2 of the Explanatory Statement annexed to this Notice."

10. One- time special payment to Mr. Vijay V. Paranjape (former Whole-time Director)

As an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval for the one-time special payment of ` 8,850,000/- (Rupees Eight Million Eight Hundred and Fifty Thousand Only) to Mr. Vijay V. Paranjape, who ceased to be the Whole-time Director and as Director of the Company with effect from 1st October, 2011."

11. Payment to Mr. Praveen Singh (Managing Director of erstwhile Siemens Healthcare Diagnostics Limited)

As a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 309, 310 and other applicable provisions, if any, of the Companies Act, 1956 and as approved by the Central Government, the Company hereby ratifies and confirms the payment of remuneration of ₹ 8,516,000/- (Rupees Eight Million Five Hundred and Sixteen Thousand Only) in the year 2008 to Mr. Praveen Singh, the then Managing Director of Siemens Healthcare Diagnostics Limited (since amalgamated with the Company)."

By Order of the Board of Directors

For Siemens Ltd.



Ajai Jain
Vice President (Legal) &
Company Secretary

Registered Office:

130, Pandurang Budhkar Marg
Worli, Mumbai - 400 018

Mumbai

Tuesday, 22nd November, 2011

Notes:

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
Proxies, in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office not less than 48 hours before the Meeting.
- b. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Businesses in the Notice is annexed hereto.
- c. Corporate Members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorising their representatives to attend and vote at the Annual General Meeting.
- d. Members / Proxies / Representatives should bring the enclosed Attendance Slip, for attending the Meeting. Copies of the Annual Report or Attendance Slips will not be distributed at the Meeting.
- e. Profile of the Directors seeking appointment / re-appointment, as required in terms of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, are annexed to this Notice.
- f. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 18th January, 2012 to Tuesday, 31st January, 2012, both days inclusive, for the purpose of payment of Dividend, if declared.
- g. The Dividend, as recommended by the Board of Directors, if declared at the 54th Annual General Meeting, will be paid on Monday, 6th February, 2012, 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 Tuesday, 31st January, 2012.
In respect of shares held in electronic form, to the Beneficial Owners of the shares as at the close of business hours on Tuesday, 17th January, 2012, as per details to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited.
- h. Members holding shares in electronic form may please note that their bank details, as furnished by their respective Depository Participants to the Registrar and Share Transfer Agent – TSR Darashaw Ltd., will be mandatorily printed on their dividend warrants as advised by the Securities and Exchange Board of India. Further, instructions, if any, given by them in respect of shares held in physical form will not be automatically applicable to the dividend payable on shares held in electronic form. Such Members are, therefore, requested to give instructions regarding bank accounts in which they wish to receive dividend, to their respective Depository Participants directly. The Company or its Registrar and Share Transfer Agent will not act on any direct request from such Members for change / deletion of such bank details.

i. Unclaimed / Unpaid Dividend:

Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the dividend which remains unclaimed / unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.

The status of Dividend remaining unclaimed / unpaid is given hereunder:

Dividend for the Financial Year	Contact	Action by Member
Up to and including the Financial Year 1994-95	The Registrar of Companies, Central Government Office Building, "A" Wing, 2 nd Floor, CBD Belapur, Navi Mumbai, Maharashtra - 400 614.	Application to be made in Form II prescribed by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules, 1978.
For the Financial Year 1995-96, 1999-00, 2000-01, 2001-02, 2002-03, 2003-04 (Interim Dividend) and Dividend of erstwhile SHDL for 2002-03 No Dividend was declared by the Company for the Financial Years 1996-97, 1997-98 and 1998-99	Non-recoverable since the unpaid amount has been transferred to IEPF of the Central Government.	—
Financial Years 2003-04 (Final Dividend) and thereafter	TSR Darashaw Ltd., Registrar and Share Transfer Agent.	Request letter on plain paper.

The tentative dates for transfer to IEPF of the dividend remaining unclaimed / unpaid since 2003-04 are provided hereunder:

Financial Year	Rate (%)	Date of declaration of dividend	Tentative date for transfer to IEPF
2003 - 04			
Final Dividend	50	27 th January, 2005	4 th March, 2012
*Final Dividend	80	21 st May, 2005	26 th June, 2012
2004 - 05			
Interim Dividend	45	25 th April, 2005	31 st May, 2012
*Final Dividend	80	27 th May, 2006	2 nd July, 2013
Final Dividend	100	27 th January, 2006	4 th March, 2013
2005 - 06			
#Interim Dividend	10	23 rd December, 2005	28 th January, 2013
*Interim Dividend	970	6 th December, 2006	11 th January, 2014
Final Dividend	190	18 th January, 2007	23 rd February, 2014
*Final Dividend	80	23 rd June, 2007	29 th July, 2014
2006 - 07			
Dividend	240	31 st January, 2008	8 th March, 2015
*Dividend	60	24 th March, 2008	29 th April, 2015
2007 - 08			
Dividend	150	30 th January, 2009	7 th March, 2016
*Dividend	10	27 th February, 2009	4 th April, 2016
2008-09			
Dividend	250	29 th January, 2010	6 th March, 2017
*Dividend	100	28 th January, 2010	5 th March, 2017
2009-10			
Dividend	250	28 th January, 2011	7 th March, 2018
*Dividend	175	27 th January, 2011	4 th March, 2018

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

Declared by the erstwhile Siemens VDO Automotive Ltd. (since amalgamated with the Company).

Members are requested to contact TSR Darashaw Ltd. / Investors' Relations Team of the Company for encashing the unclaimed dividend standing to the credit of their account.

After transfer of the said amounts to IEPF, no claims in this respect shall lie against IEPF or the Company nor shall any payment be made in respect of such claims.

- j. 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.
- k. The Annual Report 2011 of the Company circulated to the Members of the Company, will be made available on the Company's website at www.siemens.co.in and also on the website of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com.
- l. 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.
- m. All documents referred to in the accompanying Notice and Explanatory Statement 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 54th Annual General Meeting.
- n. **Green Initiative**

The Ministry of Corporate Affairs has taken a 'Green Initiative in Corporate Governance' by issuing circulars allowing paperless compliances by Companies through electronic mode. The Shareholders can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. Shareholders who have not registered their e-mail address with the Company can now register the same by submitting duly filled-in 'E-Communication Registration Form' enclosed at the end of this report (also available on our website www.siemens.co.in), with TSR Darashaw Ltd., / Investors' relations team of the Company. The Members holding shares in electronic form are requested to register their email addresses with their Depository Participants Only.

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

Explanatory Statement

As required by Section 173(2) of the Companies Act, 1956, in respect of the items of Special Business mentioned in the Notice.

1. Item No. 7

As per Article 110 of the Articles of Association of the Company, Siemens AG (holding company), is entitled to appoint its Nominee Director. Such Director shall be called 'Special Director' and shall not be liable to retire by rotation.

Siemens AG has nominated Dr. Roland Busch as a Director in place of Mr. Wolfgang Dehen (resigned w.e.f. 31st March, 2011). The Board of Directors at their Meeting held on 29th July, 2011, appointed Dr. Roland Busch as an Additional Director of the Company with effect from 29th July, 2011. As per Section 260 of the Companies Act, 1956, an Additional Director holds office up to the date of the Annual General Meeting. The Company has received notice under Section 257 of the Companies Act, 1956, from a Member signifying his intention to propose the appointment of Dr. Roland Busch as a Director of the Company.

Brief Profile of Dr. Roland Busch in terms of Clause 49 of the Listing Agreement, is provided elsewhere in this Notice. The Board of Directors are confident that his vast knowledge and experience will be of great value to the Company and hence commends the Resolution No. 7 for your approval.

None of the Directors of the Company, other than Dr. Roland Busch is interested in the said Resolution.

2. Item Nos. 8 and 9

In appreciation of the dedicated efforts which contributed in achieving an excellent performance by the Company and having regard to the increased responsibilities for further improving the performance of the Company in this competitive market, the Remuneration Committee of Directors at its Meeting held on 22nd November, 2011, approved a revision in the remuneration of the Managing Director and Executive Director of the Company with effect from 1st January, 2012.

The terms and conditions with respect to the revision in remuneration of the Directors are given below:

I. Remuneration:

Name of the Director	Designation	Salary per month (₹)	Salary Grade (₹)	Overseas / Special Allowance per month (₹)
Dr. Armin Bruck	Managing Director	1,041,100	500,000 to 1,500,000	1,266,100
Mr. Sunil Mathur	Executive Director	722,700	400,000 to 1,200,000	847,700

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

II. Perquisites:

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

The perquisites and allowances shall be valued as per the Income Tax Rules, wherever applicable. In the absence of any such Rules, they shall be evaluated at actual cost.

- ii. Children's Education Expenses:

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

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

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

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

Actual expenses incurred on travel and on packing, forwarding, loading or unloading as well as freight, insurance, customs duty, clearing expenses, local transportation and installation expenses in connection with the moving of personal effects for self and family for joining duty in India may be allowed in case these have not been claimed from the previous employer. After completion of the tenure, such expenses in connection with the moving of personal effects for self and family may be allowed if they are finally leaving the employment of the Company. In case they are joining another Siemens Group / Associate Company, the Company to which they are transferred should bear these expenses.

"Family" means the spouse and dependent children.

III. Performance Linked Incentive

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

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

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

V. Commission

They shall also be entitled to remuneration by way of Commission as may be decided by the Board of Directors / Remuneration Committee of Directors from time to time. The amount of it based on the net profits of the Company in a particular year shall be subject to the overall ceiling laid down in Sections 198 and 309 of the Companies Act, 1956.

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

VII. Minimum Remuneration

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

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

This explanation, together with the accompanying Notice, is to be regarded as an Abstract of the Terms pursuant to the provisions of Section 302 of the Companies Act, 1956.

The said payment requires the approval of the Members pursuant to Sections 198, 309 and 310 read with Schedule XIII to the Companies Act, 1956 and, hence, the Board commends these Resolutions for your approval.

None of the Directors of the Company other than Dr. Armin Bruck and Mr. Sunil Mathur are interested in the Resolution.

3. Item No. 10

Mr. Vijay V. Paranjape was appointed as a Director and Whole-time Director of the Company with effect from 1st February, 2007. Mr. Paranjape, on his retirement, ceased to be a Whole-time Director and Director of the Company with effect from 1st October, 2011. In appreciation of the services rendered for around 40 years by Mr. Paranjape, including over four years as a Whole-time Director, it is proposed to make a one-time special payment of ` 8,850,000/- (Rupees Eight Million Eight Hundred and Fifty Thousand Only) to him.

None of the Directors of the Company are interested in the Resolution.

This explanation, together with the accompanying Notice, is to be regarded as an abstract of the terms pursuant to the provisions of Section 302 of the Companies Act, 1956.

The said payment requires the approval of the Members pursuant to Section 310 read with Schedule XIII to the Companies Act, 1956 and hence the Board commends Resolution No. 10 for your approval.

4. Item No. 11

Mr. Praveen Singh was associated with Siemens Healthcare Diagnostics Limited (SHDL) since 1976 i.e. since incorporation of the Company. Mr. Singh was appointed as the Managing Director of SHDL with effect from 1st January, 1996. He was re-appointed as the Managing Director for a period of five years with effect from 1st January, 2001 and subsequently on 1st January, 2006. During his tenure with SHDL, Mr. Singh had contributed significantly towards capturing considerable market for SHDL's products and new product ranges were successfully launched in different areas in the Indian market and SHDL had performed overwhelmingly under his leadership. He resigned from the services of SHDL effective 1st May, 2008.

The Board of Directors of SHDL considering his contributions in the growth of SHDL in terms of turnover and profitability during his stewardship decided to pay an ex-gratia amount and therefore the total amount paid to Mr. Singh was ` 50,653,927/- (Rupees Fifty Million Six Hundred Fifty Three Thousand Nine Hundred and Twenty Seven Only) (Total Remuneration) in 2008. SHDL had already obtained approval in respect of Total Remuneration from the Central Government. SHDL, prior to its amalgamation with the Company (w.e.f. 1st October, 2009) had already obtained permissions from its shareholders for ` 42,137,927/- (Rupees Forty Two Million One Hundred Thirty Seven Thousand Nine Hundred and Twenty Seven Only). As per the letter dated 14th March, 2011 of the Ministry of Corporate Affairs, for the balance amount of ` 8,516,000/- (Rupees Eight Million Five hundred and Sixteen Thousand Only), the Company is now seeking approval from the shareholders.

The Board recommends the resolution as set out in Item No. 11 for approval of shareholders by way of special resolution. None of the Directors of the Company are interested in the Resolution.

By Order of the Board of Directors

For Siemens Ltd.



Ajai Jain
Vice President (Legal) &
Company Secretary

Registered Office:

130, Pandurang Budhkar Marg
Worli, Mumbai - 400 018

Mumbai
Tuesday, 22nd November, 2011

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

Particulars	Mr. Deepak S. Parekh	Mr. Yezdi H. Malegam	Mr. Sunil Mathur	Dr. Roland Busch
Date of Birth	18 th October, 1944	24 th September, 1933	6 th January, 1963	22 nd November, 1964
Date of Appointment	7 th November, 2003	1 st April, 1998	22 nd July, 2008	29 th July, 2011
Qualification	B.Com. Fellow Member of the Institute of Chartered Accountants of India as well as of England and Wales	B.Com. Fellow Member of the Institute of Chartered Accountants of India as well as of England and Wales	B.Sc. Qualified Chartered Accountant	Dr.rer.nat. Dipl-Phys.
Expertise in specific functional areas	Strategic Business Management, Finance & Banking and Merger & Acquisition	Accounting, Finance and Corporate & Securities Laws	Finance , Merger & Acquisition, Business Management and Treasury & Accounts	Strategic Planning and Business Management
Other Directorships held in India	1) Housing Development Finance Corporation Ltd. 2) Infrastructure Development Finance Co. Ltd. 3) GlaxoSmithKline Pharmaceuticals Ltd. 4) HDFC Asset Management Co. Ltd. 5) HDFC Ergo General Insurance Co. Ltd. 6) HDFC Standard Life Insurance Co. Ltd. 7) Hindustan Uniliver Ltd. 8) Mahindra & Mahindra Ltd. 9) Hindustan Oil Exploration Co. Ltd. 10) Castrol India Ltd. 11) The Indian Hotels Co. Ltd. 12) Airport Authority of India 13) Borax Moraji Ltd. 14) Zodiac Clothing Co. Ltd. 15) Bharat Bijlee Ltd. 16) Exide Industries Ltd. 17) Indian Institute for Human Settlement	1) ABC Bearings Ltd. 2) The Clearing Corporation of India Ltd. 3) Firstsource Solutions Ltd. 4) Hindustan Construction Co. Ltd. 5) National Securities Clearing Corporation Ltd. 6) National Stock Exchange of India Ltd. 7) Piramal Healthcare Ltd. 8) Western India Plywoods Ltd. 9) Indo German Chamber of Commerce- Member of the Council 10) Reserve Bank of India- Member of Central Board 11) Bhartiya Reserve Bank- Note Mudran (P) Ltd.	Siemens Information Systems Ltd.	None
Membership of Committees	<u>Audit Committee</u> 1) The Indian Hotels Co. Ltd. Member 2) GlaxoSmithKline Pharmaceuticals Ltd. Chairman 3) Mahindra & Mahindra Ltd. Chairman 4) Castrol India Ltd. Chairman 5) Hindustan Uniliver Ltd. Chairman <u>Investor Grievance Committee</u> 1) GlaxoSmithKline Pharmaceuticals Ltd. Chairman	<u>Audit Committee</u> 1) Firstsource Solutions Ltd. Chairman 2) National Stock Exchange of India Ltd. Member 3) National Securities Clearing Corporation Ltd. Chairman 4) Piramal Healthcare Ltd. Member 5) The Clearing Corporation of India Ltd. Chairman 6) Bhartiya Reserve Bank-Note Mudran (P) Ltd Chairman	<u>Audit Committee</u> 1. Siemens Information Systems Ltd. Chairman	N.A.
No. of shares held in the Company	9,000	6,250	NIL	NIL

Directors' Report

Dear Members,

The Directors have pleasure in presenting the 54th Annual Report of your Company and the Audited Accounts for the year ended on 30th September, 2011.

1. Financial Performance

₹ in Million

	2010-11	2009-10	Growth %
Turnover	119,419.05	93,152.41	28.20
Profit before Tax	12,749.54	12,587.48	1.29
Less: Tax	4,295.28	4,315.36	
Net Profit after Tax	8,454.26	8,272.12	2.20
Balance of Profit and Loss account brought forward due to the amalgamation of companies	(24.10)	745.69	
Post amalgamation profit of SHDL for the period from October 2009 to September 2010	55.14	-	
Post amalgamation loss of SRSPL for the period from October 2009 to September 2010 (net of tax of ₹ 71,663)	(141.24)	-	
Amount available for appropriation	8,344.06	9,017.81	(7.47)
Appropriations:			
General Reserve	1,200.00	7,052.01	
Proposed Dividend	2,041.77	1,685.80	
Dividend Distribution Tax	331.23	279.99	
Balance in Profit and Loss Account carried forward	4,771.06	-	

2. Operations

The Turnover of the Company increased by approximately 28% and stood at ₹ 119,419 million as compared to ₹ 93,152 million in the previous year. The Company's Profit from Operations for the year ended 30th September, 2011 was ₹ 11,974 as compared to ₹ 11,917 million in the corresponding period of the previous year.

The Profit after Tax was ₹ 8,454 million, compared to ₹ 8,272 million during 2009 – 10.

New Sector - Infrastructure & Cities

In line with Siemens global strategy and in order to achieve better portfolio synergy, the Company has created a new Sector 'Infrastructure & Cities'. Siemens offers the world's broadest and most comprehensive portfolio for urban infrastructures. By forming this new sector, the Company plans to be leading participant in the dynamic growth of cities and infrastructure investment. The new sector will offer solutions to the cities for mobility, environmental protection and energy savings. This sector will be having five divisions (Mobility, Rail System, Low & Medium Voltage, Smart Grid and Building Technologies) and these divisions will work closer to their target markets and develop additional business opportunities in the growing market of cities.

3. Dividend

The Board of Directors recommends a dividend of ₹ 6 per Equity Share of ₹ 2 each. This dividend is subject to the approval of the Members at the forthcoming 54th Annual General Meeting to be held on 31st January, 2012.

In the previous year, the Company paid a dividend of ₹ 5 per Equity Share of ₹ 2 each.

4. Amalgamations and Divestments

a. Amalgamation of Siemens Healthcare Diagnostics Ltd., Baroda (SHDL)

The Hon'ble High Court of Mumbai and Ahmedabad vide its Order dated 28th January, 2011 and 1st March, 2011, respectively, sanctioned the 'Scheme of Amalgamation' of SHDL with the Company. Key details of the said amalgamation are summarised as follows:

Appointed Date	1 st October, 2009
Effective Date	14 th March, 2011
Share Exchange Ratio	2 Equity Shares of ₹ 2 of the Company for every 1 Equity Share of ₹ 10 each of SHDL
Number of new Equity Shares of the Company issued to the Members of SHDL	3,134,700
Date of Allotment of new shares	24 th March, 2011

The aforesaid 3,134,700 new Equity Shares rank *pari passu* with the Equity Shares of the Company and shall be entitled for full amount of Dividend for the year ended 30th September, 2011, if declared by the Members at the forthcoming 54th Annual General Meeting. The said Equity Shares have been listed on Bombay Stock Exchange Ltd., and National Stock Exchange of India Ltd.

b. Amalgamation of Siemens Rolling Stock Pvt. Ltd., Mumbai (SRSPL)

The Hon'ble High Court of Mumbai vide its Order dated 27th April, 2011 sanctioned the 'Scheme of Amalgamation' of SRSPL, a wholly owned subsidiary of the Company, with the Company. The "Appointed Date" is 1st October, 2009. Thus from this date, SRSPL stands amalgamated with the Company and the legal entity of SRSPL stands dissolved without winding up. Further, the entire business and undertaking of SRSPL gets transferred to and vested in the Company.

c. Dissolution without winding up of Flender Ltd., Kolkata

The Hon'ble High Court of Calcutta vide its Order dated 16th March, 2010 sanctioned the amalgamation of Flender Ltd., a wholly owned subsidiary of the Company, with the Company. Subsequently the Hon'ble High Court of Calcutta vide its Order dated 16th March, 2011 sanctioned dissolution without winding up of Flender Ltd. The Appointed Date is 1st October, 2009.

d. Divestment in subsidiaries of erstwhile Siemens Building Technologies Pvt. Ltd. (SBTPL)

Consequent to the amalgamation of SBTPL (a wholly owned subsidiary of the Company) with the Company with effect from 1st October, 2010, the three subsidiaries of SBTPL i.e. iMetrex Technologies Ltd., Ireland (ITL), Europlex Technologies (UK) Ltd., UK (ET UK) and Europlex Technologies (Ireland) Ltd., Ireland (ET IL) became subsidiaries of the Company w.e.f. 1st October, 2010. During the year, ITL, ET UK & ET IL were sold to Siemens Schweiz AG, Switzerland (a subsidiary of Siemens AG) for a total consideration of Euro 2.95 million.

e. Amalgamation of Siemens VAI Metals Technologies Pvt. Ltd., Kolkata (SVAI) and Morgan Construction Company India Pvt. Ltd., Mumbai (Morgan) with the Company

At the meeting held on 29th October, 2011, the Board of Directors approved the proposal for the amalgamation of SVAI (a 100% Siemens AG Company) and Morgan (a wholly owned subsidiary of SVAI) with the Company. The "Appointed Date" was fixed as 1st October, 2011. The Board has recommended a share exchange ratio of 1,318 (One Thousand Three Hundred and Eighteen) Equity Shares of the Company having Face Value of ₹ 2 (Rupees Two) each fully paid-up for every 100 (One Hundred) Equity Shares of SVAI having Face Value of ₹ 100 (Rupees One Hundred) each fully paid-up. The amalgamation is subject to all necessary statutory / regulatory approvals, including approvals of the Members of the respective companies and High Court.

SVAI is engaged in the business of Erection Procurement and Commissioning (EPC) contracts for industrial / Steel plants.

Morgan is engaged in the business of Design & Engineering, Equipment Supply and Supervision of Erection & Commissioning of Wire Rod and Bar Mills to Steel Industry.

Directors' Report (Continued)

5. Share Capital

a. Increase in Share Capital

During the year under review, the paid-up share capital of the Company increased from ` 674,320,400 to ` 680,589,800, consequent to the issue and allotment of 3,134,700 new Equity Shares of ` 2 to the shareholders of erstwhile SHDL upon amalgamation of SHDL with the Company. Out of the said 3,134,700 Equity Shares, 2,154,416 Equity Shares were issued and allotted to Siemens Diagnostics Holding II B.V., Netherlands, parent company of SHDL and a 100% subsidiary of Siemens AG, Germany.

b. Open Offer made by Siemens Aktiengesellschaft (Siemens AG)

During the year, Siemens AG was successful in acquiring 67,025,669 Equity Shares of the Company through an Open Offer made at a price of ` 930 per share. Siemens AG's shareholding (alongwith its subsidiaries) in the Company increased from 55.18% to 75%.

6. Subsidiary company:

The Company has no subsidiary at the end of the year.

Consolidated Accounts

The Audited Consolidated Accounts, Auditors' Report thereon and Cash Flow Statement, comprising of Siemens Ltd., and its erstwhile subsidiary companies, form a part of this Annual Report. The Consolidated Accounts have been prepared in accordance with the prescribed Accounting Standards.

7. Foreign Exchange Earnings and Expenditure

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

8. Conservation of Energy and Technology Absorption

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

9. Corporate Governance

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

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

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

10. Employees

Your Directors place on record their deep appreciation for the contribution made by the employees of the Company at all levels. Our industrial relations continue to be cordial.

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

11. Directors' Responsibility Statement

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

1. in the preparation of the annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures;
2. appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 30th September, 2011 and of the profit of the Company for the year ended on that date;

3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
4. the annual accounts have been prepared on a going concern basis.

12. Directors

Dr. Roland Busch has been appointed as a Special Director (Siemens AG's Nominee) with effect from 29th July, 2011. Dr. Busch is a member of the Managing Board of Siemens AG. Mr. Stephan Schneider has been appointed as an Alternate Director of Dr. Busch effective on same day.

Mr. Vijay V. Paranjape ceased to be a Whole-time Director and Director of the Company on his retirement with effect from 1st October, 2011. The Board places on record its appreciation for the services rendered by Mr. Paranjape during his tenure of almost 40 years with the Company.

Mr. Wolfgang Dehen ceased to be a Director of the Company with effect from 31st March, 2011. Consequent to this, Mr. Stephan Schneider also ceased to be an Alternate Director of Mr. Dehen, effective on the same day. The Board places on record its appreciation for the services rendered by Mr. Dehen and Mr. Schneider during their tenure with the Company.

At the Annual General Meeting, Mr. Deepak S. Parekh, Mr. Yezdi H. Malegam and Mr. Sunil Mathur retire by rotation and being eligible, offer themselves for re-appointment. Profile of these Directors, as required under Clause 49 of the Listing Agreement, are given in the Notice of the 54th Annual General Meeting.

13. Auditors

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

14. Cost Auditors

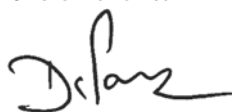
The Board of Directors in pursuance to the Order issued by the Central Government under Section 233B of the Companies Act, 1956, have appointed Messrs R. Nanabhoy & Co., Cost Accountants for conducting the audit of the cost accounting records maintained by the Company for the product 'Electric Motors'. Last year the Company had filed the Cost Audit Report on 22nd March, 2011 which is within the time limit prescribed by the Cost Audit Report Rules, 2001.

15. Acknowledgements

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

On behalf of the Board of Directors

For Siemens Ltd.



Deepak S. Parekh
Chairman

Mumbai
Tuesday, 22nd November, 2011

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

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

A. Conservation of Energy

1. Measures taken:

- Use of Ultrasonic Leak detector to reduce air leakages.
- Installation of Energy efficient appliances.
- TCS furnace operations were optimized to work in High as well as Low mode.
- Solar water heaters used in the plant areas.
- Awareness & Training programs for employees.
- Energy audits and corrective measures.

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

- Implementation of 'Solid Fuel Heating System' for the ovens.

3. Impact of Measures undertaken:

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

B. Research and Development (R&D)

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

- New Digital X-ray table developed with Flat detector for Digital Radiography System project to facilitate smooth movement and accurate positioning of the flat detector in the table.
- SOLAR powered X-ray System Project (15 Kw) is initiated based on S.M.A.R.T product to enable treatment of patients during power cuts and emergencies.
- Fetal Heart Rate Monitor Project will aid the doctors to diagnose fetal distress, carry out relevant action and curb fetal mortality.
- UPS operated Mobile X-ray machines developed.
- SMART Camera & Memory Module Project in C-arms to enhance image quality and cost efficiency.
- Design and development of 500 frame Motors.
- Development of 1.9 MW windmill generator.
- Special purpose motors for sugar centrifuge application.
- Localization of new range of breakers with improved breaking capacity from 6 kA to 7.5 kA, 15 kA MCB, power distribution fuses, Perfect Harmony Medium Voltage Drives Generation III (extension of power range) and Design / Development of electronic modules used in Locomotives.
- Development of Low Voltage Drives SINAMICS V50 options.
- Development of Traction / Electrical cabinets for 4500HP Diesel Electric Locomotive with Locomotives control and auxiliary power for passenger coaches.
- Design of Electronic Modules used in Low Voltage Drives SINAMICS V50.
- Partial Localization of evaluation computer for Digital axel counter used in Railway signaling.
- Market launch of connector 3TS9001 and 3TS9002 used to mount motor protection circuit breaker on the contactor (mechanical and electrical connection).
- "CE" mark Co-ordination Type Testing / CE Marking on 3TS Contactors & 3US Overload relay. Co-ordination Type Testing of all Combination Starters to meet Indian Market requirements.

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

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

- Energy efficient products.
- Overall cost reduction.
- Opportunity to tap new market.
- Improved quality.

3. Further Plan of action:

- Integration of memory module; prototype manufactured together with Corporate Technology under testing and verification.
- Isolator global manufacturing project is underway.
- Localization of new contactor range components.
- Installation and commissioning of R&D Laboratory including capability of short circuit testing of products upto 70 kA.

4. Expenditure on R&D:

- a. Capital Expenditure : ₹ 431.71 million
- b. Revenue Expenditure : ₹ 123.63 million
- c. Total Expenditure : ₹ 555.34 million

C. Technology Absorption & Innovation

1. Efforts undertaken:

- Interaction & Training with external agencies / technology partners for exposure to the latest products / designs, manufacturing technologies, processes, analytical techniques and engineering protocols.
- Review of Patents in relevant technology area.
- Collaborative efforts with educational / research institutions for research projects.
- Developing the Center of Competence for Rail Automation.
- Process validation and type testing of insulators and insulating material used in Medium Voltage applications.
- Use of compression molding machines for manufacturing of Miniature Circuit Breaker housing caps.
- Design calculations, Process validation, type testing methods & equipment for development of dry-type multi secondary transformers for MV drives and Reactors for LV drives.
- Repair technology for components in small gas turbines.

2. Benefits derived from the above:

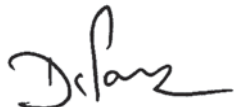
- Reduced dependence on imported technology.
- Environment friendly process, reduction in hazardous waste.
- Overall cost reduction.
- Increased market coverage.
- Improvements of competitiveness for mature small gas turbines globally and in India.

3. Imported Technology:

Technology Imported	Year of Import	Has the technology has been fully absorbed	If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.
Laser engraving on metal name plates of Sensors and Communication	2011	Yes	Not Applicable
Testing / Calibration of pressure transmitters with accuracy of 0.009% of reading	2011	Yes	Not Applicable
Introduction & use of Thermal Imaging for Maintenance	2011	Yes	Not Applicable
Refurbishment of compressor blades	2010	Yes	Not Applicable
Introduction on In-Circuit-Tester equipment for Railway Signaling	2009	Yes	Not Applicable
Technology for the products 245KV, & 420KV Current Transformers, 145KV, 245KV, 420KV	2008	Yes	Not Applicable

On behalf of the Board of Directors

For Siemens Ltd.



Deepak S. Parekh
Chairman

Mumbai
Tuesday, 22nd November, 2011

Annexure II to the Directors' Report

Management's Discussion & Analysis

General Performance Review

After exhibiting signs of recovery in 2009-10 from a slowdown in the previous years, India's economy remained unclear during 2011-12. As a result, India's GDP growth projection for 2011-12 was revised downward from 8% to 7.9%.

This moderation in domestic GDP growth was reflected in the lower demand for goods, which in turn impacted the manufacturing sector. Taking into consideration any volatility in the capital goods sector during the year, the industrial production continued to dip lower throughout the year. The Centre for Monitoring of Indian Economy (CMIE) reports the index of industrial production (IIP) for 2011-12 at 7.7%, down from 8.5% from 2010-11. From a high of 12.4% in October 2010, the manufacturing IIP hit a low of 3.2% in July 2011 and rose only marginally to 4.5% in August 2011.

In spite of the various measures taken by the government to contain inflation, it showed no signs of abating. As of September 2011, the WPI-based inflation was reported at around 9.7% year-on-year. Fuel and power inflation was at approximately 14% while manufacturing inflation declined marginally to around 7.7% due to the base effect and fall in textile prices.

During the year, though the central and various state governments announced the setting up or upgrading of infrastructure projects, few materialized into new orders or financial closures (for existing projects). During the last quarter of the financial year, the ban on iron ore mining together with higher costs of coal and other raw materials not to mention the unabated increase in commodity prices, made further dents into the industry's profitability and operations.

Against the backdrop of this economic scenario, Siemens Ltd. posted steady financial results: maintaining the same levels in New Order Intake. This compares well against 2009-10 when we booked large orders in the Fossil & Transmission Divisions. Sales grew by 28% with an increase of 2% in Profit after Tax (PAT).

Energy Sector

Ordering of power generation equipment increased during the year, driven by increased requirements for power generation to sustain the planned GDP growth in the future. According to the Ministry of New and Renewable Energy Sources, India had 46 MW of solar capacity and 14,989 MW of wind as of August 31, 2011. Investments in clean energy in India touched \$7.2 billion in the first three quarters of the current year. Meanwhile, issues such as pricing and availability relating to

coal and gas production remain. Resolution of these concerns is essential in order to achieve the capacity additions targeted by the government, which will ultimately be the key driver for domestic GDP growth.

Despite tough competition, Siemens was able to retain its leading market position in the Energy sector. During 2010-11, New Order Intake increased by 11% for the baseload business while showing an overall decline by 24% to ` 58.161 billion after considering the impact of large orders in the Fossil & Transmission Divisions. Sales grew by 42% to ` 61.435 billion and Profits from Operations rose by 1% to ` 7.097 billion.

Among significant achievements, the Energy Fossil Division received a contract from Torrent Power, one of the leading players in the Indian power sector, to install a 1100 MW combined cycle power plant. Among other projects, it received orders from Essar Constructions for two 150 MW industrial turbines, from GAIL (India) Ltd. for compressors for its Vijaypur Petrochemical complex, from Power Grid for various 765kV projects like Angul, Jharsugoda, and from Indiabulls Infrastructure Company Limited to build 400/220kV GIS substation.

The Energy Oil & Gas Division inaugurated the second phase of its steam turbine and compressor manufacturing facility at Vadodara. This expansion added three production bays to the existing production facility covering an area of approximately 17,000 square meters and tripling the production capacity of the factory.

During the year, the Energy Transmission Division rolled out its 100th gas-insulated switchgear (GIS) substation from its factory in Aurangabad. The state-of-the-art factory has achieved a distinction by supplying the complete range of GIS, starting from 72.5 kV up to 420 kV in a short span of time. A high level of localization, coupled with development of the required competencies in the area of engineering, quality, sourcing, manufacturing and project management was responsible for the successful achievement of this milestone.

The Energy Renewables Division also launched a new wind turbine for the Indian market. The new product SWT-2.3-113 (Direct Drive) is targeted at low wind markets with a clear focus on generation-based customers.

Outlook: The long-term outlook remains positive, with energy demand from across various sectors of the economy expected to grow. The government, on its part, is currently in the process of addressing the key issues of fuel production, linkages and environmental clearances. This is essential to maintain the growth of the Energy Sector. India has committed

Annexure II to the Directors' Report (Continued)

Management's Discussion & Analysis

to take measures to address the issues concerning greenhouse gas emissions. The shift to the use of energy-efficient supercritical units and introduction of higher transmission voltages are examples of this change in approach. Siemens is well positioned to support this move with its products and services which deliver energy efficient solutions.

Industry Sector

The financial year 2010-11 was a challenging one for the industry as a visible weakening of the economy and high input costs dampened industrial growth in India. Rising interest rates led to companies taking a cautious approach toward new projects.

Industry Sector's advantage is its diversified portfolio. With its healthy mix of short-cycle product business and long-cycle project business, the Industry Sector achieved Order Value of ` 52.913 billion in 2010-11, a growth of 35% compared to 2009-10. Its Sales rose by 12% to ` 46.9 billion in 2010-11. Profit from Operations rose by 1% to ` 3.934 billion.

The Industry Sector's product business group, comprising Building Technologies (BT), Drive Technologies (DT) and Industry Automation (IA), contributed significantly to the success of the Sector. Another factor that contributed to the improved performance of the Industry Sector was the additional solutions in its portfolio due to the amalgamation of the Company's Chennai-based subsidiaries Siemens Building Technologies Pvt. Ltd. and Vista Security Technics Pvt. Ltd.

The IA division had a mixed year, seeing a rise in fresh investments in the first half of the year while the implementation of projects was affected during the second half largely due to deferring projects by customers. This was compensated by perceptible rise in demand during the year from key original equipment manufacturers (OEMs) in automotive, cement, food & beverage, power and textile customer segments.

The DT division saw buoyant demand for its energy efficient and sustainable products and solutions due to increased awareness towards saving of energy and resources. The DT division increased its focus on services during the year. However, during the last quarter the demand was moderate.

The BT division saw good traction in projects from the steel and power verticals during the year while export-led segments such as IT / ITeS reduced investments. The BT division had a significant milestone in the signing of a Memorandum of Understanding with Reliance Security Solutions Limited, a

subsidiary of Reliance Industries Ltd. (RIL), to jointly develop homeland security solutions for safe, secure, smart cities and highways in India.

On the other hand, the Industry Solutions (IS) Division saw sluggish demand with turnkey projects and new order finalization across customer segments being delayed. Nevertheless, the short cycle product business within the IS division saw good demand for base-line projects. The division performed well in services, water and infrastructure businesses. One of the major customer wins during the year for the IS division was from Ultratech Cement, involving revamp of existing facilities as well as greenfield plants at seven locations. It also implemented the electronics and IT infrastructure for India's first F1 race track during the year.

During the year, the Mobility (MO) division won a contract for electrification and signaling of the Chennai Metro Rail Limited, a special purpose vehicle created by the Government of Tamil Nadu for implementing the Chennai Metro Rail Project. It also won India's largest Cargo Handling System contract from Delhi Cargo Service Center, a company that provides air cargo handling, warehousing and air cargo security solutions. The MO Division's portfolio was also strengthened by the addition of bogie manufacturing capabilities during the previous year.

Outlook: With the economic impasse and slowdown, the market is expected to be in a correction phase. The government's focus on facilitating investments, improving infrastructure and capacity creation is conducive for public and private sector investments in segments such as infrastructure, urban development, transportation, metals, power and oil & gas. Customer projects with sound fundamentals and adequate cushion are going ahead as planned. With this, the Industry Sector is expected to see a continuation of demand but margins are expected to be under pressure due to higher input costs, higher labour costs, increasing inflation and rising interest rates. At the same time, the Sector's initiative to increase focus on verticals and value-added services is expected to help in achieving profitable growth.

Healthcare Sector

The healthcare market grew at a healthy pace in 2010-11, in spite of the challenging macro-economic environment, and is expected to maintain the momentum for the next few years. The main growth drivers in healthcare are rapid urbanization, increase in health insurance penetration, higher corporate investment in healthcare and change in disease profile among the nation's population.

Among customer segments, private hospitals followed by diagnostic centers grew significantly. State-sponsored insurance programs in various states in India for below-poverty line population led to increased spends on healthcare.

Siemens Healthcare Sector performed well in the financial year 2010-11. The Magnetic Resonance Imaging (MR) Business Unit and the Computerized Tomography (CT) Business Unit created industry landmarks – Over 100 MRs and 150 CTs were sold during the year by the Company, which is an industry record. The Imaging (HIM) and Clinical Products (HCP) business units maintained their leadership positions in the industry.

For financial year 2010-11, the Order Value increased by 44% to ₹ 11,207 billion, Sales jumped by 39% to ₹ 10,479 billion, while Profits from Operations were down by 1% to ₹ 516 million.

Among the major highlights in financial year 2010-11, Siemens Healthcare Sector installed the following products and technologies for Kovai Medical Center & Hospital: Artis Zee Biplane Cathlab, MAGNETOM Skyra 3T MRI scanner, Biograph 6 PET/CT scanner, Symbia T SPECT-CT scanner and MAMMOMAT Inspiration mammography system – all the products made available in the southern state of Tamil Nadu for the first time.

Also, the Sector installed MAGNETOM Aera 1.5 Tesla Magnetic Resonance Imaging (MRI) scanner – the first 1.5T MRI scanner in India to incorporate both Tim 4G and Dot technologies – at Scans World in Chennai. Similarly, the Healthcare Sector installed the Biograph 16 PET/CT scanner, the first PET/CT scanner in the state of Rajasthan. A Group company Siemens Healthcare Diagnostics Limited was merged into Siemens Healthcare Sector.

The Healthcare Sector launched new initiatives aimed at garnering higher market share. These included increasing focus on the replacement market and zero-installed base districts, both of which yielded positive results.

Outlook: The outlook for the healthcare market looks positive, and Siemens Healthcare Sector will gain impetus from the new technologies planned to be launched during the next year. These launches are expected to further strengthen our leadership position in the healthcare market. Corporates across segments continue to expand their presence and are investing in setting up bases in tier 2 and tier 3 cities in India, which will lead to increased demand for affordable, personalized healthcare solutions. Another development that will boost the demand for healthcare equipment is

the government's plan to increase spend on healthcare substantially in the coming years.

Corporate Functions Review

Internal Control Systems

In financial year 2010-11, the Company completed the process of integrating the various existing internal control frameworks and their oversight into one overall integrated Risk and Internal Control (RIC) system. This integration process began in 2009-10. The subsystems include Sarbanes Oxley Compliance, Compliance Control Framework and legacy Internal Control System.

The mandate of internal audit in Siemens Ltd. is to add value and improve the operations and processes of the Company. This is done by independently and objectively evaluating and reporting on Siemens' financial reporting integrity, effectiveness of risk management & internal control systems, and adherence to Siemens' compliance policies in a systematic and disciplined manner. The Company has outsourced the internal audit function to Corporate Finance Audit, the Global Audit Department of Siemens AG, the majority shareholder of Siemens Ltd.

To deliver on its mandate, the Internal Audit department develops a flexible audit plan for the Company and its subsidiary companies using an appropriate risk-based methodology. This department also considers the work performed by Siemens' other control & monitoring functions and external auditors, so as to provide optimal audit coverage at a reasonable overall cost. The audit plan is submitted to the Audit Committee of the Company for review and concurrence at least once a year. The results from the audit are reported to the Audit Committee on a quarterly basis.

Compliance

During the financial year 2010-11, Siemens Ltd. continued to strengthen its Compliance function. Apart from continuous upgradation of the Compliance Control Framework (CCF), the company also restructured the Compliance function based on focus areas and sectoral requirements.

During the year 2010-2011, the Regional Compliance Office (RCO) team also focused on building 'Conviction through Ethics' internally through extensive 'in-person' and 'web-based' trainings for employees. These trainings saw wide-spread acceptance among the company's employees, the results of which are evident with around 8,300 certifications received by employees at Siemens Ltd.

Annexure II to the Directors' Report (Continued)

Management's Discussion & Analysis

The Siemens India RCO's Compliance Performance Index of 92% outperformed the Siemens global average of 81%. This is also a strong indicator of the Compliance function being viewed as a business enabler.

The Company's RCO also initiated efforts to ensure a corruption-free business environment in the corporate community in India. The effort will be sustained through robust 'Collective Action' initiatives / workshops. The company's initiative found support from NGOs, Transparency International, India (TII), Central Vigilance Commission (CVC), Indo-German Chamber of Commerce, as well as other corporates and government bodies.

As part of this endeavor, Siemens Ltd., besides hosting conferences and workshops, also had members of its senior management as speakers at forums. These forums were aimed at creating a unique platform to bring the company's customers, competitors and suppliers to share their experiences.

Safety & Environment

Siemens Ltd. has recognized Environment Protection, Health Management & Occupational Safety (EHS) as one of the most important elements in the company's sustainable growth and has closely linked it to the Company's corporate values. During 2010-11, Siemens Ltd.'s manufacturing facilities had a commendable EHS record. This was possible due to strong commitment from the respective Works Managers, Line Managers and safe work practices by the employees.

The key area of concern is EHS at the project sites. To resolve this, various EHS measures were initiated like tone from the top, periodic project site visits & reviews by members of Siemens top management. EHS at project sites is a focus area and all the Executive Management & Corporate Management meetings are having EHS as a regular item on the agenda.

To ensure that awareness of EHS remains high, the Company has been constantly improving and integrating its EHS methods, processes and systems on a continual basis. Relevant know-how is transferred to employees and vendors in order to minimize risks and anchor sustainable EHS across the Company. EHS training has been recognized as one of the most effective tools in creating awareness among the employees and is organized for employees at all levels – senior management, line managers and contractors.

Most of the company's manufacturing facilities are already implementing EHS Management System in accordance

with international standards. They are ISO 14001 & OHSAS 18001-certified. Siemens Ltd. is in the process of implementing these standards at project sites, thereby setting a new EHS bench mark in the industry.

In a significant achievement, during the year, the Company's Kalwa Works was among the top three winners of the Vasundhara Award 2011 for the best environmental initiatives by an industry in Maharashtra. It received the award for the large-scale industries category. This award is evidence of our sustainable measures undertaken towards protecting the environment. Organized by the Maharashtra Pollution Control Board (MPCB) along with Ministry of Environment, Government of Maharashtra, the Vasundhara Awards recognizes exemplary work carried out by industries, urban local bodies, schools and environmental non-governmental organizations (NGOs) towards protection of environment in the state of Maharashtra.

Human Resources Initiatives

One of the most significant mainstays in the performance of the organization has been our motivated and energetic workforce. To sustain the dynamic workforce, the Human Resource department has strategized and implemented several initiatives during the year.

Amidst the tough economic conditions and stiffly-competitive job market, the Company hired over 270 fresh Graduate Trainee Engineers across all sectors on a pan-India basis. At the lateral level as well, the Company continued to hire as per business requirements, while maintaining the attrition ratio below the industry average. The Company also launched high-potential recruiting initiatives such as Siemens Graduate Program and hired managers at middle-level positions.

As on September 30, 2011, Siemens Ltd. had 10,794 employees.

The number of employees of the Company has increased by 2,669 during FY 2011, with 1,117 of these being due to the merger of Siemens Building Technologies Pvt. Ltd., Siemens Healthcare Diagnostics Pvt. Ltd. and Siemens Rolling Stock Pvt. Ltd.

The Company increased its emphasis on work-life balance approach and launched several programs to assist employees in managing their personal lives better. Some of these initiatives were the launch of concierge services across our offices, sabbatical policy, paternity policy, childcare policy, extension of flexi-time, etc. Some other important initiatives were loyalty and long service rewards, and two-way communication tools between employees and HR.

Lifelong learning is one of the main focus areas that operationalize our strategy. In keeping with this philosophy, the Company launched a part-time education policy, to encourage our employees to take up further education that will support their career growth.

Siemens India also focused on building the skills and competencies of our employees by investing in comprehensive training programs across all levels.

- a. 19 Siemens Information Programs were conducted to orient 730 lateral hires into the Siemens family.
- b. Various on-going cross-functional training programs which have been designed as per the market requirement covering relevant topics are updated on a time to time basis. In financial year 2010-11, about 4,840 employees participated in 316 training programs, pan-India.
- c. The Core Learning Programs are one of the central elements of Siemens Global Learning and are of pivotal importance for the systematic career development of Siemens managers and employees world-wide. The programs are offered in the areas of General Management, Sales and Marketing, Software Architect, Manufacturing, Human Resources & Project management.
 - I. The Sales Management Learning Program (SP1) which was rolled out last year saw the participation of 46 sales managers in three batches.
 - II. Experienced and high-skilled Software Architects are a precondition for successful Siemens products and solutions and has a particularly powerful and positive long-term effect on Siemens. The Core Learning Programs for Software Architects (SWA3) focus on the skills required to meet these challenges, based on unified job profiles. 16 software architects have been put through the 1st batch of this program.
 - III. The Supply Chain Management (SCM) 3 Core Learning Program addresses experts in SCM and prepares them for the change from procurement to value creation. SCM3 was rolled out with 23 SCM experts participating in the program to make the difference.

In the arena of leadership programs, the Company continued with its focus on developing Leaders at different levels and conducted following Development and Leadership Programs.

- a. The Siemens Leadership Excellence program, the Management Course (MC), for developing Junior Top

Talent Managers, was successfully conducted for the first time in India in August 2011 with resounding success, with 24 participants participating from across Asia.

- b. The Program for Business Managers (PBM), conducted at IIM Bangalore, is meant for developing talent at the mid-management level. 50 managers participated in this during financial year 2010-11.
- c. The Strategic Leadership Development Program (SLDP) was conducted at IIM-Ahmedabad. This two-week intensive training program with its focus on business strategy and financial acumen as well as people management skills is another effort to hone skill sets of participants by bringing in an external perspective. This year we had 15 senior managers participating in this program.
- d. There were six PRL-e leadership programs targeting junior / middle level project managers. The PRL-e learning Program deals primarily with temporary leadership with the goal of managing projects profitably and to the satisfaction of the customer. The project manager therefore requires not only methodological competencies but also well-developed interpersonal skills.
- e. LEEP (Leadership Enhancement through Excellence in People), a leadership enhancement program to hone people management skills through self-awareness and coaching, saw 52 middle-level managers participating in 3 batches to make better leaders.

Our Trainees from the Technical Skills Development Centre at Kalwa won the Gold Medal & the second prize in the Electrical Trade at the 23rd Work Skills Competition conducted by the Confederation of Indian Industry.

The mantra for the Company's Human Resource department has been to Connect, Automate and Communicate. Keeping up with this mantra, the department has also automated several HR processes in order to acquire speed and efficiency in the system - PF statement, increment / promotion letters are now online.

Our relations with our Unions continue to be cordial.

Also, as part of the Global Engagement and Compliance Survey 2010 conducted to help create an inspiring and motivating work environment for its employees, the Company received 93% favorable responses for the Employee Engagement category.

Annexure II to the Directors' Report (Continued)

Management's Discussion & Analysis

Outlook for Siemens Ltd.

The downtrend in the various industry performance indicators have impacted expectations, which indicate moderate growth in the future. Together with the uncertain economic environment, the impact of credit and liquidity crunch in the domestic market is likely to lead to postponement of new projects and delays in executing existing projects. Inflation has remained high in spite of the various interest rate hikes by the government, and will remain an area of concern. A further challenge could be delays in infrastructure development due to environmental clearances, which is likely to cause delays or postponement in the decision of some project orders.

Despite the various challenges affecting the market, Siemens Ltd. is committed to growth. New opportunities are anticipated to emerge in the future, primarily in the area of energy-efficiency and environmentally-friendly technologies. Demand for integrated technology solutions is expected to continue with the government's focus on infrastructure projects, and investments by both public and private sectors in oil & gas, metals and power projects. Inadequate infrastructure has been recognized as the major constraint for rapid growth and the central government's twelfth five-year plan is expected to continue the thrust on accelerating the pace of investment in infrastructure to sustain growth. Higher foreign direct investments have also been announced for various metro and rail-based transportation projects, upgradation and expansion of airports.

Moreover, the surging growth in demand for energy and the challenges this poses for the power supply and the environment can be met by continuously developing more efficient technologies. The company's bottom-of-the-pyramid product strategy is on track along with enhancing

the environmental solutions portfolio, local manufacturing footprint as well as talent management programs. Apart from increasing its focus on verticals and value-added solutions, the company has also created a new Sector – Infrastructure & Cities – to focus on solutions for cities of the future. Also, with the increasing focus on alternative energy sources by the government and the private sector as well as the increasing interest in sustainable solutions, Siemens Ltd. is expected to retain its leadership position and continue to grow profitably.

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 the future events and are subject to risks and uncertainties. Many factors could cause the actual result to be materially different, including, amongst others, changes in the general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products, lack of acceptance of new products or services, and changes in business strategy. Actual results may vary materially from those projected here. Siemens does not intend to assume any obligation to update these forward looking statements.

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

Deepak S. Parekh
Chairman
Mumbai
22nd November, 2011

Annexure III to the Directors' Report

Corporate Governance Report

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

I. Company's Philosophy on Corporate Governance

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

II. Board of Directors (Board)

● Composition

During the year under consideration, the Board comprises of 11 experts (excluding Alternate Directors) drawn from diverse fields / professions. The Board has an optimum combination of Executive and Non-executive Directors, which is in conformity with the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges (Listing Agreement) in this regard. The Chairman of the Board is a Non-executive and Independent Director. All Directors, except the Managing Director and Special Director, are liable to retire by rotation.

Particulars	Composition of the Board		Minimum Requirement as per Clause 49
	No. of Directors	% of Total Directors	
Non-executive Directors (therein Independent Directors)	8 (6)	72.73 (54.55)	50% (33.33%)
Whole-time Directors	3	27.27	-
Total	11	100.00	

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

There is no relationship between the Directors inter-se.

The Composition of the Board, Directorship / Committee positions in other companies as on 30th September, 2011, number of Meetings held and attended during the Financial Year (FY) are as follows:

	Name	Category ⁽¹⁾	Board Meetings during the FY 2010-11		Attendance at last AGM held on 28.01.2011	Other Directorships in India ⁽²⁾	Other Committee positions in India ⁽³⁾	
			Held ⁽⁵⁾	Attended			Member	Chairman
1	Mr. Deepak S. Parekh (Chairman)	NED (I)	7	7	Yes	16	1	5
2	Mr. Darius C. Shroff	NED (I)	7	6	Yes	13	4	2
3	Mr. Yezdi H. Malegam	NED (I)	7	7	Yes	9	2	4
4	Mr. Narendra J. Jhaveri	NED (I)	7	6	Yes	9	3	2
5	Mr. Keki Dadiseth	NED (I)	7	2	Yes	8	1	3
6	Mr. Pradip V. Nayak	NED (I)	7	7	Yes	3	1	Nil
7	Dr. Armin Bruck	WTD	7	6	Yes	1	1	Nil
8	Mr. Sunil Mathur	WTD	7	7	Yes	1	Nil	1
9	Mr. Vijay V. Paranjape	WTD	7	6	Yes	Nil	N.A.	N.A.
10	Mr. Wolfgang Dehen ⁽⁴⁾⁽⁶⁾ (Nominee of Parent Company, Siemens AG) (Upto 30.03.2011)	NED	5	Nil	No	Nil	N.A.	N.A.
11	Dr. Roland Busch ⁽⁴⁾⁽⁶⁾ (Nominee of Parent Company, Siemens AG) (from 29.07.2011)	NED	1	1	N.A.	Nil	N.A.	N.A.
12	Mr. Stephan Schneider ⁽⁴⁾⁽⁷⁾ (Alternate for Dr. Roland Busch from 29.07.2011)	NED	6	3	Yes	Nil	N.A.	N.A.
13	Mr. Joe Kaeser ⁽⁴⁾	NED	7	3	Yes	Nil	N.A.	N.A.
14	Dr. Otmar Schmitt ⁽⁴⁾ (Alternate for Mr. Joe Kaeser)	NED	7	1	Yes	Nil	N.A.	N.A.

Annexure III to the Directors' Report (Continued)

Corporate Governance Report

Notes:

- (1) Category: WTD – Whole-time Director, NED – Non-executive Director, NED (I) – Non-executive Director and Independent.
- (2) Includes Alternate Directorships and Directorships in private companies.
- (3) Includes only Audit Committee and Investors Grievance Committee of public limited companies.
- (4) In the whole-time employment of parent company, Siemens AG, Germany.
- (5) Details provided for the period for which the individuals held Directorship of the Company.
- (6) Special Director as per Article 110 of the Articles of Association of the Company and as such is not bound to retire by rotation.
- (7) Ceased to be an Alternate Director for Mr. Wolfgang Dehen w.e.f. 31st March, 2011. From 1st October, 2010 to 31st March, 2011, he attended 3 Board Meetings as an Alternate Director for Mr. Wolfgang Dehen.

● Board Meetings

During the Financial Year 2010-11, 7 Meetings were held on 30th October, 2010, 24th November, 2010, 28th January, 2011, 1st February, 2011, 21st February, 2011, 12th May, 2011 and 29th July, 2011.

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

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

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

III. Committees of Directors

A Mandatory Committees

i. Audit Committee of Directors (Audit Committee)

Composition

The Audit Committee comprises of experts specialising in accounting / financial management. The Chairman of the Audit Committee is a Non-executive and Independent Director. The present composition of the Audit Committee is as follows:

Name	From	No. of meetings during FY 2010-11	
		Held	Attended
Mr. Yezdi H. Malegam, Chairman	15.12.2000	5	5
Mr. Joe Kaeser / Dr. Otmar Schmitt (Alternate Director for Mr. Joe Kaeser)	01.10.2006	5	4*
Mr. Deepak S. Parekh	22.11.2004	5	5
Mr. Keki Dadiseth	01.02.2006	5	2

* Mr. Kaeser attended 3 meetings and Dr. Schmitt attended 1 Meeting.

Mr. Ajai Jain, Vice President (Legal) & Company Secretary, is appointed as Secretary to the Committee with effect from 1st August, 2008.

During the Financial Year 2010-11, 5 Meetings were held on 30th October, 2010, 24th November, 2010, 28th January, 2011, 12th May, 2011 and 29th July, 2011.

The Executive Director and the Heads of Accounts, Finance and Taxation Departments, Regional Compliance Officer, Internal Auditors and the Statutory Auditors are permanent invitees to the Meetings.

Terms of reference

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

The terms of reference are briefly described below:

- a. Oversight of the Company's financial reporting process and disclosure of financial information.
- b. Recommend the appointment, re-appointment and, if required, replacement or removal of Statutory Auditors, fixation of audit fees and approving payments for any other services.
- c. Review with management the annual and quarterly financial statements before submission to the Board.
- d. Review with management, performance of Statutory and Internal Auditors and adequacy of internal control systems.
- e. Review the adequacy of internal audit function.
- f. Discussions with Internal Auditors of any significant findings and follow-ups thereon.
- g. Review the findings of any internal investigations by the Internal Auditors.
- h. Discussions with Statutory Auditors before the audit commences, of the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.
- i. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- j. Review the functioning of the Whistle Blower mechanism.
- k. Review the following information:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions;
 - Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and remuneration of the Chief Internal Auditor; and
 - The financial statements, in particular, the investments made by unlisted subsidiary companies.In addition to the above, the following disclosures are made to the Audit Committee, as and when applicable:
 - Basis of related party transactions;
 - Disclosure of Accounting Treatment; and
 - Utilisation / application of proceeds from public issues, rights issues, preferential issues, etc., if any.

The Audit Committee is vested with the necessary powers, as defined in its Charter, to achieve its objectives. The Chairman of the Audit Committee was present at the 53rd Annual General Meeting held on 28th January, 2011.

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

Composition

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

Name	From	No. of meetings during FY 2010-11	
		Held	Attended
Mr. Darius C. Shroff, Chairman	15.12.2000	2	2
Mr. Pradip V. Nayak	01.02.2006	2	2
Dr. Armin Bruck	01.01.2008	2	2

During the Financial Year 2010-11, the Committee met on 29th October, 2010 and 19th January, 2011.

Annexure III to the Directors' Report (Continued)

Corporate Governance Report

Mr. Ajai Jain, Vice President (Legal) & Company Secretary, is the "Compliance Officer" pursuant to the requirement of the Securities and Exchange Board of India (SEBI) Regulations and Listing Agreement.

Details of Investors' Complaints

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

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

The details of Complaints received, cleared / pending during the Financial Year 2010-11 is given below:

Nature of Complaints	Received	Cleared	Pending
Non-receipt of Share Certificates duly transferred	16	16	0
Non-receipt of dividend warrants	6	6	0
Letters from SEBI	12	8	4*
Letters from Stock Exchanges	4	4	0
Letters from Depositories	1	1	0
Total	39	35	4*

* Since resolved

B. Non-Mandatory Committees

Remuneration Committee of Directors (Remuneration Committee)

Composition

Name	From	No. of meetings during FY 2010-11	
		Held	Attended
Mr. Narendra J. Jhaveri, Chairman	15.12.2000	3	3
Mr. Darius C. Shroff	15.12.2000	3	3
Mr. Deepak S. Parekh	01.10.2004	3	2
Mr. Pradip V. Nayak	23.07.2007	3	3

During the Financial Year 2010-11, the Committee met on 24th November, 2010, 12th May, 2011 and 7th September, 2011.

Terms of reference

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

Remuneration Policy

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

1. For Whole-time Directors

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

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

PLI, benefit under the Equity based compensation programs of Siemens AG / Siemens Ltd. and Commission constitute the variable component of remuneration. PLI is computed on the basis of specific targets set for each Whole-time Directors every year. The targets are also linked to the Company's targets. PLI is paid to the Whole-time Directors on achievement of the said targets. Commission is determined on the basis of the Net Profits of the Company in a particular Financial Year, subject to the overall ceiling as stipulated in Sections 198 and 309 of the Companies Act, 1956.

Remuneration paid / payable to the Whole-time Directors for the Financial Year 2010-11

(Amount in `)

	Dr. Armin Bruck	Mr. Sunil Mathur	Mr. Vijay V. Paranjape
Salary	11,287,800	7,218,000	5,417,700
Perquisites ⁽¹⁾	30,248,075	17,388,063	9,680,443
Performance Linked Incentive / One time special payment	32,130,762	19,208,304	12,677,468
Compensation under Stock Option Plan(s) of Siemens AG	6,147,207	Nil	1,661,677
Commission	Nil	Nil	Nil
Total	79,813,844	43,814,367	29,437,288
Tenure			
From	01.10.2007	22.07.2008	01.02.2007
To	30.09.2012	21.07.2013	30.09.2011
Shares of ` 2 each held as on 30.09.2011	Nil	Nil	7,348

Note:

- (1) Perquisites include Company's contribution to Provident Fund and Superannuation Fund for Directors (except Dr. Armin Bruck). Further, Overseas Allowance and Special Allowance are included in the perquisites for Dr. Armin Bruck and Mr. Sunil Mathur, respectively.
- (2) In addition to the amounts disclosed above, the Board has approved an additional amount of ` 38,50,000 as one time special payment for Mr. Vijay Paranjape, which will be paid in the Financial Year 2011-12.
- (3) Certain Whole-time Directors are covered under the Company's gratuity, leave, medical and silver / golden jubilee schemes along with the other employees of the Company. These liabilities are determined for all employees by an independent actuarial valuation. The specific amount for such benefits can't be ascertained separately and accordingly the same has not been included above.

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

Annexure III to the Directors' Report (Continued)

Corporate Governance Report

2. For Non-executive Directors

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

Sitting Fees

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

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

Commission

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

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

Remuneration paid / payable to the Non-executive Directors for the Financial Year 2010-11:

Name	Sitting Fees for Board / Committee Meetings attended (`)	Commission ⁽¹⁾ (`)	Total (`)	Number of Equity Shares of ` 2 each held as on 30.09.2011
Mr. Deepak S. Parekh	290,000	4,200,000	4,490,000	9,000
Mr. Yezdi H. Malegam	300,000	3,520,000	3,820,000	6,250
Mr. Darius C. Shroff	200,000	2,220,000	2,420,000	9,000
Mr. Narendra J. Jhaveri	150,000	2,160,000	2,310,000	5,000
Mr. Keki Dadiseth	90,000	720,000	810,000	Nil
Mr. Pradip V. Nayak	190,000	2,160,000	2,350,000	Nil
Mr. Joe Kaeser ⁽²⁾	N.A.	N.A.	N.A.	Nil
Mr. Wolfgang Dehen ⁽²⁾	N.A.	N.A.	N.A.	Nil
Dr. Otmar Schmitt	40,000	300,000	340,000	Nil
Mr. Stephan Schneider ⁽²⁾	N.A.	N.A.	N.A.	Nil
Dr. Roland Busch ⁽²⁾	N.A.	N.A.	N.A.	Nil

Notes:

- (1) Subject to the approval of Annual Accounts for the Financial Year 2010-11 by the Members at the 54th Annual General Meeting to be held on 31st January, 2012.
- (2) Opted not to accept any Sitting Fees or Commission.

Mr. Darius C. Shroff is a Senior Partner of M/s. Crawford Bayley & Co., Solicitors & Advocates, who have a Professional relationship with the Company. The professional fees of ` 776,000/- paid to M/s. Crawford Bayley & Co., during the Financial Year under review, is not considered material enough to impinge on the independence of Mr. Darius C. Shroff.

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

C. Other Committees of Directors

i. Corporate Governance Committee of Directors

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

Composition

Name	From
Mr. Keki Dadiseth, Chairman	01.06.2007
Mr. Deepak S. Parekh	01.06.2007
Mr. Yezdi H. Malegam	01.06.2007
Mr. Darius C. Shroff	23.07.2007
Mr. Joe Kaeser / Dr. Otmar Schmitt (Alternate Director for Mr. Joe Kaeser)	01.06.2007
Dr. Armin Bruck	01.01.2008

During the Financial Year 2010-11, the Committee met on 30th October, 2010, 28th January, 2011 and 12th May, 2011.

ii. Investment Committee of Directors (Investment Committee)

Composition

Name	From
Mr. Deepak S. Parekh, Chairman	23.07.2007
Mr. Yezdi H. Malegam	23.07.2007
Mr. Pradip V. Nayak	23.07.2007
Mr. Joe Kaeser / Dr. Otmar Schmitt (Alternate Director for Mr. Joe Kaeser)	23.07.2007
Mr. Sunil Mathur	01.10.2008

The Investment Committee Meetings are held as and when required. No meetings were held during the Financial Year 2010-11. The role of the Committee includes reviewing guidelines for investing surplus funds of the Company, reviewing proposals of mergers and acquisitions, valuations, investment proposals and periodical monitoring of investments, authorizing negotiation of the terms and conditions of the various credit / financial facilities and carrying out such other function as may be delegated by the Board from time to time.

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

i. Share Transfer Committee (STC)

Composition

Name	From
Dr. Armin Bruck, Chairman	01.01.2008
Mr. Sunil Mathur	01.10.2008
Mr. Ajai Jain, Member & Secretary	01.08.2008

The STC notes and takes on record the transfer / transmission / transposition of shares and consolidation / splitting of folios, issue of share certificates in exchange for sub-divided, consolidated, defaced, etc., as approved by the authorised persons. The STC also notes the dealings in the Shares by the designated employees under the Company's Code of Conduct for Prevention of Insider Trading. 12 Meetings of the STC were held during the Financial Year 2010-11.

Annexure III to the Directors' Report (Continued)

Corporate Governance Report

ii. Finance Committee (FC)

Composition

Name	From
Mr. Sunil Mathur, Chairman	01.10.2008
Dr. Armin Bruck	01.01.2008
Mr. Ajai Jain, Member & Secretary	01.08.2008

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. 15 Meetings of the FC were held during the Financial Year 2010-11.

iii. Delegation of Powers Committee (DPC)

Composition

Name	From
Dr. Armin Bruck, Chairman	01.01.2008
Mr. Sunil Mathur	22.07.2008
Mr. Ajai Jain, Member & Secretary	01.08.2008

The DPC issues / revokes Powers of Attorney, fixes the procedures for signing authority, grants authority for various purposes to the employees, etc. The DPC Meetings are held as and when required. 18 Meetings of the DPC were held during the Financial Year 2010-11.

V. Subsidiary companies

The Company does not have any Subsidiary as on 30th September, 2011.

The Company monitors the performance of its subsidiaries, inter alia, by the following means:

- The Financial Statements, in particular the investments made by the unlisted subsidiary companies, are reviewed by the Company's Audit Committee as well as by the Board.
- The Minutes of Board Meetings of the subsidiaries are noted at the Board Meetings of the Company.
- Details of significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Company's Board, as and when applicable.

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

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

VII. Risk Management Framework

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

VIII. Business Conduct Guidelines (BCGs)

The Company has adopted BCGs as the Code of Conduct for Directors, including Non-executive Directors and Senior Management of the Company, as per the requirement of Clause 49 I D of the Listing Agreement. The Company has received confirmations from all the Directors and Senior Management of the Company regarding compliance with the BCGs for the year ended on 30th September, 2011. A certificate from Dr. Armin Bruck, Managing Director, to this effect, is attached to this Report. The BCGs can be viewed on the website of the Company www.siemens.co.in.

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

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

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

X. Code of Conduct for Prevention of Insider Trading

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

XI. General Body Meetings

Financial Year	Meeting and Venue	Day, Date and Time	Special Resolutions passed
2010-11	Extra-Ordinary General Meeting Indian Merchant's Chamber, Walchand Hirachand Hall, 4 th Floor, Indian Merchants Chamber Marg, Churchgate, Mumbai – 400 020.	Thursday, 24 th March, 2011 3.00 p.m.	Approving the issue and allotment of shares consequent to amalgamation of Siemens Healthcare Diagnostics Limited with Siemens Limited during SAG's Offer Period.
2009-10	53rd Annual General Meeting Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021.	Friday, 28 th January, 2011 3.00 p.m.	No special resolution passed.
2008-09	52nd Annual General Meeting Nehru Centre Auditorium, Dr. Annie Besant Road, Worli, Mumbai – 400 018.	Friday, 29 th January, 2010 3.00 p.m.	(a) Approving payment of commission to Non-Executive Directors (b) Approving 'Siemens Limited – Share Matching Plan' (SMP Scheme) (c) Approving SMP Scheme to the employees of Indian subsidiaries of the Company
2007-08	51st Annual General Meeting Yashwantrao Chavan Pratishthan Auditorium, Y. B. Chavan Centre, General Jagannathrao Bhonsle Marg, Nariman Point, Mumbai - 400 021.	Friday, 30 th January, 2009 3.00 p.m.	Approving Amendment to the Articles of Association of the Company pertaining to addition of new clause with respect to implementation of Siemens Internal Regulations.

During the last Financial Year, no resolution was passed through Postal Ballot in accordance with Section 192A of the Companies Act, 1956.

XII. Disclosures

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

Annexure III to the Directors' Report (Continued)

Corporate Governance Report

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

XIII. Means of Communication

- a. The Quarterly / Annual Financial Results of the Company are published in the Business Standard and Navshakti.
- b. The following are also promptly displayed on the Company's website www.siemens.co.in:
- Financial Results, Shareholding Pattern, Annual Report and the Presentations, as and when made, to the media and analysts in the 'Investor Relations' Section.
 - Official press releases in the 'Press' Section.
 - Letters / intimation to Stock Exchanges in the 'Notices for Corporate Development' Section under the 'Investor Relations' Section.
- c. Information about the Financial Results, Shareholding Pattern, and other specified details are now electronically filed through the Corporate Filing and Dissemination System (CFDS) as required under the Listing Agreement. Investors can view this information by visiting the website www.corpfiling.co.in.
- d. The Management's Discussion and Analysis forms part of the Directors' Report as **Annexure II**.

XIV. General Shareholder Information

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

XV. Status of compliance with non-mandatory requirements

1. The Company has constituted a Remuneration Committee of Directors comprising of Non-executive and Independent Directors.
2. As mentioned earlier, the Company has adopted Whistleblower Policy.
3. The Company is in the regime of unqualified financial statements.

On behalf of the Board of Directors
For Siemens Ltd.



Deepak S. Parekh
Chairman

Mumbai
Tuesday, 22nd November, 2011

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

In accordance with Clause 49 I D of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Business Conduct Guidelines (Code of Conduct), as applicable to them, for the Financial Year ended on 30th September, 2011.

For Siemens Ltd.



Dr. Armin Bruck
Managing Director

Mumbai
Tuesday, 22nd November, 2011

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

To the Board of Directors of Siemens Ltd.,

Dear Sirs,

- a) We have reviewed the financial statements and the cash flow of Siemens Ltd. ('the Company') for the year ended 30th September, 2011 and to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into between the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) Significant changes in the internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed suitably in the notes to the financial statements;
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control systems over financial reporting.

Yours truly



Sunil Mathur
Executive Director / CFO

Mumbai
Tuesday, 22nd November, 2011



Dr. Armin Bruck
Managing Director / CEO

Certificate of Compliance

To
The Members of Siemens Limited

We have examined the compliance of conditions of Corporate Governance by Siemens Limited ('the Company'), for the year ended on September 30, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchanges.

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

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

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

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

per Sudhir Soni
Partner
Membership No.: 41870

Mumbai
Date: 22 November 2011

Annexure IV to the Directors' Report

General Shareholder Information

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

1. 54th Annual General Meeting

Day, date and time	Tuesday, 31 st January, 2012 at 3.00 P.M.
Venue	Yashwantrao Chavan Pratishthan Auditorium Y. B. Chavan Centre General Jagannathrao Bhonsle Marg Nariman Point, Mumbai - 400 021

2. Financial Calendar

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

For the Financial Year 2011-12, Financial Results will be announced as per the following tentative schedule:

1 st quarter ending 31 st December, 2011	Fifth week of January, 2012
2 nd quarter ending 31 st March, 2012	Second week of May, 2012
3 rd quarter ending 30 th June, 2012	Fifth week of July, 2012
Year ending 30 th September, 2012	Fourth week of November, 2012

3. Book Closure

The Company's Register of Members and Share Transfer Books will remain closed from Wednesday, 18th January, 2012 to Tuesday, 31st January, 2012 (both days inclusive).

4. Dividend

Dividend will be paid on 6th February, 2012.

5. 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:

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

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

The Company has paid the listing fees for the Financial Year 2011-12 to the aforesaid Stock Exchanges.

The Company forms part of "S&P CNX Nifty Index" of NSE. S&P CNX Nifty represents the Shares of 50 elite Companies in the Country from across 24 sectors of the Economy. BSE has permitted trading of the Company's Shares in the 'A Group'. The Company's Shares are also available for trading in the Futures & Options segment. The market lot for trading in the Company's Shares in this segment is 250.

6. 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

Annexure IV to the Directors' Report (Continued)

General Shareholder Information

7. Custodial Fees to Depositories

The annual custodial fees for the Financial Year 2011-12 has been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

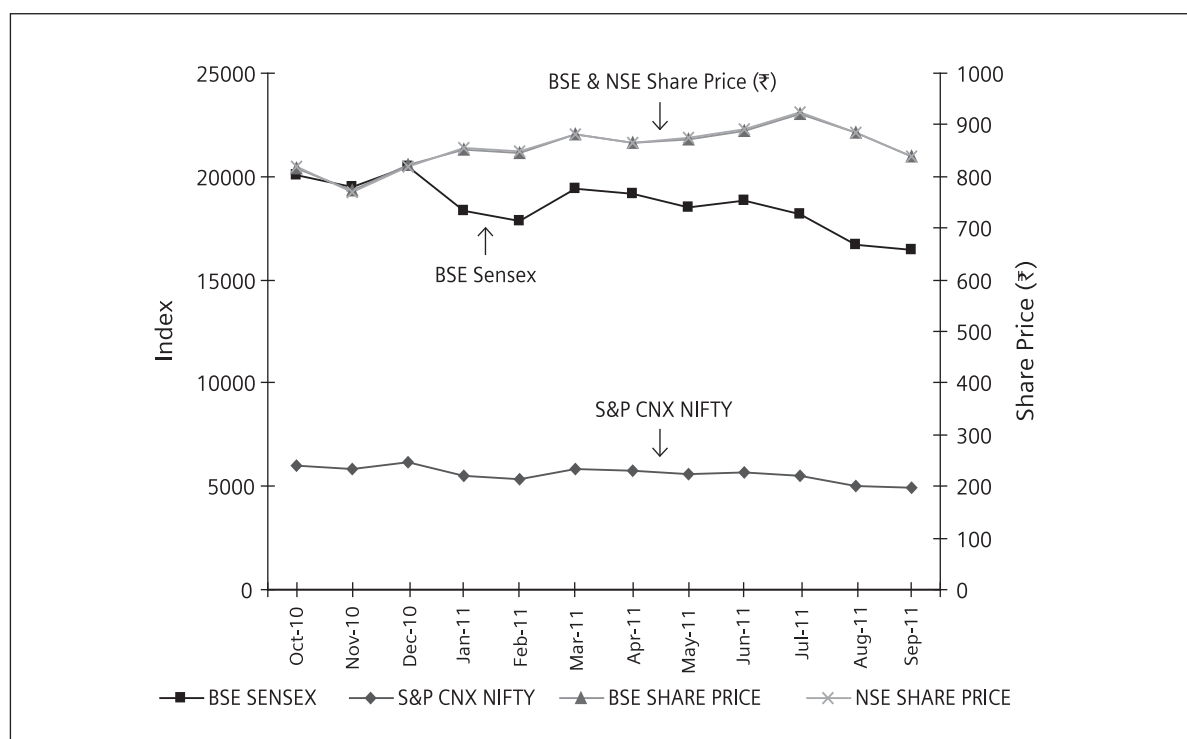
8. Market Price Data

- (1) The market price and volume of the Company's Shares traded on BSE and NSE during each month of the last Financial Year from 1st October, 2010 to 30th September, 2011 are as follows:

Face Value of ₹ 2 each

	BSE			NSE		
	High	Low	Volume	High	Low	Volume
	(₹)	(₹)	(Nos.)	(₹)	(₹)	(Nos.)
October 2010	856.50	790.25	1,105,627	856.15	792.00	8,047,255
November 2010	850.00	733.35	890,833	849.85	734.00	6,819,064
December 2010	828.00	754.00	801,874	828.40	754.20	6,812,627
January 2011	884.95	690.05	2,903,351	884.60	690.65	11,951,785
February 2011	865.00	835.25	2,580,733	862.80	835.50	8,991,600
March 2011	896.50	844.00	2,425,512	887.00	844.25	10,747,195
April 2011	901.00	804.15	3,400,741	900.05	804.00	17,195,151
May 2011	887.70	830.05	840,338	887.00	828.80	5,432,023
June 2011	902.80	832.00	688,754	904.70	828.20	2,754,109
July 2011	951.00	878.00	684,066	950.00	876.00	3,634,797
August 2011	928.95	840.05	323,987	929.50	840.00	2,640,239
September 2011	900.00	816.20	379,413	900.00	812.40	3,056,377

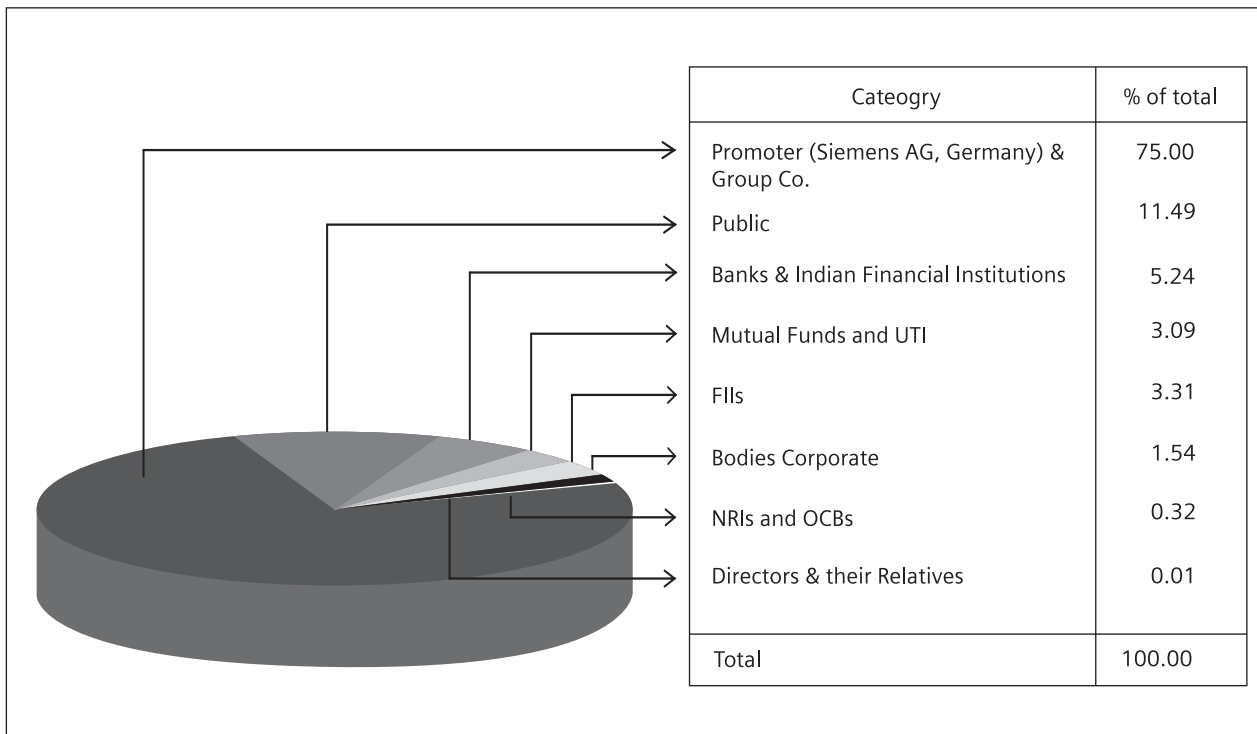
- (2) Company's closing share price movement during the Financial Year 2010-11 on BSE and NSE vis-à-vis respective indices:



9. Distribution of Shareholding as on 30th September, 2011

Number of Shares held (Face Value ` 2 each)	Shareholders		Shares	
	Number	% of total	Number	% of total
1-500	141,501	97.46	20,297,856	5.96
501-1000	2,317	1.59	8,032,591	2.36
1001-2000	770	0.53	5,366,400	1.58
2001-3000	230	0.16	2,815,628	0.83
3001-4000	98	0.07	1,727,292	0.51
4001-5000	46	0.03	1,031,880	0.30
5001-10000	99	0.07	3,450,403	1.01
10001 & above	130	0.09	297,572,850	87.45
Total	145,191	100.00	340,294,900	100.00

10. Shareholders' Profile as on 30th September, 2011



No. of shareholders as on 30 th September	2011	2010
	145,191	162,135

Annexure IV to the Directors' Report (Continued)

General Shareholder Information

11. Top Ten Shareholders of the Company as on 30th September, 2011

Sr. No.	Name of the Shareholder	Category	Number of Shares of ` 2 each	% of total Capital *
1	Siemens Aktiengesellschaft, Germany ⁽¹⁾	Promoter	255,221,175	75.00
2	Life Insurance Corporation of India	Financial Institution	13,105,866	3.85
3	Bharat Bijlee Limited	Body Corporate	2,138,160	0.63
4	General Insurance Corporation of India	Financial Institution	1,767,503	0.52
5	Reliance Capital Trustee Company Limited A/C Reliance Vision Fund	Mutual Fund	1,451,086	0.43
6	Housing Development Finance Corporation Limited	Body Corporate	1,293,100	0.38
7	DSP Blackrock Top 100 Equity Fund	Mutual Fund	1,144,193	0.34
8	Vanguard Emerging Markets Stock Index Fund, A series of Vanguard International Equity Index Fund	Foreign Institutional Investor	1,062,324	0.31
9	Bajaj Allianz Life Insurance Company Ltd.	Body Corporate	987,462	0.29
10	Reliance Capital Trustee Co. Ltd. A/C Reliance Monthly Income Plan	Mutual Fund	900,000	0.26
Total			279,070,869	82.27

* Total Paid-up Equity Share Capital is ` 680,589,800 i.e. 340,294,900 Equity Shares of ` 2 each.

(1) Including 0.63% Shares held by Siemens Diagnostics Holding II B.V., Netherlands, a subsidiary of Siemens AG.

12. Dematerialisation of Shares & Liquidity

The details of Equity Shares dematerialised and those held in physical form as on 30th September, 2011 are given hereunder:

Particulars of Equity Shares	Equity Shares of ` 2 each		Shareholders	
	Number	% of total	Number	% of total
Dematerialized form				
NSDL	328,398,507	96.51	97,214	66.95
CDSL	6,063,323	1.78	38,746	26.69
Sub-total	334,461,830	98.29	135,960	93.64
Physical Form	5,833,070	1.71	9,231	6.36
Total	340,294,900	100.00	145,191	100.00

* Including 75.00% holding of Siemens AG, Germany and its subsidiary, i.e. Siemens Diagnostics Holding II B.V., Netherlands.

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.(TSRDL) , 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.

13. Registrar and Share Transfer Agent

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 Ltd. (TSRDL).

TSR Darashaw Ltd.

6-10, Haji Moosa Patrawala Industrial Estate

20, Dr. E. Moses Road

Mahalaxmi, Mumbai – 400 011

Time: 10 a.m. to 3.30 p.m. (Monday to Friday)

Phone: +91 (022) 6656 8484

Fax: +91 (022) 6656 8494

Email: csg-unit@tsrdarashaw.com

Website: www.tsrdarashaw.com

For the convenience of shareholders based in the following cities, transfer documents and letters will also be accepted at the following Branch Offices of TSR Darashaw Ltd.:

- TSR Darashaw Ltd.
503 Barton Centre, 5th Floor,
84, M. G. Road,
Bangalore - 560 001
Phone: + 91 (080) 2532 0321
Fax: + 91 (080) 2558 0019
Email: tsrdlbg@tsrdarashaw.com
- TSR Darashaw Ltd.
Tata Centre 1st Floor,
43, Jawaharlal Nehru Road,
Kolkata - 700 071
Phone: + 91 (033) 2288 3087
Fax: + 91 (033) 2288 3062
Email: tsrdlcal@tsrdarashaw.com
- TSR Darashaw Ltd.
Plot No 2/42, Sant Vihar,
Ansari Road, Daryaganj,
New Delhi - 110 002
Phone: + 91 (011) 2327 1805
Fax: + 91 (011) 2327 1802
Email: tsrdldel@tsrdarashaw.com
- TSR Darashaw Ltd.
Bungalow No. 1, 'E' Road,
Northern Town, Bistupur,
Jamshedpur - 831 001
Phone: + 91 (0657) 2426 616
Fax: + 91 (0657) 2426 937
Email: tsrdljrsr@tsrdarashaw.com
- Shah Consultancy Services Pvt. Ltd.
Agents : TSR DARASHAW LIMITED
3, Sumatinath Complex,
Pritam Nagar, Akhada Road,
Ellisbridge, Ahmedabad - 380 006
Telefax: + 91 (079) 2657 6038
Email: shahconsultancy8154@gmail.com

14. 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 20-23 days from the date of receipt, if the documents are complete in all respects.

Annexure IV to the Directors' Report (Continued)

General Shareholder Information

15. Plant Locations

Location	Address
Maharashtra	
Aurangabad Works	E-76 & F54, Waluj, MIDC Area, Aurangabad - 431 136
	Plot No – A 1/2, Five Star MIDC, Shendra, Aurangabad – 431 201
Nashik Works	Plot No. C-1, Additional Industrial Area, MIDC, Ambad, Nashik - 422 010
Kalwa Works	Thane - Belapur Road, Thane - 400 601
Motor Works Kalwa	Plot No. R-508 , TTC, Industrial Area, MIDC, Rabale, Thane- 400 701
Transformer Works Kalwa	Thane-Belapur Road, Airoli, Navi Mumbai – 400 708
Goa	
Goa Works	L-6, Verna Industrial Area, Panjim-Margao Highway, Verna, Goa – 403 722
	Plot No C-21,23,25 & 26, Phase 1A, Verna Industry Estate, Verna Salcette, Goa - 403 722
Gujarat	
Vadodara Works	R.S.No:144, Maneja Village, Opp. Makarpura Rly. Station, Vadodara – 390 013
	589 Sayajipura, Ajwa Road, Vadodara – 390 019, Gujarat
	Plot B, Halol Phase -II, GIDC Industrial Estate, Village Chandrapura, Halol, Dist Panchmahal, Gujarat 389 350
Andhra Pradesh	
Hyderabad Works	Plot No. 89 & 90, IDA, Gandhinagar, Post Balanagar, Hyderabad – 500 037
Karnataka	
Bangalore Works	972, Devanahalli Road, Off Old Madras Road, Virgonagar Post, Bangalore - 560 049
West Bengal	
Kharagpur Works	Nimpura Industrial Growth Centre, PO: Rakhajungle, Paschim Midnapur, Kharagpur – 721 301
Puducherry	
Puducherry Works	MMG Manufacturing Group - Unit -I, R.S. No. 16/8, Kurumbapet Village, Villianur Commune, Puducherry - 605 009
	MMG Manufacturing Group - Unit -II, R.S. No. 23/2A, Uruvaiyaru Road, Abishegapakkam, Puducherry - 605 007

16. Additional Information

Development of Share Capital (Equity & Preference)

Year	Authorised Capital	Paid-up Capital	Ratio	Remarks
	(`) in Million			
1961	10	5.00	-	2,000 shares were issued towards private placement.
1965	30	12.00	-	7,000 shares were issued towards private placement.
1971	30	24.00	-	Share Value of ` 1,000/- per share sub-divided into ` 10/- each. FIRST PUBLIC ISSUE AT PAR Issued 600,000 Shares to SAG and 600,000 to Public.
1975	48	48.00	1 for 1	1 st Bonus allotted on 03.09.1975
1977	72	72.00	1 for 2	2 nd Bonus allotted on 25.08.1977
1982	120	108.00	1 for 2	3 rd Bonus allotted on 16.06.1982
1987	250	135.00	1 for 4	4 th Bonus allotted on 05.06.1987
1987	250	207.68	1 for 2	1 st Rights Issue of 7,438,800 Shares of ` 10 each at ` 30/- premium aggregating to ` 298 Million, allotted on 01.10.1987 (5% to Employees).
1993	500	283.97	1 for 3	2 nd Rights Issue of 7,629,000 Shares of ` 10 each at ` 125/- premium aggregating to ` 1,030 Million allotted on 02.08.1993 (5% to Employees).
1997	Equity 500 Preference 1,500	283.97 500.00		Preference Shares worth ` 500 Million were issued to HDFC, I. SEC & Deutsche Bank on Private Placement Basis.
1998	Equity 500 Preference 1,500	283.97 1,070.00		Redemption of Preference Shares worth ` 100 Million and new issue worth ` 670 Million.
1999	Equity 500 Preference 1,500	354.94 ---	1 for 4	3 rd Rights Issue of 7,099,250 Shares of ` 10 each at ` 190/- premium aggregating to ` 1,420 Million allotted on 26.11.1999. Redemption of entire Preference Shares.
2001	Equity 500 Preference 1,500	354.94 ---		Buyback of shares commenced on 25.06.2001. Buyback amount ` 805 Million and maximum price ` 250/- each.
2002	Equity 500 Preference 1,500	331.38 ---		Buyback closed on : 25.02.2002 No. of Equity Shares bought back : 2,355,794 Average Price : ` 197.49 per Share Consequent increase in Siemens AG's holding from 51% to 54.63%.

Annexure IV to the Directors' Report (Continued)

General Shareholder Information

2006	Equity 500	337.16		Pursuant to the Scheme of Amalgamation of Siemens VDO Automotive Ltd. (SVDO) with Siemens Ltd. (SL), 1 Share of ₹ 10 each of SL was issued for every 12 Shares held of SVDO on 14.03.2006. Total No. of Shares issued: 577,617. Every Equity Share of ₹ 10 each was sub-divided into 5 Equity Shares of ₹ 2/- each pursuant to Shareholders approval with effect from 21.06.2006.
	Preference 1,500	---		
2008	Equity 2,000	674.32	1 for 1	5 th Bonus allotted on 12 th March, 2008.
2011	Equity 2,000	680.58		Pursuant to the Scheme of Amalgamation of Siemens Healthcare Diagnostics Ltd. (SHDL) with Siemens Ltd. (SL), 2 Shares of ₹ 2/- each of SL were issued for every 1 Share of ₹ 10/- held of SHDL on 24 th March, 2011. Total No. of Shares issued: 3,134,700.

17. Address for correspondence

Registered and Corporate Office:

Siemens Ltd.

130, Pandurang Budhkar Marg

Worli, Mumbai - 400 018, India

Phone: +91 (022) 3967 7000 Fax: +91 (022) 3967 7500

Website: www.siemens.co.in

Investors' Relations Team:

Contact Person: Ms. Sarika Amlekar

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

Phone: +91 (022) 3967 7547 Fax: +91 (022) 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 Investors' Relations Team of the Legal Department is located at the Registered Office. For the convenience of our investors, transfer requests, etc. are accepted at the Registered Office also.

18. Other Corporate Information

Bankers

Citibank N. A.

Deutsche Bank AG

The Hongkong and Shanghai Banking Corporation Ltd.

Standard Chartered Bank

HDFC Bank Ltd.

ICICI Bank Ltd.

State Bank of India

Auditors

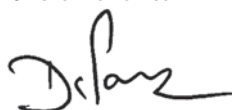
S.R. Batliboi & Associates

Cost Auditors

R. Nanabhoy & Co.

On behalf of the Board of Directors

For Siemens Ltd.



Deepak S. Parekh

Chairman

Mumbai

Tuesday, 22nd November, 2011

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

Clean drinking water for all, today and every day.



Siemens answers are making helping communities keep their water reserves clean.

Less than one percent of our planets water resource is drinkable. Keeping it pure and clean is a tough job. With Siemens water treatment systems, communities are keeping their supply of scarce drinking water clean. Through our leadership in providing cost-effective and sustainable water treatment systems, we are helping big and small corporations and communities manage their water resources better. When the world is looking for ways to conserve water for generations to come, Siemens has the answers that last.

[siemens.com/answers](https://www.siemens.com/answers)

Corporate Citizenship

In FY 2011, Corporate Social Responsibility at Siemens Ltd. got a renewed focus on sustainability, and also expanded its scope with additional economic, environmental and social dimensions. It was thus renamed as Corporate Citizenship. Through its corporate citizenship initiatives that promote social development by creating a viable economic future, Siemens Ltd. strives to be an integral part of society. Another significant development in the year was the increased utilization of Siemens technology and innovation in corporate citizenship initiatives.

The environmental dimension of Corporate Citizenship was highlighted through the initiative of recycling disused paper at the Company's corporate office. The recycled paper took the form of notepads. In all, over 1 ton of paper was recycled into 300 note pads. Recycling of 1 ton of disused paper can save 18 trees, 70% energy and reduce 95% pollution (for similar amounts of notepads produced under normal process). These note pads were distributed to address the Company's stationary requirements. The initiative is planned to be introduced in all other locations next year.

An environmental awareness programme for employees was organized at eight locations of the Company in association with Greenpeace on the occasion of World Earth Day. Among the activities was a session on making paper bags.

Sanjeevan mobile healthcare clinics

The Siemens mobile healthcare clinic "Sanjeevan" embodies the Company's corporate value system as it delivers a sustainable and self-sufficient solution to the local population's need for healthcare. The mobile clinics are aimed at extending the reach of quality and affordable primary healthcare support across remote rural areas.



Siemens AG CEO Mr. Peter Loescher handing over the symbolic key of Sanjeevan mobile clinic to Dr. Naresh Trehan.

Sanjeevan is an indigenously-developed mobile concept from Siemens Ltd., which is designed and equipped to operate as a mobile healthcare clinic and is fully-equipped with the Siemens Healthcare technology. With facilities such as pathology, laboratory equipments and accessories, EGG and even a film development unit, the mobile clinic answers the needs of the Indian rural population. It allows for an advanced medical examination that will improve the lives of many individuals who do not have access basic healthcare.

Medanta Medicity partnered with Siemens will be operating the mobile healthcare clinic, including providing qualified staff in remote, rural areas in Haryana.

Disaster Relief

Japan earthquake and tsunami

Siemens Ltd. employees responded whole-heartedly to the appeal to contribute to the disaster relief efforts for the devastating earthquake and tsunami that wrecked parts of Japan. Over 2,500 employees contributed Rs. 23,22,598, which was handed over to the Japanese Red Cross society through the Delhi Chapter of Red Cross. The funds will enable the Japanese Red Cross organization to pay for electrical power and kerosene, medical aid, psychological support, clothing and blankets. Siemens AG, the Company's parent, contributed an equal sum to the relief effort.

Tsunami Rehabilitation project, Sri Lanka

The Company set up two social and learning centers for women and children during the year in Sri Lanka as part of the 2004 tsunami rehabilitation project. Siemens Ltd. is partnering Ape Dayawa - the German Business Community in Sri Lanka, which in turn has been working with Jana Suwaya, the partner NGO, to provide long-term rehabilitation in severely-affected regions of Tangalle and Hambantota in Sri Lanka. The centers provide computer training, support education and training for self-development for women and children. It will also provide space for residents to meet and interact for community development. Loans were disbursed to over 1,800 affected individual this year enabling women to take up livelihood activities like doll making, tailoring, pottery, etc.

Tsunami rehabilitation project (second phase), Tamil Nadu

Siemens Ltd. successfully completed the tsunami rehabilitation project in Tamil Nadu, positively impacting healthcare, housing, education, providing livelihood opportunities and rural development. The Company, along with the German Business Community and Srinivasan Services Trust, the partner NGO, had adopted four panchayats in the worst-affected regions of Nagapattinam and Kanyakumari districts in 2004 for a period of six years. The project has a long-term goal to lift 80 % of the 5,087 families with a total population of 21,246 in the adopted villages above the poverty line.

Corporate Citizenship (*Continued*)

In addition, this year, the Company extended support to four new panchayats of 25 villages with a total population of 34,515 in Nagapattinam. The Company will continue this support for the next three years. The project will focus on interventions in healthcare, education, infrastructure support and livelihood.

Education of under-privileged children at Gurgaon

Under the "Siemens Caring Hands" initiative, Siemens Ltd. provided funds for water purification facilities, books, stationery, and other basic utilities for six educational centers run by a charitable organization Association of India Development (AID) in Gurgaon.

Making cities greener

A total of 116 Graduate Trainee Engineers (GTEs) from the Energy Sector undertook a tree plantation drive in collaboration with CPWD, Department of Horticulture, Government of India. The GTEs planted 100 saplings at Buddha Jayanti Park, New Delhi.

ONGOING INITIATIVES

St. Catherine's Home, Mumbai

Over the past eight years, the Company has been supporting over 100 children who reside at St. Catherine's Home, Bandra and Koperkhairane. In addition to contributing to the boarding and education expenses of the children, the Company organized counseling sessions and recreation programs with active participation from Siemens employee volunteers.

This year, the Company focused on making the children aware of the importance of the eco-system. This year, for the annual outing for the children, Siemens employee-volunteers accompanied the children to a nature trail of the Maharashtra Nature Park, which included an awareness program on reptiles. Also, to create awareness on environmental issues through fun and learning, workshops on eco-friendly Ganpati making and the 'reduce-reuse-recycle' concept were organized for the children.

Mentoring program

The Company's employees participate in the Employee Mentoring Program, where they spend time every weekend with the children assisting them in school work, embroidery, spoken English, sports, music, art & craft. During the year, over 19 employees volunteered to mentor the children. The mentors have initiated the set up of the "Making Science Fun" laboratory aimed at imparting knowledge about science using a hands-on approach which would be inaugurated in October, 2011.

Toys and story books

Employees of the Company collected and distributed around 600 toys and story books to the children of St. Catherine's Home. Toys and books form an important part of childhood



Employees assisting children at St. Catherine's as part of Employee Mentoring Program.

and help in building the foundation of every child. The employees collectively contributed over 270 books and more than 300 toys, along with many stationery items, clothes and other items of daily use towards this social cause.

'Green Tomorrow' greeting cards

The Company conducted a painting competition for the children of St. Catherine's Home at Bandra, Mumbai during the year. While the competition helped spread awareness on 'Green Tomorrow', the winning entries made it to the greeting cards which were then put up for sale. The funds generated from the cards – Rs 1.24 lakhs from 6,200 cards - were handed over to St. Catherine's Home.

Maa Gayatri School, Baroda

The Company continued its support to Maa Gayatri School, Vadodara, a Municipal school located near the Siemens factory in Vadodara. The support was in the form of upgrading the school infrastructure and creating an environment suitable for promoting primary education and learning.

NGO Stalls

During Diwali, Christmas and New Year, eight NGOs came together to put up stalls in the Company's premises in Mumbai and Bangalore offering for sale novelty items made by underprivileged and differently-abled women.

Sponsorships for caused-based support

As part of our sponsoring initiatives, the Company supports various events for social causes. This year, the Company supported around 25 events on environment, health, primary education, professional education and promoting art / culture / music and sports in India.

Support and Contribution



Employees spending time with children at AID.



Tree plantation by GTE's at Buddha Jayanti Park, New Delhi.



Employees supporting NGO stalls.



Toy and story book collection drive.



Mr. A K Dixit, CEO, Energy Sector, Siemens Ltd. (left) handing over employees' contribution to Red Cross Society.



Mr. Peter Loescher and Dr. Naresh Trehan inaugurating the Sanjeevan van.

Facilities Renovation



School at tsunami-affected area (before).



School after renovation.



Aanganwadi (before) at tsunami-affected village, Tamil Nadu.



Renovated Aanganwadi.



Kitchen shed (before) at tsunami-affected village, Tamil Nadu.



Kitchen shed after renovation.

Environment and Education Initiatives



Drawing competition on "Green Tomorrow".



Nature trail at Maharashtra Nature Park.



Making eco-friendly Ganapati idols at a workshop.



Employee teaching computer operations to under-privileged children.



Celebrating World Earth Day.



Participants in the 'Reuse, Recycle' workshop.

Sustainability is a key pillar of the corporate strategy at Siemens Ltd., with the three areas – environment, economy and society – governing all the activities at the Company. One of the main objectives of the Company is to grow profitably and generate long-term value for all stakeholders.

Economic

As part of its strategy to conduct business in a sustainable manner, the Company focuses on profitable business growth while ensuring that it adheres to ethical standards of doing business.

During the year, the Company's focus continued to be on improving operational efficiencies through process and cost optimization measures. To meet this objective, it concentrated on the professional management of the multiple projects that it implements and the risks that are associated with them using the latest Project Management tools available globally.

The Company also focused on growing steadily in the short cycle product business by working closer with Channel Distribution partners.

Innovation

The 100th gas-insulated switchgear (GIS) rolled out in FY 2011 reinforces the Company's commitment to offer latest, innovative technologies to Indian customers at an affordable price. The clientele for Siemens' GIS comprises leading companies in Power Generation, Transmission, Utilities and Industry. The solution saves substantial space and has lower operating and maintenance cost, together with very high reliability. The growing preference towards GIS is not only from Urban Utilities, but also from all major Transmission and Generation Utilities and Industry.

Among other innovations that the Company delivered were entry-level or SMART (simple-to-use, maintenance-friendly, affordable, reliable and timely-to-market) products. These value-based products have relevant, functional features and uncompromised quality. They have a very high utility value and are available at prices that attract a larger group of customers.

In FY 2011, the SMART portfolio comprised Ring Main Unit, SST 600 steam turbines, Smart at MT, low-end signaling, 3TS contractors, 3 SB5 pilot devices, A Compact motors and MV motors, Perfect Harmony MV drives, Smart x-ray machines and medium-voltage Switchgear BK80. The Company plans to completely localize the value chain.

Another example of our innovation is the reverse-osmosis machines developed by the Industry Sector for water purification. We also have set up a configuration center for sensors and communication products that reduces lead time by more than half – from the earlier 8 weeks to less than 3 weeks.

Compliance

During the year 2010-2011, the Company's Regional Compliance Office (RCO) team focused on building 'Conviction through Ethics' internally through extensive 'in-person' and 'web-based' trainings for employees. It also initiated efforts to ensure a corruption-free business environment in the corporate community in India. The effort will be sustained through robust 'Collective Action' initiatives / workshops. Siemens India RCO's Compliance Performance Index of 92% is also a strong indicator of the Compliance function being viewed as an enabler of sustainable business.

Social

Corporate Citizenship

The Company's Corporate Citizenship initiative reflected an increased focus on sustainability in FY 2011. Siemens Ltd. works toward becoming an integral part of society by promoting and supporting social development by creating a sustainable economic future.

The Sanjeevan mobile healthcare clinic has been identified as a sustainable, self-sufficient way of providing access to affordable primary healthcare in remote, rural areas. Equipped with the Siemens Healthcare technology and with facilities such as pathology, laboratory equipments and accessories, x-ray, mammogram, EGG and even a film development unit, two Sanjeevan mobile healthcare clinics were sanctioned during FY 2011 for Haryana and Bihar.

In Haryana, Medanta – the Medicity, one of India's largest multi-super specialty institutes located in Gurgaon and founded by eminent cardiac surgeon Dr. Naresh Trehan, will operate the clinic as well as provide qualified staff. The other clinic will be operated by an NGO Smile Foundation in Bihar.

Another sustainable Corporate Citizenship initiative was providing hand trolleys for porters. The Company has decided to donate 50 hand luggage trolleys to porters operating at Yeshwantpur Railway Station, Bangalore, as well as construct a stationing area for parking the trolleys.

As part of its ongoing Corporate Citizenship initiatives, the Company continued to support the boarding and education of children at St. Catherine's Home, Mumbai.

Occupational Health & Safety

To ensure that awareness of environmental health and safety (EHS) at Siemens Ltd. remains high, the Company worked at constantly improving and integrating its EHS methods, processes and systems on a continual basis. Relevant know-how was transferred to employees and vendors in order to minimize risks and anchor sustainable EHS across the Company.

Most of the Company's manufacturing facilities are already implementing EHS Management System in accordance with international standards. They are ISO 14001 & OHSAS 18001-certified. Siemens Ltd. is in the process of

Sustainability@Siemens Ltd. (Continued)

implementing these standards in project sites, thereby setting a new EHS benchmark in the industry.

Siemens Ltd.'s manufacturing facilities achieved 69% reduction in reportable injuries in the year FY 2011 compared to FY 2010, while 18 of the Company's manufacturing facilities in India achieved zero reportable injuries for the FY 2011.

Learning & Development

Employees are the Company's greatest assets, and Siemens Ltd. strives to engage closely with them. Evidence of the Company's efforts were the results of the Global Engagement and Compliance Survey 2010 conducted to help create an inspiring and motivating work environment for its employees, the Company received 93% favorable responses for the Employee Engagement category. As a result of its sustainable people initiatives, the Company enjoys an attrition rate below the industry average.

Among the initiatives were an increased emphasis on work-life balance approach. Several programs were launched in FY 2011 to assist employees in managing their personal lives better, a few of them being concierge services across our offices, sabbatical policy, paternity policy, childcare policy, extension of flexi-time, etc. Some other important initiatives were loyalty and long service rewards, and two-way communication tools between employees and HR.

The Company had 10,794 employees as of September 30, 2011. Over 270 fresh Graduate Trainee Engineers were hired during the year from institutes across India.

The Company also focused on building skills and competencies of employees by investing in comprehensive training programs at all levels.

Environmental

In India, Siemens has implemented green technology at its headquarters in Worli, Mumbai, and the high-technology bogie factory in Aurangabad.

At the Worli HO, as part of the Energy Efficiency Program (EEP), the HVAC system was upgraded. Measures included replacing the chilled water pumps with new energy-efficient pumps, replacing the existing split air-conditioning system with a centralized system and using solar heat coating on the roofs.

The lighting system in the buildings were optimized by installing local PLC-based control for floor lighting, replacing halogen lamps with LED lamps and T8 lamps with energy-efficient T5 lamps. In addition, a building management system was installed to improve the control and information about the air-conditioning in the building. Other measures included installing maximum demand controller to balance the peak demand with contractual demand and a green building monitor to create awareness towards energy conservation.

The EEP Program led to realization of energy savings of 672,828 kWh units, nearly 20% lower than last year's energy

consumption. In terms of electricity cost, the saving in FY 2011 was to the tune of Rs 96.43 lakhs. This is equivalent to a reduction in CO2 emission by 473 Tons per annum.

The Aurangabad factory, which is ISO 14001-certified for environment management system, has been designed and constructed with a special emphasis on energy efficiency. It is equipped with polycarbonate sheets between the roof sheeting that allow optimum sunlight, turbo ventilators for natural wind draft, a rain water harvesting tank and a sewage treatment plant. The water from the sewage treatment plant helps maintain the water table and for irrigation. From the manufacturer's perspective, factories can be equipped with super energy-efficient motors that ensure lower heat generation.

Going forward, all new buildings and factories will adhere to our Green Buildings norms.

Also, in FY 2011, the Company has begun the process of identifying suppliers whose production sites will be subjected to an analysis of their environmental performance and energy efficiency. The goal is to reduce energy and CO2 emissions.

Environmental / Green Portfolio

The Company's environmental portfolio offers relevant answers to the nation's energy and growth challenges. It is a triple-win: a win for customers as they can enjoy the benefits of lower energy costs, higher productivity and profitable businesses; a win for society due to improved environmental care and living standards; and a win for Siemens Ltd. because the Company can tap attractive opportunities in the market and grow profitably.

Green technologies have proven financial & operational benefits. Within this viewpoint, the Company continued to strengthen its environment / green portfolio in renewables, environmental technology and energy efficiency.

A few environmental solutions available in the market in FY 2011 were high-voltage direct current transformers with the highest voltage rating in India, gas insulated switchgear substations, hybrid drives for city buses, energy-saving MV drives, 1.9 MW windmill generator, monitoring and control systems for cooling and air quality, wind turbines, solar inverters, 500KVA converter to feed 'hotel power' for trains in lieu of generator sets - it provides clean & efficient energy, traffic signaling with low-voltage technology resulting in significant saving in power consumption.

During the year, the Company launched a new wind turbine for the Indian market, targeted at low wind markets with a clear focus on generation-based customers.

The solutions in the Company's environmental portfolio make a significant contribution to climate protection by helping our customers reduce their CO2 emissions. The Company's goal is to help customers save 300 million tons of CO2 a year with our products and solutions, on a global basis.

Auditors' Report

To the Members of Siemens Limited

1. We have audited the attached balance sheet of Siemens Limited ('the Company') as at September 30, 2011 and also the profit and loss account and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, profit and loss account and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v. On the basis of the written representations received from the directors, as on September 30, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on September 30, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the balance sheet, of the state of affairs of the Company as at September 30, 2011;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

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

per Sudhir Soni
Partner
Membership No.: 41870

Place : Mumbai
Date : November 22, 2011

Annexure referred to in paragraph 3 of our report of even date

Re: Siemens Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) There was no disposal of a substantial part of fixed assets during the year.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company and hence not commented upon.

According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the company in respect of these areas.
- (v) (a) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, sub-clause (b) is not applicable
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- (ix) (a) Undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues have been regularly deposited with the appropriate authorities though there have been slight delays in few cases of employees' state insurance.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (` '000)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944 and Service Tax	Duty, Penalty	10,954	1988-89 to 1999-00, 2000-01 to 2002-03, 2003-04 to 2007-08	Asst.Comm / Dy.Comm / Comm / Comm(Appeals)
		492,219	1980-81, 1991-92, 1993-94 to 1997-98, 2000-01 to 2008-09	Customs, Excise, Service tax Appellate Tribunal
State & Central Sales Tax Acts, Work Contract Tax, Entry Tax.	Tax, Interest & Penalty	830,383	1967-69, 1970-71, 1972-74, 1979-90, 1991-94, 1998-99, 2000-07, 2007-2010	Assistant / Additional Commissioner
		446,192	1974-78, 1987-88, 1992-93, 1995-97, 1999-02, 2002-07, 2008-2011	Dy.Comm / Comm / Joint. / Spl.Comm
		42,406	1999-00, 1994-97, 1986-87, 1989-03, 2006-2008	Sales Tax Tribunal
		210,423	1984-85, 1993-97, 2000-01, 2003-04, 2005-07, 2007-09	High Court
Customs Act, 1962	Duty	120,000	1998-99	High Court
		196,873	2003-08	High Court

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) The Company did not have any borrowings from financial institution, bank or by way of debentures during the year.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised any money by way of public issues during the year.
- (xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported during the year.

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

per Sudhir Soni
Partner
Membership No.: 41870

Place : Mumbai
Date : November 22, 2011

Balance Sheet

as at 30 September 2011

(Currency : Indian rupees thousands)

	<i>Schedule</i>	2011	2010
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	3	680,590	674,320
Reserves and surplus	4	37,481,287	34,103,468
		<u>38,161,877</u>	<u>34,777,788</u>
Loan funds			
Unsecured loans	5	-	2,410
		<u>38,161,877</u>	<u>34,780,198</u>
APPLICATION OF FUNDS			
Fixed assets	6		
Gross block		19,983,191	13,548,888
Accumulated depreciation / amortisation		(8,289,160)	(6,208,951)
Net block		11,694,031	7,339,937
Capital work-in-progress including capital advances		2,489,036	2,465,158
		<u>14,183,067</u>	<u>9,805,095</u>
Investments	7	5	3,884,606
Deferred tax asset, net	8	1,888,713	1,313,000
Current assets, loans and advances			
Inventories	9	8,078,344	6,822,870
Sundry debtors	10	41,733,342	33,023,441
Cash and bank balances	11	12,750,396	18,534,430
Loans and advances	12	14,060,017	12,389,517
Other Current Assets	13	8,882,858	8,512,346
		<u>85,504,957</u>	<u>79,282,604</u>
Current liabilities and provisions			
Current liabilities	14	(45,376,326)	(43,854,277)
Provisions	15	(18,038,539)	(15,650,830)
		<u>(63,414,865)</u>	<u>(59,505,107)</u>
Net current assets		<u>22,090,092</u>	<u>19,777,497</u>
		<u>38,161,877</u>	<u>34,780,198</u>
Significant accounting policies	1		
Schedules to the financial statements	2 - 37		

The schedules referred to above form an integral part of the balance sheet.
As per our report of even date

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

Per Sudhir Soni
Partner
Membership No: 41870

Mumbai
Date: 22 November 2011

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

Deepak S. Parekh *Chairman*
Dr. Armin Bruck *Managing Director*
Sunil Mathur *Executive Director*
Yezdi H. Malegam *Director & Chairman of Audit Committee*
Ajai Jain *Vice President (Legal) & Company Secretary*

Mumbai
Date: 22 November 2011

Profit and Loss Account for the year ended 30 September 2011 (Currency : Indian rupees thousands)

	Schedule	2011	2010
INCOME			
Sales and services (gross)		122,532,714	95,112,577
Excise duty		(3,596,993)	(2,405,887)
Sales and services (net)		118,935,721	92,706,690
Commission income		483,328	445,715
		119,419,049	93,152,405
Interest income	16	882,508	776,085
Other operating income, net	17	1,645,101	848,315
Other income	18	20,661	-
		121,967,319	94,776,805
EXPENDITURE			
Cost of sales and services	19	90,267,005	68,463,720
Personnel costs	20	9,174,188	6,325,109
Depreciation / amortisation	6	1,522,078	1,014,796
Interest Expense		127,273	105,876
Other costs, net	21	8,127,240	6,279,825
		109,217,784	82,189,326
Profit before tax		12,749,535	12,587,479
Provision for tax			
Current tax		(4,636,860)	(4,516,513)
Deferred tax credit / (charge)		341,584	201,149
Profit after tax		8,454,259	8,272,115
Balance in Profit and loss account brought forward		-	-
Balance of Profit and loss account of SBTPL as on 1 October 2010	2.1	4,980	-
Balance of Profit and loss account of Vista as on 1 October 2010	2.1	52,949	-
Balance of Profit and loss account of Flender Ltd. as on 1 October 2009		-	745,688
Balance of Profit and loss account of SHDL as on 1 October 2009	2.2	64,291	-
Post merger profit of SHDL for the period October 2009 to September 2010	2.2	55,137	-
Balance of Profit and loss account of SRSPL as on 1 October 2009	2.3	(146,318)	-
Post merger loss of SRSPL for the period October 2009 to September 2010 (net of tax of ₹ 71,663)	2.3	(141,236)	-
Profit available for appropriation		8,344,062	9,017,803
Appropriations:			
Proposed dividend		2,041,769	1,685,801
Tax on proposed dividend		331,226	279,990
Transfer to general reserve		1,200,000	7,052,012
		3,572,995	9,017,803
Balance in profit and loss account carried forward		4,771,067	-
Earnings per share ('EPS')			
(Equity share of face value ₹ 2 each)			
- Basic and diluted (in ₹)	33	24.95	24.53
Significant accounting policies	1		
Schedules to the financial statements	2 - 37		

The schedules referred to above form an integral part of the profit and loss account.
As per our report of even date

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

Per Sudhir Soni
Partner
Membership No: 41870

Mumbai
Date: 22 November 2011

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

Deepak S. Parekh *Chairman*
Dr. Armin Bruck *Managing Director*
Sunil Mathur *Executive Director*
Yezdi H. Malegam *Director & Chairman of Audit Committee*
Ajai Jain *Vice President (Legal) & Company Secretary*

Mumbai
Date: 22 November 2011

Cash Flow Statement

for the year ended 30 September 2011

(Currency : Indian rupees thousands)

	<i>Schedule</i>	2011	2010
<u>Cash flow from operating activities</u>			
Profit before tax		12,749,535	12,587,479
Adjustments for:			
Interest expense		127,273	105,876
Bad debts	21	170,120	169,705
Provision for doubtful debts / advances, net	21	(91,691)	47,785
Depreciation and amortisation	6	1,522,078	1,014,796
Profit on sale of fixed assets, net	17	(143,662)	(267,265)
Profit on sale of subsidiaries	18	(20,661)	-
Unrealised exchange loss / (gain), net		362,178	371,046
Interest income	16	(882,508)	(776,085)
Liabilities no longer required, written back	17	(659,528)	-
Operating profit before working capital changes		13,133,134	13,253,337
(Increase) / Decrease in inventories		(607,966)	(5,186,796)
(Increase) / Decrease in sundry debtors and other receivables		(7,789,850)	587,746
Increase / (Decrease) in sundry creditors and other current liabilities		(1,430,878)	4,186,291
Increase / (Decrease) in provisions		2,121,977	1,982,963
Net change in working capital		(7,706,717)	1,570,204
Cash generated from operations		5,426,417	14,823,541
Direct taxes paid, net		(5,319,359)	(4,811,711)
Net cash provided by operating activities		107,058	10,011,830
<u>Cash flow from investing activities</u>			
Purchase of fixed assets		(4,332,931)	(2,882,658)
Proceeds from sale of fixed assets		350,100	305,793
Purchase of investments			
- In subsidiary companies		-	(702,506)
Sale of investments			
- In subsidiary company (total consideration is in cash or cash equivalent)		186,163	-
- Others		-	108
Interest received		893,144	680,257
Inter corporate deposits placed		(14,833,000)	(17,124,000)
Inter corporate deposits received back		12,962,500	15,310,000
Deposits (with maturity more than three months)		6,745,000	(7,870,000)
Cash (used) / generated from investing activities		1,970,976	(12,283,006)

Cash Flow Statement (*Continued*) for the year ended 30 September 2011 (Currency : Indian rupees thousands)

	<i>Schedule</i>	2011	2010
<u>Cash flow from financing activities</u>			
Interest paid		-	(36,733)
Dividend paid (including tax thereon)		(1,960,558)	(1,966,830)
Repayment of long term borrowings		(2,410)	(3,496)
Net cash (used) / generated from financing activities		(1,962,968)	(2,007,059)
Net increase / (decrease) in cash and cash equivalents		115,066	(4,278,235)
Cash and cash equivalents at beginning of the year		10,664,430	14,449,022
Cash and cash equivalents acquired on merger of SBTPL & Vista	2.1	161,016	-
Cash and cash equivalents acquired on merger of Flender Ltd.		-	158,812
Cash and cash equivalents acquired on merger of SRSPL	2.3	18,667	-
Cash and cash equivalents acquired on merger of SHDL	2.2	176,300	-
Effect of exchange gain / (loss) on cash and cash equivalents		489,917	334,831
Cash and cash equivalents at the end of the year		11,625,396	10,664,430
Components of cash and cash equivalents :			
Cash & Bank Balances	11	12,750,396	18,534,430
Less: Fixed deposits not considered as cash equivalents		(1,125,000)	(7,870,000)
Cash & Cash Equivalents in Cash Flow Statement		11,625,396	10,664,430

Note:

1. Cash and cash equivalents at the end of the period include current account balances with banks of ₹ 24,569 (2010: ₹ 19,336) which are restricted in use.
2. The figures of the current year include changes in the cash flow of the erstwhile SBTPL and Vista (Refer schedule 2.1), which was amalgamated with the Company w.e.f. 1 October 2010, SHDL (Refer schedule 2.2) and SRSPL (Refer schedule 2.3) which was amalgamated with the Company w.e.f. 1 October 2009 and are therefore to that extent not comparable with previous year's figures.
3. The amalgamation of SBTPL and Vista (Refer schedule 2.1), SHDL (Refer schedule 2.2) and SRSPL (Refer schedule 2.3) with the Company is a non cash transaction and hence, has no impact on the Company's cash flow for the year.

As per our report of even date

For S.R.Batliboi & Associates

Firm Registration Number:- 101049W
Chartered Accountants

Per Sudhir Soni

Partner

Membership No: 41870

Mumbai

Date: 22 November 2011

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

Deepak S. Parekh

Chairman

Dr. Armin Bruck

Managing Director

Sunil Mathur

Executive Director

Yezdi H.Malegam

Director & Chairman of Audit Committee

Ajai Jain

Vice President (Legal) & Company Secretary

Mumbai

Date: 22 November 2011

Schedules to the Financial Statements for the year ended 30 September 2011 (Currency: Indian rupees thousands)

1. Significant accounting policies

1.1 Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the accounting standards notified in the Companies (Accounting Standards) Rules 2006, (as amended) issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ('NACAS') and relevant provisions of Companies Act, 1956 ('the Act'), to the extent applicable.

1.2 Use of estimates

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

1.3 Fixed assets and depreciation

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

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

Diagnostics equipments are being treated as raw 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 issues and are stated at cost.

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

Asset	Rate
Land	
- Freehold land	-
- Lease hold	Over the lease period
Buildings	
- Factory buildings	3.33 - 6.66%
- Other buildings	2 - 2.5%
Plant and machinery	
- Assets at project sites	Over the life of the project
- Special machine tools	10 - 20%
- Other plant and machinery	8.33 - 25%
Furniture, fittings and office equipment	10 - 33.33%
Vehicles	12.5 - 25%

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

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

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and estimated net realizable value and are disclosed separately in the financial statements. Any expected loss is recognised in the profit and loss account through an accelerated depreciation charge.

Capital work-in-progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire capital assets before the balance sheet date.

1.4 Intangible assets

Intangible assets comprise goodwill and technical know-how. These intangible assets are amortised on straight-line basis based on the following useful lives, which in management's estimate represents the period during which economic benefits will be derived from their use:

Asset	Useful life
Goodwill	36 - 60 months
Technical know-how	60 - 120 months

1.5 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 at the weighted average cost of capital. 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 profit and loss account. 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.

1.6 Investments

Investments that are readily realizable and intended to be held but not more than a year are classified as current investments. All other investments are classified as long-term investments.

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

1.7 Revenue recognition

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

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

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

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

Dividend income is recognised when the right to receive the dividend is established.

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.

1.8 Inventories

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

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

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

Custom duty on goods where title has passed to the Company is included in the value of inventory.

Schedules to the financial statements (*Continued*) for the year ended 30 September 2011 (Currency: Indian rupees thousands)

1.8 Inventories (*Continued*)

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.

1.9 Other current assets

Project Excess Cost represents revenue recognised on the contract using percentage of completion method reduced by progressive billing.

1.10 Leases

Where the Company is the lessee:

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

Where the Company is the lessor:

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

1.11 Employee benefits

(a) Short term employee benefits

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

(b) Post-employment benefits

(i) **Defined Contribution Plans:** The Company's approved superannuation scheme and employee state insurance scheme are defined contribution plans. The Company's contribution paid / payable under the schemes is recognised as expense in the profit and loss account 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 encashment, 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.

Actuarial gains and losses are recognised immediately in the Profit and loss account.

1.12 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 profit and loss account 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 profit and loss account. 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,

1.12 Foreign currency transactions (Continued)

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 profit and loss account.

Hedge Accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. With effect from 1 October 2010, the Company designates some of the new 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 profit and loss account.

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

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

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

1.13 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.

1.14 Earnings per share

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

1.15 Provision

Provisions are recognized when the Company recognizes it has a present obligation as a result of past events, 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 for which it is not probable that there will be an outflow of resources. When there is a possible obligation or a 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.

1.16 Cash and Cash equivalents

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

1.17 Insurance claims

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

Schedules to the financial statements (*Continued*) for the year ended 30 September 2011 (Currency: Indian rupees thousands)

2. Amalgamation

2.1 Amalgamation of Siemens Building Technologies Private Ltd. (SBTPL) and Vista Security Technics Private Ltd. (Vista)

Pursuant to the scheme of amalgamation ('the scheme') of the erstwhile SBTPL and Vista with the Company under sections 391 to 394 of "The Companies Act" sanctioned by the Honorable High Court of Madras on 3 September 2010, the assets and liabilities of the erstwhile SBTPL and Vista were transferred to and vested in the Company with effect from 1 October 2010. Accordingly, the scheme has been given effect to in these accounts.

The operations of SBTPL include manufacturing, supply, installation, testing and commissioning of security system. Vista is engaged in the business of trading in electronic goods.

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

- i. The assets, liabilities, reserves and credit balance in the profit and loss account of SBTPL and Vista as at 1 October 2010 have been incorporated at their book values in the financial statements of the Company.
- ii. 3,734,079 equity shares of ₹ 10 each fully paid up of SBTPL and investments in such equity shares held by the Company stands cancelled. Further 6,694 equity shares of ₹ 100 each fully paid up of Vista and investment in such equity shares held by SBTPL also stands cancelled.
- iii. The excess amount of ₹ 3,638,092 of the book value of the investment in the equity share capital of SBTPL and Vista over the face value of the cancelled share as referred to in note (ii) above has been debited to the General Reserves of the Company.

Consequently, the financial statements for the year ended 30 September 2011 include the operations of SBTPL and Vista with effect from 1 October 2010.

2.2 Amalgamation of Siemens Healthcare Diagnostics Ltd. (SHDL)

Pursuant to the scheme of amalgamation ('the scheme') of the erstwhile SHDL with the Company under sections 391 to 394 of "The Companies Act" sanctioned by the Honorable High Courts of Bombay and Gujarat on 28 January 2011 and 1 March 2011 respectively, the assets and liabilities of the erstwhile SHDL were transferred to and vested in the Company with effect from 1 October 2009. Accordingly, the scheme has been given effect to in these accounts.

The operations of SHDL include manufacturing, trading and dealing in various healthcare diagnostic products.

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

- i. The assets, liabilities, reserves and credit balance in the profit and loss account of SHDL as at 1 October 2009 have been incorporated at their book values in the financial statements of the Company.
- ii. Consequent to this amalgamation, 3,134,700 additional shares have been issued to the shareholders of SHDL and the paid up share capital of the Company has increased to ₹ 680,590 effective 24 March 2011. The excess amount of ₹ 9,404 of the share capital of SHDL over the face value of share capital issued has been credited to the Capital Reserve of the Company.
- iii. The accounts of SHDL for the year ended 30 September 2010 were finalized as a separate entity. The net profit after tax amounting to ₹ 55,137 of SHDL for the year ended 30 September 2010 has been adjusted in the Profit and Loss account of the Company.

Consequently, the financial statements for the year ended 30 September 2011 include the operations of SHDL.

2.3 Amalgamation of Siemens Rolling Stock Private Ltd. (SRSPL)

Pursuant to the scheme of amalgamation ('the scheme') of the erstwhile Siemens Rolling Stock Private Ltd. with the Company under sections 391 to 394 of "The Companies Act" sanctioned by the Honorable High Court of Bombay on 27 April 2011, the assets and liabilities of the erstwhile SRSPL were transferred to and vested in the Company with effect from 1 October 2009. Accordingly, the scheme has been given effect to in these accounts.

The operations of SRSPL include manufacturing of railway bogies and parts thereof.

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

- i. The assets, liabilities, reserves and debit balance in the profit and loss account of SRSPL as at 1 October 2009 have been incorporated at their book values in the financial statements of the Company.
- ii. 25,000,000 equity shares of ₹ 10 each fully paid up of SRSPL and investments in such equity shares held by the Company stands cancelled.
- iii. The accounts of SRSPL for the year ended 30 September 2010 were finalized as a separate entity. The net loss amounting to ₹ 141,236 of SRSPL for the year ended 30 September 2010 has been adjusted in the Profit and Loss account of the Company.

Consequently, the financial statements for the year ended 30 September 2011 include the operations of SRSPL.

	2011	2010
3 Share capital		
Authorised		
1,000,000,000 Equity Shares of ` 2 each (2010: 1,000,000,000 Equity Shares of ` 2 each)	<u>2,000,000</u>	<u>2,000,000</u>
	<u>2,000,000</u>	<u>2,000,000</u>
Issued		
341,159,165 Equity Shares of ` 2 each (2010: 338,024,465 Equity Shares of ` 2 each)	<u>682,318</u>	<u>676,049</u>
Subscribed and fully paid-up		
340,294,900 Equity Shares of ` 2 each fully paid-up (2010: 337,160,200 Equity Shares of ` 2 each fully paid-up)	<u>680,590</u>	<u>674,320</u>
	<u>680,590</u>	<u>674,320</u>
Of the above:		
253,066,759 (2010 : 186,041,090) Equity Shares of ` 2 each, fully paid-up, are held by Holding Company, Siemens AG, Germany; 2,154,416 (2010 : Nil) Equity Shares of ` 2 each, fully paid-up are held by Siemens Diagnostics Holding II B.V., Netherlands, a 100% subsidiary of Siemens AG, Germany;		
55,500,000 (2010: 55,500,000) Equity Shares of ` 2 each, fully paid-up, were allotted as fully paid-up bonus shares by capitalisation of the General reserve;		
168,580,100 (2010: 168,580,100) Equity Shares of ` 2 each, fully paid up, were allotted as fully paid up bonus Shares by capitalisation of Securities Premium account;		
6,772,785 (2010: 3,638,085) Equity Shares of ` 2 each, were allotted as fully paid-up for consideration received other than in cash.(Refer schedule 2.2)		
4 Reserves and surplus		
Capital reserve		
- Balance brought forward	10,852	688
- Addition on amalgamation of Flender Ltd.	-	10,164
- Excess of share capital of SHDL over the amount credited by the company to the share capital (Refer schedule 2.2)	9,404	-
- Addition on amalgamation of SBTPL (Refer schedule 2.1)	1,028	-
- Addition on amalgamation of SHDL (Refer schedule 2.2)	1	-
	<u>21,285</u>	<u>10,852</u>
Amalgamation reserve		
- Balance brought forward	55,635	55,635
	<u>55,635</u>	<u>55,635</u>
Capital redemption reserve		
- Balance brought forward	-	-
- Addition on amalgamation of SBTPL (Refer schedule 2.1)	354	-
	<u>354</u>	<u>-</u>
Securities premium account		
- Balance brought forward	1,544,795	1,520,495
- Addition on amalgamation of Flender Ltd.	-	24,300
- Addition on amalgamation of SHDL (Refer schedule 2.2)	22,456	-
	<u>1,567,251</u>	<u>1,544,795</u>
Revaluation reserve		
- Balance brought forward	12,349	13,194
- Additional depreciation on building due to revaluation transferred from profit and loss account	(845)	(845)
	<u>11,504</u>	<u>12,349</u>

Schedules to the financial statements (*Continued*) as at 30 September 2011 (Currency: Indian rupees thousands)

4 Reserves and surplus (<i>Continued</i>)	2011	2010
Cash Flow Hedge Reserve		
- Balance brought forward	-	-
- Addition during the year (includes deferred tax ₹ 8,291)	33,079	-
	33,079	-
Profit and loss account	4,771,067	-
General reserve		
- Balance brought forward	32,479,837	26,901,875
- Addition on amalgamation of Flender Ltd.	-	70,265
- Addition on amalgamation of SBTPL (Refer schedule 2.1)	570,499	-
- Addition on amalgamation of Vista (Refer schedule 2.1)	13,297	-
- Addition on amalgamation of SHDL (Refer schedule 2.2)	395,571	-
- Excess of the book value of the investments in the equity share capital of SBTPL and Vista over the face value of such share capital (Refer schedule 2.1)	(3,638,092)	-
- Excess of the book value of the investments in the equity share capital of Flender Ltd. over the face value of such share capital	-	(1,544,315)
- Transfer from profit and loss account	1,200,000	7,052,012
	31,021,112	32,479,837
	37,481,287	34,103,468
5 Unsecured loans		
Interest free loans under		
- sales tax deferral scheme	-	2,410
	-	2,410
The loan under the sales tax deferral scheme is payable upto 2011		
- Amounts payable within one year	-	2,410

6 Fixed assets

	Intangible assets		Tangible assets					Total	Previous year
	Goodwill	Technical knowhow	Land (Refer note i)	Buildings (Refer note i,iii)	Plant and machinery (Refer note iv,v,vi)	Furniture, fittings and office equipment	Vehicles		
Gross block									
At 1 October 2010	239,558	147,739	889,688	3,751,799	6,871,379	1,619,789	28,936	13,548,888	11,347,774
Additions on amalgamation of Flender Ltd.	-	-	-	-	-	-	-	-	814,893
Additions on amalgamation of SBTPL (Refer schedule 2.1)	13,935	-	8,525	7,185	92,892	71,931	3,008	197,476	-
Additions on amalgamation of SHDL (Refer schedule 2.2)	167,065	-	487	15,351	1,110,907	26,874	1,597	1,322,281	-
Additions on amalgamation of SRSPL (Refer schedule 2.3)	-	-	44,020	473,585	353,382	23,509	-	894,496	-
Additions	-	251,569	531,987	720,912	2,616,758	392,646	84	4,513,956	1,671,682
Deductions / adjustments	-	-	-	(357,030)	(97,549)	(38,676)	(651)	(493,906)	(285,461)
At 30 September 2011	420,558	399,308	1,474,707	4,611,802	10,947,769	2,096,073	32,974	19,983,191	13,548,888

6 Fixed assets (Continued)

	Intangible assets		Tangible assets					Total	Previous year
	Goodwill	Technical knowhow	Land (Refer note i)	Buildings (Refer note i,iii)	Plant and machinery (Refer note iv,v,vi)	Furniture, fittings and office equipment	Vehicles		
Accumulated depreciation									
At 1 October 2010	221,697	109,224	51,934	782,031	3,751,426	1,274,403	18,236	6,208,951	5,052,761
Additions on amalgamation of Flender Ltd.	-	-	-	-	-	-	-	-	387,482
Additions on amalgamation of SBTPL (Refer schedule 2.1)	9,681	-	314	804	52,479	47,959	1,630	112,867	-
Additions on amalgamation of SHDL (Refer schedule 2.2)	120,657	-	-	9,635	539,103	18,105	1,392	688,892	-
Additions on amalgamation of SRSPL (Refer schedule 2.3)	-	-	926	12,139	26,984	3,454	-	43,503	-
Charge for the year (Refer note ii)	66,396	49,287	8,366	135,116	1,052,882	206,985	3,891	1,522,923	1,015,641
Deductions / adjustments	-	-	-	(146,078)	(103,158)	(38,089)	(651)	(287,976)	(246,933)
At 30 September 2011	418,431	158,511	61,540	793,647	5,319,716	1,512,817	24,498	8,289,160	6,208,951
Net block									
At 30 September 2011	2,127	240,797	1,413,167	3,818,155	5,628,053	583,256	8,476	11,694,031	7,339,937
At 30 September 2010	17,861	38,515	837,754	2,969,768	3,119,953	345,386	10,700	7,339,937	

Notes:-

i Included in the gross block of land at 30 September 2011 is freehold land of ` 474,446 (2010: ` 471,814) and buildings includes ` 172,750 (2010: ` 172,750) representing 525 shares of ` 50 each and 10 shares of ` 100 each (2010: 520 shares of ` 50 each and 10 shares of ` 100 each) in various co-operative housing societies.

ii Depreciation provided has been disclosed as under:

	2011	2010
Charge for the year	1,522,923	1,015,641
Transfer to Revaluation reserve	(845)	(845)
As per profit and loss account	1,522,078	1,014,796

iii Building includes assets held for sale:

	2011	2010
Acquisition Value	-	475,436
Accumulated Depreciation	-	(250,355)
Written Down Value	-	225,081

iv Assets includes assets given on operating lease

Particulars	2011			2010		
	Buildings	Furniture, fittings and office equipment	Plant and machinery	Buildings	Furniture, fittings and office equipment	Plant and machinery
Gross Block	509,531	82,241	1,607,328	888,040	181,161	461,045
Written Down Value	421,693	28,801	775,117	697,030	53,920	193,515
Depreciation charge for the year	10,897	9,131	221,482	36,201	21,372	42,520

v Plant and machinery includes Gross block of ` 24,962 (2010: ` 24,962) and Net block of ` 17,372 (2010: ` 20,092) cost incurred by the company on certain assets ownership of which vests with the West Bengal State Electricity Board.

vi Diagnostics equipments are given on Lease. Future minimum lease payments are Nil (2010: Nil) as the Company has never enforced the minimum purchase commitment.

Schedules to the financial statements (*Continued*)
as at 30 September 2011
(Currency: Indian rupees thousands)

	2011	2010
7 Investments		
Non-Trade, long term (at cost)		
In government securities (unquoted)		
National Savings Certificates	5	5
	<u>5</u>	<u>5</u>
Investment in subsidiary companies (unquoted)		
Nil (2010: 3,734,079) Equity Shares of ` 10 each fully paid-up in Siemens Building Technologies Private Ltd. (2010: 100% holding) [Shares cancelled on amalgamation] (Refer schedule 2.1)	-	3,634,601
Nil (2010: 25,000,000) Equity Shares of ` 10 each fully paid-up in Siemens Rolling Stock Private Ltd. (2010: 100% holding) [Shares cancelled on amalgamation] (Refer schedule 2.3)	-	250,000
	<u>-</u>	<u>3,884,601</u>
	<u>5</u>	<u>3,884,606</u>
The aggregate book value of unquoted investments, are set out below :		
- Aggregate book value of unquoted investments	5	3,884,606
Following investments in subsidiaries have been acquired pursuant to the scheme of amalgamation of SBTPL with the Company and sold off during the year		
iMetrex Technologies Ltd. (Ireland)	165,502	-
583,707 F ordinary shares of Euro 1.27 each, fully paid		
5,867 B ordinary shares of Euro 1.27 each, fully paid		
1,103,280 6% preference shares of Euro 1 each, fully paid		
8 Deferred tax assets		
Deferred tax assets		
Arising on account of timing differences in :		
Provision for doubtful debts and advances	349,546	324,938
Expenditure debited to profit & loss account but allowable for tax purposes in following years	1,318,931	946,838
Others	581,916	358,913
	<u>2,250,393</u>	<u>1,630,689</u>
Less - Deferred tax liability		
Arising on account of timing differences in :		
Excess of depreciation allowable under income-tax law over depreciation provided in accounts	361,680	317,689
	<u>361,680</u>	<u>317,689</u>
Deferred tax assets (net)	<u>1,888,713</u>	<u>1,313,000</u>
9 Inventories (at cost)		
Raw materials [includes Goods in Transit ` 669,701 (2010 : ` 312,744)]	2,600,520	2,587,551
Work-in-progress	2,694,078	2,187,953
Finished goods [includes Goods in Transit ` 608,669 (2010 : ` 241,385)]	2,783,746	2,047,366
	<u>8,078,344</u>	<u>6,822,870</u>

	2011	2010
10 Sundry debtors [Unsecured]		
Debts outstanding		
- over six months	25,521,019	12,343,168
- other debts	17,111,391	21,501,490
	42,632,410	33,844,658
Of which		
- considered good	41,733,342	33,023,441
- considered doubtful	899,068	821,217
	42,632,410	33,844,658
Provision for doubtful debts	(899,068)	(821,217)
	41,733,342	33,023,441

Note: Debts outstanding includes retentions ` 18,846,881 (2010: ` 15,504,981)

Included in debtors are debts due from companies under the same management:

- Osram India Private Ltd.	667	117
- Siemens Information Systems Ltd.	70,268	115,263
- Siemens Information Processing Services Private Ltd.	19,631	9,529
- Siemens Power Engineering Private Ltd.	25,919	26,005
- Powerplant Performance Improvement Ltd.	241	10,467
- Siemens Hearing Instruments Private Ltd.	75	588
- Siemens Rolling Stock Private Ltd.	-	819
- Morgan Construction Company India Private Ltd.	11,876	3,589
- Siemens Building Technology Private Ltd.	-	7,119
- Winergy Drive Systems India Private Ltd.	4,789	1,938
- Siemens Corporate Finance Private Ltd.	14,629	10,818
- Siemens VAI Metals Technologies Private Ltd.	2,315	97,233
- Siemens Healthcare Diagnostics Ltd. (formerly known as Siemens Medical Solutions Diagnostics Ltd.)	-	1,698
- Siemens Industry Software (India) Private Ltd.	2,261	383
- PETNET Radiopharmaceutical Solutions Private Ltd.	1,757	-
- Siemens Financial Services Private Ltd.	7,673	-

Included in debtors are debts due from private companies in which some of the directors are common directors :

- Bayer Material Science Private Ltd.	-	1,232
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Schedules to the financial statements (*Continued*)
as at 30 September 2011
(Currency : Indian rupees thousands)

	2011	2010
11 Cash and bank balances		
Cash in hand	7,522	7,782
Cheques in hand	694,916	902,292
Balances with scheduled banks		
- on current account	2,069,433	820,117
- on deposit account	9,297,129	15,918,900
Balances with other banks	681,396	885,339
	<u>12,750,396</u>	<u>18,534,430</u>
Bank balances with other banks in current account includes :		
- Citibank, Colombo	70,916	1,714
- Deutsche Bank, Colombo	869	1,371
- Standard Chartered Bank, Ghana	2,990	-
- Standard Chartered Bank, Nepal	34	32
- Standard Chartered Bank, Doha, Qatar	4,995	311,989
- The Hongkong and Shanghai Banking Corporation Limited, Qatar	589,179	552,762
- The Hongkong and Shanghai Banking Corporation Limited, Dhaka	12,412	17,471
	<u>681,395</u>	<u>885,339</u>
Maximum amount outstanding at any time during the year :		
- Citibank, Colombo	76,102	13,205
- Deutsche Bank, Colombo	1,184	1,489
- Standard Chartered Bank, Ghana	5,441	-
- Standard Chartered Bank, Nepal	34	36
- Standard Chartered Bank, Doha, Qatar	708,833	509,527
- The Hongkong and Shanghai Banking Corporation Limited, Qatar	3,326,484	4,101,217
- The Hongkong and Shanghai Banking Corporation Limited, Dhaka	17,097	17,471
12 Loans and advances [Unsecured]		
Loans and advances recoverable in cash or kind or for value to be received		
- considered good	5,232,325	3,732,425
- considered doubtful	178,390	216,475
	<u>5,410,715</u>	<u>3,948,900</u>
Provision for doubtful advances	<u>(178,390)</u>	<u>(216,475)</u>
	5,232,325	3,732,425
Advance payments of income tax [net of provision for tax ` 23,209,572 (2010: ` 18,701,459)]	3,119,082	2,364,920
Balances with customs, port trusts etc.	842,756	1,053,087
Inter corporate deposits		
- Subsidiaries	-	1,824,000
- Others	4,770,500	3,300,000
Interest accrued on inter corporate deposits and bank deposits	95,354	115,085
	<u>14,060,017</u>	<u>12,389,517</u>
Amount receivable from Customs authorities towards excess payment of Customs duty	2,225	2,225

	2011	2010
12 Loans and advances [Unsecured] (Continued)		
Loans and advances includes :		
(a) Inter-corporate deposits given to companies under the same management:		
- Compact - OSRAM Automotive Lamps	50,500	-
- Osram India Private Ltd.	1,670,000	1,100,000
- Siemens Building Technologies Private Ltd.	-	674,000
- Winergy Drive Systems India Private Ltd.	1,200,000	1,000,000
- Siemens Rolling Stock Private Ltd.	-	1,150,000
- Siemens Healthcare Diagnostics Ltd.	-	400,000
- Siemens VAI Metals Technologies Private Ltd.	1,850,000	800,000
	<u>4,770,500</u>	<u>5,124,000</u>
(b) Maximum amount outstanding at any time during the year :		
- Compact - OSRAM Automotive Lamps	50,500	-
- Osram India Private Ltd.	1,750,000	1,100,000
- Siemens Building Technologies Private Ltd.	-	1,020,000
- Winergy Drive Systems India Private Ltd.	1,200,000	1,000,000
- Siemens Rolling Stock Private Ltd.	-	1,150,000
- Siemens Healthcare Diagnostics Ltd.	-	400,000
- Siemens VAI Metals Technologies Private Ltd.	2,000,000	800,000
13 Other current assets		
Project Excess Cost	8,882,858	8,512,346
	<u>8,882,858</u>	<u>8,512,346</u>
14 Current liabilities		
Sundry creditors		
- Micro and Small Enterprises (Refer schedule 34)	588,878	148,845
- Subsidiaries	-	51,516
- Others	27,753,237	28,950,254
Advances from customers (Refer note below)	17,009,642	14,684,326
Unclaimed dividend	24,569	19,336
	<u>45,376,326</u>	<u>43,854,277</u>
Note		
Advance from customers include progress payments billed and advances received from project related work	15,406,701	13,639,351
15 Provisions		
Pension	182,366	166,332
Leave wages	286,389	228,961
Medical benefits	251,283	202,067
Gratuity	4,599	-
Silver Jubilee	190,568	82,647
Warranty (Refer schedule 26)	3,650,538	2,882,574
Loss order (Refer schedule 26)	915,694	661,819
Liquidated damages (Refer schedule 26)	7,219,409	6,718,140
Contingencies (Refer schedule 26)	2,964,698	2,742,499
Proposed dividend	2,041,769	1,685,801
Tax on proposed dividend	331,226	279,990
	<u>18,038,539</u>	<u>15,650,830</u>

**Schedules to the financial statements (*Continued*)
for the year ended 30 September 2011
(Currency : Indian rupees thousands)**

	2011	2010
16 Interest income		
Interest on bank deposits [includes tax deducted at source ` 46,340 (2010 : ` 42,245)]	450,943	495,726
Others [includes tax deducted at source ` 42,240 (2010 : ` 26,935)]	431,565	280,359
	<u>882,508</u>	<u>776,085</u>
17 Other operating income, net		
Export incentives	171,373	71,684
Profit on sale of fixed assets, net	143,662	267,265
Recoveries from subsidiary companies and third parties	638,967	417,212
Liabilities no longer required, written back	659,528	-
Miscellaneous income	31,571	92,154
	<u>1,645,101</u>	<u>848,315</u>
18 Other income		
Profit on sale of subsidiaries	20,661	-
	<u>20,661</u>	<u>-</u>
19 Cost of sales and services		
Raw materials and components consumed	20,965,022	19,778,363
Traded goods purchased	23,785,127	14,499,572
Spares and stores consumed	653,528	583,576
Project bought outs	43,770,107	32,518,724
(Increase) / Decrease in inventories	(823,718)	(1,717,540)
Other costs	1,916,939	2,801,025
	<u>90,267,005</u>	<u>68,463,720</u>
Included in other costs, change in excise duty on closing stock of finished goods	36,011	52,711
20 Personnel costs		
Salaries, wages and bonus, net	8,050,756	5,437,883
Contribution to provident and other funds	705,842	522,000
Workmen and staff welfare	417,590	365,226
	<u>9,174,188</u>	<u>6,325,109</u>
21 Other costs, net		
Exchange loss / (gains), net	(324,530)	782,093
Travel and conveyance	1,550,650	1,060,182
External software services and data processing	351,772	361,041
Rates and taxes	883,798	493,005
Communications	799,150	517,159
Packing and forwarding	819,931	585,622
Power and fuel	405,896	350,714
Insurance	138,776	168,152
Rent (Refer schedule 28)	558,221	350,034

	2011	2010
21 Other costs, net (Continued)		
Repairs		
- on building	250,357	76,689
- on machinery	223,772	97,904
- others	125,893	122,569
Legal and professional	403,483	199,834
Advertising and publicity	153,764	97,892
Office supplies, printing and stationery	86,006	76,656
Research and development expenditure	123,635	163,967
Bank guarantee commission / bank charges	137,093	82,733
Lease rentals (Refer schedule 28)	51,479	33,460
Donation	10,387	306
Commission to directors	15,280	12,540
Directors' fees	1,260	1,260
Bad debts	170,120	169,705
Provision for doubtful debts and advances, net	(91,691)	47,785
Miscellaneous expenses (Refer schedule 35)	1,282,738	428,523
	<u>8,127,240</u>	<u>6,279,825</u>
22 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>1,783,341</u>	<u>1,573,096</u>
(b) Contingent liabilities		
Taxation matters (excluding interest)		
-In respect of certain completed assessments where matters are under appeal by the Company	960,186	432,706
Excise / sales tax liabilities	957,769	522,173
Customs liabilities	120,000	120,000
Claims against the company not acknowledged as debts	<u>143,088</u>	<u>75,430</u>
In respect of the above, future cash outflow is determinable only on receipt of judgements pending at various forums / authorities.		
23 Supplementary statutory information		
(i) Managerial remuneration		
Personnel and other costs include remuneration paid to Directors' as set out below:		
Salaries	23,924	20,918
Perquisites	61,714	51,943
Commission	15,280	12,540
Performance linked incentive	64,017	65,700
Directors Sitting Fees	1,260	1,260
Contribution to provident fund	1,516	1,584
Contribution to superannuation fund	1,895	2,076
	<u>169,606</u>	<u>156,021</u>

Schedules to the financial statements (*Continued*) for the year ended 30 September 2011 (Currency : Indian rupees thousands)

2011 2010

23 Supplementary statutory information (*Continued*)

Certain whole time Directors are covered under the Company's gratuity, leave, medical and silver / golden jubilee schemes 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.

Computation of Managerial Remuneration:

Profit before tax	12,749,535	12,587,479
Add:		
Depreciation charged in the accounts (Refer schedule 6)	1,522,078	1,014,796
Provision for doubtful debts and advances, net	(91,691)	47,785
Provision for wealth tax	5,000	(19,572)
Less:		
Profit on sale of subsidiaries	(20,661)	-
Profit on sale of fixed assets, net (Refer Schedule 17)	(143,662)	(267,265)
Depreciation as computed under Section 350 of the Act (see note below)	(1,522,078)	(1,014,796)
Net profit as per Section 349 of the Act	12,498,521	12,348,427
Add:		
Managing and other director's remuneration and commission	169,606	156,021
Profit as per Section 198	12,668,127	12,504,448
Performance linked incentive to Managing and Whole-Time Directors is 0.51% (2010: 0.53%) of the net profits as calculated above,	64,017	65,700
Commission to other Directors is 0.12% (2010: 0.10%) of the net profits as calculated above	15,280	12,540
	79,297	78,240

The Company depreciates its fixed assets based on estimated useful lives which are lower or equal to the implicit estimated useful lives prescribed by Schedule XIV of the Act. Thus, the depreciation charged in the books is higher than that prescribed as the minimum by the Act. Hence, this higher value has been considered as a deduction for the computation of managerial remuneration above.

(ii) Auditors' remuneration (for Audit services exclusive of service tax)

- Audit fees	14,752	12,500
- Tax audit fees	4,000	4,000
- Other services	3,457	2,312
- Reimbursement of expenses	1,145	1,201
	23,354	20,013

(iii) Earnings and expenditure in foreign exchange (on accrual basis)

(a) Earnings in foreign currency

- Exports of goods		
Direct on FOB basis	3,733,066	1,996,012
- Project Business (Based on Actual Billing)	21,646,563	13,458,842
- Commission	483,328	445,715
- Service charges and others	470,843	116,336

	2011	2010
23 Supplementary statutory information (Continued)		
(b) Expenditure in foreign currency (on accrual basis)		
- Travelling	236,556	106,180
- Installation charges	315,714	70,048
- Expenditure on contracts at foreign sites	10,501,764	5,297,240
- Commission	80,405	27,899
- Service charges	1,551,742	1,078,209
- Others	888,011	818,613
(c) Value of imports calculated on CIF basis		
- Raw material, components, spare parts and traded goods	34,870,396	33,960,321
- Capital goods	927,316	888,961
<i>(iv) Net dividend remitted in foreign exchange</i>		
Siemens Ltd.		
Period to which the dividend relates	1.10.2009 to 30.09.2010	1.10.2008 to 30.09.2009
Number of non-resident shareholders	One	One
Number of equity shares held on which dividend was due	186,041,090	186,041,090
Amount remitted	930,205	930,205
Net of tax deducted at source	-	-
Erstwhile Siemens Healthcare Diagnostics Ltd.		
Period to which the dividend relates	1.10.2009 to 30.09.2010	
Number of non-resident shareholders	One	
Number of equity shares held on which dividend was due	1,077,208	
Amount remitted	18,851	
Net of tax deducted at source	-	
24 Disclosure as per Clause 32 of the listing Agreement		
Loans and advances in the nature of loans	Amount at 30 September	Maximum amount outstanding at any time during the year
Subsidiary company		
- Siemens Building Technologies Private Ltd.		
- 2011	-	-
- 2010	674,000	1,020,000
- Siemens Rolling Stock Private Ltd.		
- 2011	-	-
- 2010	1,150,000	1,150,000

Schedules to the financial statements (*Continued*) for the year ended 30 September 2011 (Currency : Indian rupees thousands)

25 Additional information pursuant to the provisions of paragraph 4 with paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956:

(i) Sales and Services

Class of goods Refer Note (a) and (d) below	2011		2010	
	Quantity	Value	Quantity	Value
Switchgear items		11,983,976		10,090,893
Electric motors / generators	156,069 Nos.	3,953,346	118,600 Nos.	3,056,814
Switchboards, control boards and miscellaneous accessories		4,839,950		4,139,198
X-ray equipment		387,239		305,119
Railway equipment		6,362,116		9,397,893
Variable speed AC / DC drive systems, motor control modules and programmable control systems		8,067,420		6,177,180
Protection systems		1,786,167		1,149,956
Data acquisition, logging and control systems		110,300		262,128
Medical electronic diagnostic equipment		7,052,721		6,264,109
Other engineering project goods		37,501,920		34,799,999
Maintenance, repairs and other services		14,379,270		7,173,174
Industrial turbines		14,034,789		6,674,653
Rental income		604,987		535,819
Transformer		1,203,722		912,311
Reagents and chemicals		1,906,958		-
Geared motors / Geared boxes		2,473,960		1,767,444
Building automated systems		2,206,865		-
Photovoltaic - S PV products & systems photovoltaic		80,015		-
		118,935,721		92,706,690
Commission income		483,328		445,715
		<u>119,419,049</u>		<u>93,152,405</u>

(ii) Imported and indigenous raw materials, stores and spares and components consumed

	2011		2010	
	Value	% of total consumption	Value	% of total consumption
Imported	9,701,082	45	8,219,732	40
Indigenous	11,917,468	55	12,142,207	60
	<u>21,618,550</u>	<u>100</u>	<u>20,361,939</u>	<u>100</u>

25 Additional information pursuant to the provisions of paragraph 4 with paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956: (Continued)

(iii) Inventories

Finished goods

Refer Note (a) below

Class of goods	Quantity		Value	
	2011	2010	2011	2010
Opening Stock				
Switchgear items			342,510	308,637
Electric motors / generators	3,217 Nos.	2,672 Nos.	127,200	123,143
Switchboards, control boards, etc.			131,624	25,232
X-ray equipment			-	4,743
Medical electronic diagnostic equipment			175,166	72,200
Railway equipment			421,635	228,313
Variable speed AC / DC drive systems, motor control modules and programmable control systems			504,751	284,378
Protection systems / uninterrupted power			1,598	1,324
Data acquisition, logging and control systems			12,647	13,806
Integrated building management system			21,949	-
Geared motors / Geared boxes			35,715	-
Others			272,571	49,235
			<u>2,047,366</u>	<u>1,111,011</u>
Closing Stock				
Switchgear items			419,231	342,510
Electric motors / generators	2,135 Nos.	3,217 Nos.	152,876	127,200
Switchboards, control boards, etc.			40,835	131,624
X-ray equipment			1,505	-
Medical electronic diagnostic equipment			170,987	175,166
Railway equipment			731,922	421,635
Variable speed AC / DC drive systems, motor control modules and programmable control systems			475,469	504,751
Protection systems / uninterrupted power			2,585	1,598
Data acquisition, logging and control systems			-	12,647
Integrated building management system			-	21,949
Reagents and chemicals			263,375	-
Geared motors / Geared boxes			84,401	35,715
Building automated systems			135,784	-
Others			304,776	272,571
			<u>2,783,746</u>	<u>2,047,366</u>

Schedules to the financial statements *(Continued)* for the year ended 30 September 2011 (Currency : Indian rupees thousands)

25 Additional information pursuant to the provisions of paragraph 4 with paragraphs 3, 4C, and 4D of Part II of Schedule VI to the Companies Act, 1956: *(Continued)*

(iv) Purchases

Refer Note (a) below

Class of goods	2011	2010
	Value	Value
Medical electronic diagnostic equipment	4,838,466	4,548,262
Others	18,946,661	9,951,310
Towards projects execution	43,770,107	32,518,724
	<u>67,555,234</u>	<u>47,018,296</u>

(v) Raw materials, bought out components consumed during the year

	Unit	2011		2010	
		Quantity	Value	Quantity	Value
Copper flats, strips and profiles	MT	2,250	1,010,808	1,887	773,779
Enamelled copper wire	MT	16,815	338,856	18,683	282,216
Brass sheets and strips	MT	3,905,049	57,262	2,024,993	38,661
Aluminium ingots, profiles and castings	MT	13,621	205,997	7,032	100,800
Iron and steel castings and shafts	MT	7,614	823,343	7,231	746,875
Dynamo steel sheets, strips and laminations	MT	6,569	436,903	7,253	466,870
Hot rolled and cold rolled steel sheets, strips, housings etc.	MT	21,565	696,752	21,306	687,624
Cables and wires	Kms	64,019	123,106	37,368	126,905
Silver components	Kgs	9,408	580,122	9,204	353,820
Ball and roller bearings	Nos.	69,469	398,370	78,595	385,527
Thyristors, diodes and transistors	Nos.	258,213	30,277	64,920	438,787
X-ray tubes	Nos.	861	37,604	94	8,468
Amphenol terminals	Nos.	1,383,382	41,477	965,398	37,612
Vacuum tubes	Nos.	14,999	199,312	14,657	218,218
Integrated circuits	Nos.	83,709	11,470	50,367	15,943
Capacitors and condensers	Nos.	386,476	55,412	206,739	59,403
Printed circuit boards	Nos.	12,074	37,944	7,024	24,047
Turbine components	Pcs	3,561,544	3,019,884	2,054,531	1,814,944
Others			<u>12,860,123</u>		<u>13,197,864</u>
			<u>20,965,022</u>		<u>19,778,363</u>

25 Additional information pursuant to the provisions of paragraph 4 with paragraphs 3, 4C, and 4D of Part II of Schedule VI to the Companies Act, 1956: (Continued)

(vi) Capacities and Production

Refer Note (b) and (c) below

Class of goods manufactured	Unit	2011		2010	
		Annual installed capacity (refer note (c) below)	Actual production	Annual installed capacity (refer note (c) below)	Actual production
Switchgear items	Nos.	20,179,114	16,888,811	15,319,789	15,064,598
Electric motors / generators	Nos.	20,023	23,913	20,023	20,522
Switch boards, control boards and miscellaneous accessories	Nos.	2,900	2,307	2,888	2,127
		(Boards)	(Boards)	(Boards)	(Boards)
X-ray equipment	Nos.	1,283	1,409	1,283	1,226
Electromedical equipment	Nos.	209	-	209	13
Variable speed AC / DC drive systems, motor control modules and programmable control system	Nos.	6,248	2,315	6,248	1,894
Instrument Transformers	Nos.	2,426	2,111	1,740	1,065
Static Converter for railways	Nos.	610	246	610	85
Audio frequency track circuit	Nos.	900	1,000	900	626
Interlocking relays	Nos.	250,000	105,105	250,000	110,110
Auxiliary inverter for AR locomotive	Nos.	180	130	180	104
Traction converter for diesel locomotive	Nos.	72	28	72	34
Electrical control cabinet	Nos.	288	68	288	68
Circuit breakers above 1000 volts	Nos.	1,800	1,160	3,500	940
Power Transformers	MVA	15,000	9,345	15,000	4,905
Single stage / multi stage turbines	MW	120	73	69	39
Traction Converters for EMU	Nos.	180	-	180	109
Auxiliary Converters for EMU	Nos.	180	-	180	132
High Frequency Power Supply	Nos.	-	-	600	-
Digital Axcel Counter	Nos.	300	300	300	175
Medium Voltage Drive	Nos.	96	20	96	1
Ring Main Unit	Nos.	1,000	461	-	-
Compact Sub Station	Nos.	164	125	-	-
Gas Insulated Switchgear	Nos.	600	423	-	-
Accessories	Nos.	23,000	20,319	-	-
BMS Panels	Nos.	2,000	781	-	-
Controllers	Nos.	8,000	6,810	-	-
Fire Detector	Nos.	15,000	9,833	-	-
Power Supplys	Nos.	4,800	4,599	-	-
Signet Keypads and Accessories	Nos.	45,000	42,809	-	-
Gears / Grease couplings / Spares	Nos.	2,500	2,391	2,500	1,288
Bogie Frames and Parts thereof	Nos.	525	13	-	-
Chemical and immunochemical reagent packs	Nos.	1,403,000	559,847	-	-

Schedules to the financial statements (*Continued*) for the year ended 30 September 2011 (Currency : Indian rupees thousands)

25 Additional information pursuant to the provisions of paragraph 4 with paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956: (*Continued*)

Licensed Capacity is not applicable in terms of the Government of India's notification No. S.O. 477(E) dated 25th July, 1991.

- (a) For paragraph 3(ii) of Part II of Schedule VI to the Companies Act, 1956, the classes of goods dealt with by the Company are grouped under suitable product heads. In terms of note 3 to paragraph 3 of Part II of Schedule VI, disclosures by quantity are restricted to those items / articles which individually account for 10% or more of the total sales and services, purchases or closing stocks as applicable.
- (b) For paragraph 4C, of Part II to Schedule VI to the Companies Act, 1956, the goods manufactured by the Company are grouped as per the classification of Industrial Licenses without giving the individual articles covered by each license.
- (c) Installed capacities are as certified by the Management.
- (d) Sales and services are inclusive of equipment supplied for project orders. Purchases, production and closing stock figures include equipment processed or to be supplied for project orders.

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.

Contingencies

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

The movements in the above provisions are summarised below:

	Warranties	Liquidated damages	Loss orders	Contingencies
Balance as at 1 October 2010	2,882,574	6,718,140	661,819	2,742,499
Additions on amalgamation of SHDL (Refer schedule 2.2)	3,409	-	-	-
Additions on amalgamation of SBTPL (Refer schedule 2.1)	21,727	-	-	-
Provisions :				
- Created	1,702,649	1,290,705	1,030,288	687,709
- Utilised	(256,403)	(194,115)	(644,657)	(174,955)
- Reversed	(703,418)	(595,321)	(131,756)	(290,555)
Balance as at 30 September 2011	3,650,538	7,219,409	915,694	2,964,698

27 Disclosure pursuant to Accounting Standard - 7 'Construction Contracts' :

	2011	2010
(i) Contract Revenue recognised for the year ended 30 September 2011	71,127,394	57,315,137
(ii) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress as at 30 September 2011	216,957,110	177,469,205
(iii) Amount of advances received	8,312,110	8,789,843
(iv) Amount of Retentions	16,845,212	13,283,856
(v) Amounts due from customers	14,899,272	12,510,906
(vi) Amounts due to customers	11,824,627	8,999,435

28 Disclosure pursuant to Accounting Standard - 19 'Leases' :

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

	2011	2010
(i) Amount due not later than one year from the balance sheet date	247,513	95,787
(ii) Amount due later than one year and not later than five years	1,013,460	374,591
(iii) Amount due later than five years	768,786	327,670
	<u>2,029,759</u>	<u>798,048</u>

Lease rent debited to profit and loss account ` 609,700 (2010: ` 383,494)

Sub-lease payments recognised in the profit and loss account ` 175,427 (2010 : ` 20,790)

There is no contingent rent recognised in the P&L account

General description of the leasing arrangement:

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

29 Related party transactions

29.1 Parties where control exists

Siemens AG	Holding company
Siemens Building Technologies Private Ltd.	Subsidiary company (upto 30 September 2010)
Siemens Rolling Stock Private Ltd.	Wholly owned subsidiary company (amalgamated during the period w.e.f 1 October 2009)
Vista Security Technics Private Ltd.	Wholly owned subsidiary of Siemens Building Technologies Private Ltd. (upto 30 September 2010)
iMetrex Technologies Pte. Ltd. (Singapore)	Wholly owned subsidiary of Siemens Building Technologies Private Ltd. (upto 20 September 2010)
Avenues Honkong Ltd. (Hongkong)	Wholly owned subsidiary of Siemens Building Technologies Private Ltd. (upto 30 April 2010)
iMetrex Technologies Ltd. (Ireland)	Wholly owned Subsidiary of Siemens Ltd. (upto 9 May 2011)
Europlex Technologies Ltd. (United Kingdom)	Wholly owned subsidiary of iMetrex Technologies Ltd. (Ireland) (upto 9 May 2011)
Europlex Technologies (Ireland) Ltd. formerly known as Europlex Manufacturing Ltd. (Ireland)	Wholly owned subsidiary of iMetrex Technologies Ltd. (Ireland) (upto 9 May 2011)

Schedules to the financial statements *(Continued)* for the year ended 30 September 2011 (Currency : Indian rupees thousands)

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

Fellow Subsidiaries

Siemens Spa	Algeria
Siemens S.A.	Argentina
Siemens Ltd.	Australia
Siemens Aktiengesellschaft Österreich	Austria
Siemens Transformers Austria GmbH & Co KG	Austria
ETM professional control GmbH	Austria
Siemens VAI Metals Technologies GmbH	Austria
Trench Austria GmbH	Austria
Siemens W.L.L.	Bahrain
Siemens Bangladesh Ltd.	Bangladesh
Siemens S.A. / N.V.	Belgium
Siemens Healthcare Diagnostics SA	Belgium
Siemens Soluciones Tecnologicas S.A.	Bolivia
Siemens Ltda.	Brazil
SCL - Process Instruments Business Unit	Canada
Siemens Canada Ltd.	Canada
Siemens Hearing Instruments Inc.	Canada
Trench Ltd.	Canada
Siemens Healthcare Diagnostics Manufacturing Ltd.	Cayman Islands
Siemens S.A.	Chile
Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.	China
Siemens International Trading Ltd., Shanghai	China
Siemens High Voltage Switchgear Ltd.	China
Siemens Circuit Protection Systems Ltd.	China
Siemens Electrical Apparatus Ltd.	China
Siemens Switchgear Co. Ltd.	China
Siemens Power Plant Automation Ltd.	China
Siemens Ltd., China	China
Siemens Industrial Automation Ltd., Shanghai	China
Siemens Electrical Drives Ltd.	China
Siemens High Voltage Circuit Breakers Ltd.	China
Siemens Factory Automation Engineering Ltd.	China
Siemens Shanghai Medical Equipment Ltd.	China
Siemens Numerical Control Ltd.	China
Siemens Transformer (Wuhan) Company Ltd.	China
Siemens X-Ray Vacuum Technology Ltd.	China
MWB (Shanghai) Co Ltd.	China
Siemens Electrical Drives (Shanghai) Ltd.	China
Siemens Wiring Accessories Shandong Ltd.	China
Siemens Mechanical Drive Systems (Tianjin) Co., Ltd.	China

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

Fellow Subsidiaries

Siemens Shenzhen Magnetic Resonance Ltd.	China
Siemens S.A.	Colombia
Koncar Power Transformers Ltd.	Croatia
Siemens, s.r.o., odstěpný závod Nizkonapětová spinací technika, Trutnov	Czech Republic
Siemens, s.r.o.	Czech Republic
Siemens Industrial Turbomachinery s.r.o.	Czech Republic
Siemens A / S	Denmark
Siemens Flow Instruments A / S	Denmark
Siemens Wind Power A / S	Denmark
Siemens S.A.	Ecuador
Siemens Technologies S.A.E.	Egypt
Siemens Osakeyhtiö	Finland
Siemens S.A.S.	France
Siemens SAS, Division Production Sensors & Communication, Usine de Haguenau	France
Trench France S.A.S.	France
Siemens Transmission & Distribution SAS	France
Siemens VAI Metals Technologies SAS	France
Flender-Graffenstaden SAS	France
SYKATEC Systeme, Komponenten, Anwendungstechnologie GmbH	Germany
Weiss Spindeltechnologie GmbH	Germany
Siemens Financial Services GmbH	Germany
VVK Versicherungsvermittlungs- und Verkehrskontor GmbH	Germany
HSP Hochspannungsgeräte GmbH	Germany
Siemens Industriegetriebe GmbH	Germany
LINCAS Export Services GmbH	Germany
Siemens Industrial Turbomachinery GmbH (up to 15 June 2011)	Germany
Siemens Turbomachinery Equipment GmbH	Germany
TLT-Turbo GmbH	Germany
Siemens Healthcare Diagnostics Holding GmbH	Germany
Siemens Healthcare Diagnostics Products GmbH	Germany
Siemens Industry Software GmbH & Co. KG	Germany
Trench Germany GmbH	Germany
Wallace & Tiernan GmbH (up to 15 June 2011)	Germany
Siemens Bank GmbH	Germany
Siemens IT Solutions and Services GmbH (up to 1 July 2011)	Germany
Alpha Verteilertechnik GmbH	Germany
Lincas Electro Vertriebsgesellschaft mbH	Germany
evosoft GmbH	Germany
Loher GmbH	Germany
Siemens Geared Motors Gesellschaft mit beschränkter Haftung	Germany

Schedules to the financial statements *(Continued)* for the year ended 30 September 2011 (Currency : Indian rupees thousands)

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

Fellow Subsidiaries

Winergy AG	Germany
Siemens A.E., Elektrotechnische Projekte und Erzeugnisse	Greece
Eviop-Tempo A.E. Electrical Equipment Manufacturers	Greece
Siemens Ltd.	Hong Kong
Siemens Healthcare Diagnostics Ltd.	Hong Kong
Voith Hydro Private Ltd.	India
Siemens Hearing Instruments Private Ltd.	India
Siemens Power Engineering Private Ltd.	India
OSRAM India Private Ltd.	India
Siemens Information Systems Ltd.	India
Siemens Information Processing Services Private Ltd.	India
Siemens VAI Metals Technologies Private Ltd.	India
PETNET Radiopharmaceutical Solutions Private Ltd.	India
Siemens IT Solutions and Services Private Ltd. (up to 1 July 2011)	India
Siemens Corporate Finance Private Ltd.	India
Winergy Drive Systems India Private Ltd.	India
Siemens Financial Services Private Ltd.	India
Compact Automotive Lamp Private Ltd.	India
Morgan Construction Company India Private Ltd.	India
Siemens Industry Software (India) Private Ltd.	India
P.T. Siemens Indonesia	Indonesia
Siemens Medical Solutions Diagnostics Europe Ltd.	Ireland
Siemens Israel Ltd.	Israel
Siemens Concentrated Solar Power Ltd.	Israel
TurboCare S.p.A.	Italy
Siemens S.p.A.	Italy
Trench Italia S.r.l.	Italy
Siemens Japan K.K.	Japan
Yaskawa Siemens Automation & Drives Corp.	Japan
Siemens TOO	Kazakhstan
Siemens Kenya Ltd.	Kenya
Siemens Electrical & Electronic Services K.S.C.C.	Kuwait
Siemens Malaysia Sdn. Bhd.	Malaysia
Siemens Healthcare Diagnostics Sdn. Bhd.	Malaysia
Siemens, S.A. de C.V.	Mexico
Siemens Innovaciones S.A. de C.V.	Mexico
Siemens S.A.	Morocco
Siemens Plant Operations Tahaddart SARL	Morocco
Siemens Nederland N.V.	Netherlands
Siemens Diagnostics Holding II B.V.	Netherlands
Siemens Industrial Turbomachinery B.V.	Netherlands
Siemens (N.Z.) Ltd.	New Zealand

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

Fellow Subsidiaries

Siemens Ltd.	Nigeria
Siemens AS	Norway
Siemens L.L.C.	Oman
Siemens, Inc.	Philippines
Siemens Power Operations, Inc.	Philippines
Siemens Sp. z o.o.	Poland
Siemens S.A.	Portugal
Siemens W.L.L.	Qatar
Siemens S.R.L.	Romania
OOO Siemens	Russian Federation
Siemens Ltd.	Saudi Arabia
Arabia Electric Ltd. (Equipment)	Saudi Arabia
Siemens d.o.o. Beograd	Serbia
Siemens Pte. Ltd.	Singapore
Siemens Healthcare Diagnostics Pte. Ltd. (up to 1 August 2011)	Singapore
Siemens IT Solutions and Services Operations Pte. Ltd. (up to 1 July 2011)	Singapore
Siemens Electronics Assembly Systems Pte. Ltd. (up to 7 January 2011)	Singapore
Siemens Ltd.	South Africa
Siemens Ltd. Seoul	South Korea
Siemens PETNET Korea Co. Ltd.	South Korea
Siemens S.A.	Spain
Siemens AB	Sweden
Siemens Industrial Turbomachinery AB	Sweden
Siemens, Security Products	Sweden
Siemens Schweiz AG, Building Technologies Division, International Headquarters	Switzerland
Siemens Schweiz AG	Switzerland
Trench Switzerland AG (up to 1 July 2011)	Switzerland
Siemens Ltd.	Taiwan
Siemens Ltd.	Thailand
Siemens IT Solutions and Services Ltd. (up to 1 July 2011)	Thailand
Siemens S.A.	Tunisia
Siemens Sanayi ve Ticaret A.S.	Turkey
Siemens Ukraine	Ukraine
Siemens LLC	UAE
SD (Middle East) LLC	UAE
Siemens plc	United Kingdom
Siemens Magnet Technology	United Kingdom
Siemens Industrial Turbomachinery Ltd.	United Kingdom
Siemens Protection Devices Ltd.	United Kingdom
Siemens Healthcare Diagnostics Manufacturing Ltd.	United Kingdom
Siemens Transmission & Distribution Ltd.	United Kingdom

Schedules to the financial statements *(Continued)* for the year ended 30 September 2011 (Currency : Indian rupees thousands)

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

Fellow Subsidiaries

Electrium Sales Ltd.	United Kingdom
Siemens Energy, Inc.	USA
Siemens Demag Delaval Turbomachinery, Inc.	USA
Siemens Corporation	USA
Siemens Industry, Inc.	USA
Siemens Healthcare Diagnostics Inc.	USA
Siemens Water Technologies Corp.	USA
PETNET Solutions, Inc.	USA
Siemens Medical Solutions USA, Inc.	USA
SMS Inc. - Customer Solutions Group	USA
Siemens S.A.	Venezuela
Siemens Ltd.	Vietnam
Siemens Automation Systems Ltd. (up to 21 April 2011)	Vietnam

29.3 Key Managerial Personnel

Dr. Armin Bruck

Mr. Sunil Mathur

Mr. Vijay Paranjape (Retired on 30 September 2011)

29.4 Related party transactions

Description	2011				2010			
	Holding Company	Subsidiaries	Fellow Subsidiaries	Key managerial personnel	Holding Company	Subsidiaries	Fellow Subsidiaries	Key managerial personnel
Sales (net of taxes)								
- Siemens AG	1,160,845	-	-	-	1,471,485	-	-	-
- Siemens Information Systems Ltd.	-	-	92,243	-	-	-	264,927	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	983,058	-	-	-	1,056,279	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	19,041	-	-
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	7,093	-	-
- Europlex Technologies (Ireland) Ltd.	-	20,300	-	-	-	-	-	-
- Siemens Industry Inc.	-	-	366,198	-	-	-	333,077	-
- Others	-	-	2,439,819	-	-	-	1,338,929	-
Commission income								
- Siemens AG	422,585	-	-	-	425,409	-	-	-
- Siemens Industrial Turbomachinery AB	-	-	17,729	-	-	-	-	-
- Siemens Industrial Turbomachinery Ltd.	-	-	39,908	-	-	-	7,961	-
- A. Friedr Flender AG	-	-	-	-	-	-	8,640	-
- Others	-	-	3,105	-	-	-	3,705	-

29.4 Related party transactions (Continued)

Description	2011				2010			
	Holding Company	Subsidiaries	Fellow Subsidiaries	Key managerial personnel	Holding Company	Subsidiaries	Fellow Subsidiaries	Key managerial personnel
Other recoveries								
- Siemens AG	1,233,376	-	-	-	658,524	-	-	-
- Siemens Information Systems Ltd.	-	-	101,919	-	-	-	125,678	-
- Siemens Information Processing Services Private Ltd.	-	-	33,943	-	-	-	27,192	-
- Siemens Corporate Finance Private Ltd.	-	-	7,769	-	-	-	12,553	-
- Siemens Wind Power A / S	-	-	80,733	-	-	-	27,628	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	11,962	-	-
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	14,263	-	-
- Europlex Technologies (Ireland) Ltd.	-	4,472	-	-	-	-	-	-
- Siemens Power Engineering Private Ltd.	-	-	78,372	-	-	-	15,895	-
- Others	-	-	148,186	-	-	-	170,460	-
Reimbursement of expenses								
- Siemens AG	903,413	-	-	-	379,943	-	-	-
- Siemens Information Systems Ltd.	-	-	11,115	-	-	-	31,976	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	24,310	-	-	-	2,972	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	940	-	-
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	3,095	-	-
- Winergy Drive Systems India Private Ltd.	-	-	11,140	-	-	-	441	-
- Siemens Pte. Ltd.	-	-	1,531	-	-	-	2,469	-
- Siemens Electronics Assembly Systems Pte. Ltd.	-	-	4,146	-	-	-	14,289	-
- Others	-	-	22,973	-	-	-	17,431	-
Purchase / Other services								
- Siemens AG	23,463,552	-	-	-	19,576,523	-	-	-
- Siemens Information Systems Ltd.	-	-	57,024	-	-	-	180,710	-
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	24,782	-	-
- Siemens Information Processing Services Private Ltd.	-	-	131,939	-	-	-	88,479	-
- Koncar Power Transformers Ltd.	-	-	1,989,460	-	-	-	1,932,199	-
- Siemens Electrical Apparatus Ltd.	-	-	718,225	-	-	-	879,533	-
- Siemens Medical Solutions USA, Inc.	-	-	324,993	-	-	-	342,836	-
- Europlex Technologies (Ireland) Ltd.	-	1,671	-	-	-	-	-	-
- Others	-	-	6,629,785	-	-	-	3,434,218	-
Interest Income								
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	48,944	-	-
- Osram India Private Ltd.	-	-	132,165	-	-	-	58,273	-
- Winergy Drive Systems India Private Ltd.	-	-	104,615	-	-	-	44,931	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	61,445	-	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	-	-	24,693	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	129,528	-	-	-	6,831	-
- Compact Automotive Lamp Private Ltd.	-	-	818	-	-	-	-	-
Interest Expenses								
- Siemens AG	23,353	-	-	-	19,084	-	-	-
Liabilities no longer required, written back								
- Siemens AG	258,206	-	-	-	-	-	-	-
Sale of investments in Subsidiaries								
- Siemens Schweiz AG	-	-	186,164	-	-	-	-	-

Schedules to the financial statements (Continued)

for the year ended 30 September 2011

(Currency : Indian rupees thousands)

29.4 Related party transactions (Continued)

Description	2011				2010			
	Holding Company	Subsidiaries	Fellow Subsidiaries	Key managerial personnel	Holding Company	Subsidiaries	Fellow Subsidiaries	Key managerial personnel
Dividend paid								
- Siemens AG	930,205	-	-	-	930,205	-	-	-
- Siemens Diagnostics Holding II B.V.	-	-	18,851	-	-	-	-	-
Purchase of Fixed assets / Capital work in progress								
- Siemens AG	161,612	-	-	-	62,339	-	-	-
- Siemens Transmission & Distribution SAS	-	-	46,690	-	-	-	-	-
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	14,414	-	-
- Others	-	-	21,480	-	-	-	5,687	-
Purchase of Intangible asset								
- Siemens AG	123,380	-	-	-	-	-	-	-
- TLT-Turbo GmbH	-	-	98,208	-	-	-	-	-
Issue of Share Capital								
- Siemens Diagnostics Holding II B.V.	-	-	4,309	-	-	-	-	-
Managerial Remuneration								
Dr. Armin Bruck	-	-	-	79,814	-	-	-	70,431
Mr. Sunil Mathur	-	-	-	43,814	-	-	-	44,254
Mr. Vijay Paranjape (Retired on 30 September 2011)	-	-	-	29,437	-	-	-	19,427
Inter Corporate Deposits given								
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	2,804,000	-	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	4,450,000	-	-
- Osram India Private Ltd.	-	-	4,340,000	-	-	-	3,750,000	-
- Winergy Drive Systems India Private Ltd.	-	-	4,200,000	-	-	-	3,120,000	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	-	-	1,600,000	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	6,200,000	-	-	-	1,400,000	-
- Compact Automotive Lamp Private Ltd.	-	-	93,000	-	-	-	-	-
Inter Corporate Deposits repaid								
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	2,980,000	-	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	3,900,000	-	-
- Osram India Private Ltd.	-	-	3,770,000	-	-	-	3,450,000	-
- Winergy Drive Systems India Private Ltd.	-	-	4,000,000	-	-	-	2,780,000	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	-	-	1,600,000	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	5,150,000	-	-	-	600,000	-
- Compact Automotive Lamp Private Ltd.	-	-	42,500	-	-	-	-	-
Outstanding Balances								
Debtors								
- Siemens AG	531,625	-	-	-	344,975	-	-	-
- Siemens W.L.L.	-	-	111,689	-	-	-	3,265	-
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	7,119	-	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	819	-	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	2,315	-	-	-	97,233	-
- Siemens Information Systems Ltd.	-	-	70,268	-	-	-	115,263	-
- Siemens Schweiz AG	-	-	53,759	-	-	-	-	-
- Morgan Construction Company India Private Ltd.	-	-	11,876	-	-	-	3,589	-
- Others	-	-	239,071	-	-	-	207,833	-

29.4 Related party transactions (Continued)

Description	2011				2010			
	Holding Company	Subsidiaries	Fellow Subsidiaries	Key managerial personnel	Holding Company	Subsidiaries	Fellow Subsidiaries	Key managerial personnel
Creditors								
- Siemens AG	4,676,255	-	-	-	5,112,779	-	-	-
- Siemens Healthcare Diagnostics Inc.	-	-	369,454	-	-	-	-	-
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	51,516	-	-
- Siemens Information Systems Ltd	-	-	23,687	-	-	-	165,554	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	-	-	-	-	14,186	-
- Siemens Information Processing Services Private Ltd.	-	-	35,083	-	-	-	21,441	-
- Siemens Industrial Turbomachinery Ltd.	-	-	236,074	-	-	-	238,640	-
- Siemens Power Engineering Private Ltd.	-	-	52,771	-	-	-	62,575	-
- Koncar Power Transformers Ltd.	-	-	17,154	-	-	-	1,314,429	-
- TLT-Turbo GmbH	-	-	79,343	-	-	-	-	-
- Trench Germany GmbH	-	-	14,820	-	-	-	322,357	-
- Others	-	-	1,748,993	-	-	-	1,098,651	-
Inter Corporate Deposits								
- Siemens Building Technologies Private Ltd.	-	-	-	-	-	674,000	-	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	1,150,000	-	-
- Osram India Private Ltd.	-	-	1,670,000	-	-	-	1,100,000	-
- Winergy Drive Systems India Private Ltd.	-	-	1,200,000	-	-	-	1,000,000	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	1,850,000	-	-	-	800,000	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	-	-	400,000	-
- Compact Automotive Lamp Private Ltd.	-	-	50,500	-	-	-	-	-
Interest receivable on Inter Corporate Deposits								
- Siemens VAI Metals Technologies Private Ltd.	-	-	13,742	-	-	-	945	-
- Osram India Private Ltd.	-	-	8,175	-	-	-	7,324	-
- Winergy Drive Systems India Private Ltd.	-	-	5,985	-	-	-	3,668	-
- Siemens Rolling Stock Private Ltd.	-	-	-	-	-	9,095	-	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	-	-	3,915	-
- Compact Automotive Lamp Private Ltd.	-	-	53	-	-	-	-	-
Managerial Remuneration payable								
Dr. Armin Bruck	-	-	-	32,131	-	-	-	34,607
Mr. Sunil Mathur	-	-	-	19,208	-	-	-	21,835
Mr. Vijay Paranjape (Retired on 30 September 2011)	-	-	-	12,677	-	-	-	9,258

Schedules to the financial statements (*Continued*)
for the year ended 30 September 2011
(Currency : Indian rupees thousands)

30 (i) Information about business segments

	Revenue						Results	
	External sales		Inter segmental sales		Total		2011	2010
	2011	2010	2011	2010	2011	2010		
Industry Automation	8,118,237	6,305,514	573,253	471,657	8,691,490	6,777,171	674,296	631,424
Drive Technologies	11,242,609	8,497,711	4,687,518	5,274,226	15,930,127	13,771,937	1,042,951	1,094,052
Building Technologies	8,836,889	5,222,141	631,759	571,918	9,468,648	5,794,059	473,222	231,290
Industry Solutions	11,173,519	11,606,740	418,517	282,864	11,592,036	11,889,604	551,209	1,096,962
Mobility	7,529,858	10,207,979	-	-	7,529,858	10,207,979	1,191,874	857,544
Fossil Power Generation	5,355,583	1,292,022	2,183	2,591	5,357,766	1,294,613	552,053	399,670
Oil & Gas	14,204,074	7,036,699	4,300	7,500	14,208,374	7,044,199	1,994,419	936,138
Power Transmission	33,501,645	28,006,892	507,289	1,218,353	34,008,934	29,225,245	3,951,253	5,189,155
Power Distribution	8,372,687	6,903,493	3,176,629	2,602,980	11,549,316	9,506,473	599,827	528,472
Healthcare	10,478,962	7,537,394	-	-	10,478,962	7,537,394	516,466	519,453
Real Estate	604,986	535,820	-	-	604,986	535,820	426,069	433,110
Eliminations	-	-	(10,001,448)	(10,432,089)	(10,001,448)	(10,432,089)	-	-
Total	119,419,049	93,152,405	-	-	119,419,049	93,152,405	11,973,639	11,917,270
Interest expenses							(127,273)	(105,876)
Interest income							882,508	776,085
Unallocable corporate items							20,661	-
Profit before tax							12,749,535	12,587,479
Income tax							(4,636,860)	(4,516,513)
Deferred tax							341,584	201,149
Profit after tax							8,454,259	8,272,115
Consolidated total	119,419,049	93,152,405	-	-	119,419,049	93,152,405	8,454,259	8,272,115

	Assets		Liabilities		Capital Expenditure		Non cash expenditure			
							Depreciation		Others	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Industry Automation	3,302,554	2,698,626	1,564,761	1,824,644	214,301	409,670	138,050	125,486	(12,033)	90,556
Drive Technologies	6,687,185	5,827,092	4,482,779	4,341,093	600,166	339,994	216,661	196,976	(15,303)	245,163
Building Technologies	4,427,347	2,172,857	2,244,979	1,592,902	189,960	114,161	96,810	46,350	(4,628)	24,763
Industry Solutions	5,958,179	5,976,760	5,886,176	6,667,158	43,049	28,912	38,379	24,000	47,509	(25,568)
Mobility	4,031,410	3,085,486	4,255,423	4,226,152	17,406	57,031	84,831	13,976	(20,294)	53,570
Fossil Power Generation	1,917,118	717,554	5,352,403	3,543,727	28,752	21,454	14,024	9,031	17,927	(140,331)
Oil & Gas	8,417,040	4,929,955	6,544,867	6,503,389	1,302,320	1,192,342	117,085	55,968	(91,747)	(19,312)
Power Transmission	29,202,949	26,962,832	18,921,376	18,850,019	794,183	459,822	338,172	289,171	386,403	524,970
Power Distribution	7,068,712	5,353,517	3,420,397	3,857,905	769,149	153,177	78,256	40,758	180,098	(99,912)
Healthcare	4,445,896	2,302,216	4,648,301	3,467,354	322,370	67,931	298,073	39,016	(44,757)	(54,649)
Real Estate	1,974,745	2,177,417	959,388	548,990	133,316	113,446	101,737	174,064	(2,568)	(10,714)
Total	77,433,135	62,204,312	58,280,850	55,423,333	4,414,972	2,957,940	1,522,078	1,014,796	440,607	588,536
Unallocable corporate items	24,143,607	32,080,993	5,134,015	4,084,184	36,408	53,824	-	-	-	-
Consolidated total	101,576,742	94,285,305	63,414,865	59,507,517	4,451,380	3,011,764	1,522,078	1,014,796	440,607	588,536

30 (ii) Secondary segment information

	Revenue based on location of customers		Carrying amount of segment assets by location		Additions to fixed assets and intangible assets	
	2011	2010	2011	2010	2011	2010
Within India	93,366,338	72,487,378	84,804,764	79,539,649	4,451,380	3,011,764
Outside India	26,052,711	20,665,027	16,771,978	14,745,656	-	-
Total	119,419,049	93,152,405	101,576,742	94,285,305	4,451,380	3,011,764

30 (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.

30 (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 eleven segments. These segments are the basis for management control and hence, form the basis for reporting. The business of each segment comprises of :

- **Industry Automation :-** Provides complete range of automation products & systems, industrial automation systems & low-voltage Switchgears.
- **Drive Technologies :-** Provides complete range of large and standard drives and motors, special purpose motors, process and motion control systems.
- **Building Technologies :-** Electrical Installation Technologies, i.e. Products for Building, e.g. Miniature Circuit breakers, Distribution boards, Residual Current Circuit Breakers etc.
- **Industry Solutions :-** Undertakes turnkey projects in the industrial and infrastructure sectors over the entire life cycle including concept, engineering, procurement, supplies, installation, commissioning and after sales services.
- **Mobility :-** Provides solutions for rail automation, railway electrification, light and heavy rail, locomotives, trains, turnkey projects and integrated services.
- **Fossil Power Generation :-** The Fossil Power Generation Division offers highly efficient products and solutions for power generation based on fossil fuels. They range from individual gas and steam turbines and generators, to turnkey power plants. The Division also develops instrumentation and control systems for every type of power plant.
- **Oil & Gas :-** The Oil & Gas Division offers customers products and solutions that are used for the extraction, conversion and transport of oil and gas. The Division portfolio also includes solutions for power generation and distribution, compressors with electrical and mechanical drives, process and automation technologies, and integrated IT solutions for pipeline and storage applications.
- **Power Transmission :-** The Power Transmission Division offers products and solutions in the high-voltage field – such as High Voltage Direct Current (HVDC) transmission systems, substations, switchgear and transformers.
- **Power Distribution :-** The specialties of the Power Distribution Division range from solutions for the automation of power grids, to products like medium-voltage switchgear and components.
- **Healthcare :-** Provides diagnostic, therapeutic and life-saving products in computer tomography (CT), magnetic resonance imaging (MRI), ultrasonography, nuclear medicine, digital angiography, patient monitoring systems, digital radiography systems, radiology networking systems, lithotripsy and linear accelerators.
- **Real Estate :-** Provides comprehensive real estate management.

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

Schedules to the financial statements (*Continued*) for the year ended 30 September 2011 (Currency : Indian rupees thousands)

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

(i) Defined Contribution Plans

Amount of ` 188,403 (2010 : ` 119,401) is recognised as an expense and included in "Personnel costs" (Refer schedule 20) in the Profit and loss account.

(ii) Defined benefit Plans

a) Amounts for the current period are as follows :

	Gratuity		Pension		Medical	
	2011	2010	2011	2010	2011	2010
I Change in benefit obligation						
Liability at the beginning of the year	818,601	604,602	166,332	174,983	202,067	70,754
Interest cost	72,491	48,368	13,306	13,999	16,562	5,613
Current service cost	93,221	67,749	-	-	8,971	3,285
Past Service Cost (Vested Benefit)	-	206,274	-	-	-	-
Liability transfer in	28,569	29,947	-	-	-	-
Benefit paid	(37,673)	(50,049)	(28,510)	(28,453)	(24,221)	(7,760)
Actuarial (gain) / loss on obligations	37,730	(88,290)	31,238	5,803	47,904	130,175
Liability at the end of the year	1,012,939	818,601	182,366	166,332	251,283	202,067
II Fair value of plan assets						
Fair value of plan assets at the beginning of the year	850,461	647,749	-	-	-	-
Expected return on plan assets	71,708	51,820	-	-	-	-
Contributions	122,075	166,188	-	-	-	-
Transfer from other company	28,569	29,947	-	-	-	-
Benefit paid	(37,673)	(50,049)	-	-	-	-
Actuarial gain / (loss) on plan assets	(26,800)	4,806	-	-	-	-
Fair value of plan assets at the end of the year	1,008,340	850,461	-	-	-	-
III Actual return on plan assets						
Expected return on plan assets	71,708	51,820	-	-	-	-
Actuarial gain / (loss) on plan assets	(26,800)	4,806	-	-	-	-
Actual return on plan assets	44,908	56,626	-	-	-	-
IV Amount recognised in the balance sheet						
Liability at the end of the year	1,012,939	818,601	182,366	166,332	251,283	202,067
Fair value of plan assets at the end of the year	1,008,340	850,461	-	-	-	-
Net(Asset) / Liability recognised in the balance sheet	4,599	(31,860)	182,366	166,332	251,283	202,067

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

	Gratuity		Pension		Medical	
	2011	2010	2011	2010	2011	2010
V Expenses recognised in the income statement						
Interest cost	72,491	48,368	13,306	13,999	16,562	5,613
Current service cost	93,221	67,749	-	-	8,971	3,285
Expected return on plan assets	(71,708)	(51,820)	-	-	-	-
Past Service Cost (Vested Benefit) Recognised	-	206,274	-	-	-	-
Actuarial (gain) / loss	64,530	(93,096)	31,238	5,803	47,904	130,175
Expense recognised in personnel costs(Schedule 20)	158,534	177,475	44,544	19,802	73,437	139,073
VI Balance sheet reconciliation						
Opening net liability	(31,860)	(43,147)	166,332	174,983	202,067	70,754
Expense as above	158,534	177,475	44,544	19,802	73,437	139,073
Employers contribution	(122,075)	(166,188)	(28,510)	(28,453)	(24,221)	(7,760)
Net(Asset) / Liability recognised in balance sheet	4,599	(31,860)	182,366	166,332	251,283	202,067
VII Actuarial Assumptions : For the Year						
Discount Rate Current	8.50%	8.25%	8.50%	8.25%	8.50%	8.25%
Rate of Return on Plan Assets Current	8.50%	8.00%	-	-	-	-
Medical Cost increase rate	-	-	-	-	7.00%	7.00%
Attrition rate	-	5.00%	-	-	-	-
upto 30 years	15.00%	-	-	-	-	-
31 - 50 years	3.00%	-	-	-	-	-
above 50 years	2.00%	-	-	-	-	-
VIII Sensitivity						
Change in Liability for 1% increase in discount rate	-	-	-	-	236,909	17,337
Change in Liability for 1% decrease in discount rate	-	-	-	-	267,450	21,055
Change in Liability for 1% increase in inflation rate	-	-	-	-	268,261	22,672
Change in Liability for 1% decrease in inflation rate	-	-	-	-	236,475	19,297
Change in Service Cost for 1% increase in discount rate	-	-	-	-	9,062	84
Change in Service Cost for 1% decrease in discount rate	-	-	-	-	10,503	189
Change in Interest Cost for 1% increase in discount rate	-	-	-	-	20,026	702
Change in Interest Cost for 1% decrease in discount rate	-	-	-	-	22,584	702

Schedules to the financial statements (*Continued*) for the year ended 30 September 2011 (Currency : Indian rupees thousands)

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

IX Amount for the Current and Previous periods as per AS15 Para 120(n) are as follows :							
	Gratuity					Pension	Medical
	2011	2010	2009	2008	2007	2011	2011
Liability at the end of the year	1,012,939	818,601	604,602	466,489	442,128	-	-
Fair value of plan assets at the end of the year	1,008,340	850,461	647,749	476,575	471,412	-	-
Difference	4,599	(31,860)	(43,147)	(10,086)	(29,284)	-	-
Experience Adjustment on Plan Liabilities (gain)/ loss	98,522	(73,342)	9,883	7,862	15,831	26,894	41,232
Experience Adjustment on Plan Assets (loss) / gain	(26,800)	4,806	(13,897)	1,669	7,071	-	-

- 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 ` 100,000 to gratuity fund in 2011-12.
- 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 guidance issued by the Accounting Standard Board (ASB) on implementing AS 15, Employee Benefits (revised 2005) states that provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The fund does not have any existing deficit or interest shortfall. In regard to any future obligation arising due to interest shortfall (i.e. government interest to be paid on provident funds scheme exceeds rate of interest earned on investment), pending the issuance of guidance note from the Actuarial Society of India, the Company's actuary is unable to reliably measure the same. Companies contribution to the Provident fund totals to ` 283,992 (2010: ` 193,023)

(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.

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

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

Particulars	2011	2010
Government of India securities	14%	16%
State Government securities	28%	19%
Public sector unit bonds	35%	38%
Special Discount scheme	23%	27%
Total Plan Assets	100%	100%

32 Derivative Instruments

a) Forward Contracts

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

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

Currency	Buy			Sell		
	Number of contracts	Amount	Indian rupees equivalent	Number of contracts	Amount	Indian rupees equivalent
US Dollar						
2011	251	122,117	5,980,685	163	312,398	15,299,692
2010	192	109,208	4,907,240	111	407,406	18,306,793
Euro						
2011	185	202,547	13,530,145	66	59,696	3,987,701
2010	206	335,518	20,516,067	39	25,414	1,553,989
Qatari Riyal						
2011	1	350	4,708	24	1,008,289	13,562,472
2010	2	750	9,255	16	1,682,055	20,769,179
Japanese Yen						
2011	5	24,620	15,724	-	-	-
2010	4	32,952	17,702	-	-	-
Pound Sterling						
2011	17	5,757	441,201	3	974	74,655
2010	21	5,781	410,504	3	2,325	165,115
CHF						
2011	4	2,193	120,012	-	-	-
2010	1	51	2,350	-	-	-
CAD						
2011	2	284	13,496	-	-	-
2010	1	167	7,291	-	-	-
SEK						
2011	4	10,406	75,366	-	-	-
2010	1	458	3,066	-	-	-

Schedules to the financial statements (*Continued*)
for the year ended 30 September 2011
(Currency : Indian rupees thousands)

32 Derivative Instruments (Continued)

Currency	Buy			Sell		
	Number of contracts	Amount	Indian rupees equivalent	Number of contracts	Amount	Indian rupees equivalent
SGD						
2011	3	2,777	105,117	-	-	-
2010	-	-	-	-	-	-
AED						
2011	1	490	6,534			
2010	-	-	-			

All currency exposures having underlying transactions as at 30 September 2011 are covered by foreign currency forward contracts. The forward contracts have been converted in Indian rupees, at the spot rates, as at 30 September 2011 to facilitate reading purposes only.

b) 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 2011

Year	Commodity	Number of Contracts	Contractual Quantity	Buy / Sell
2011	Copper	2,924	2,924,000 Kgs	Buy
	Nickel	34	8,500 Kgs	Buy
	Silver	180	5,400 Kgs	Buy
2010	Copper	1,211	1,211,000 Kgs	Buy
	Silver	98	2,940 Kgs	Buy

Note: Each contract of copper is of 1,000 kg, silver is of 30 kg and nickel is of 250 kg.

33 Earnings per share:

	2011	2010
Profit after tax (Net profit attributable to Equity shareholders)	8,454,259	8,272,115
Shares :-		
Weighted average number of Equity shares outstanding during the year	338,800,550	337,160,200
Earnings per share (Basic and diluted)	24.95	24.53

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

The Company has amounts due to suppliers under MSMED as at 30 September 2011. The disclosure pursuant to the said Act is as under:

	2011	2010
Principal amount due to suppliers under MSMED Act	588,878	148,845
Interest accrued and due to suppliers under Section 16 of MSMED Act, 2006 on the above amount, unpaid	3,371	1,959
Payment made to suppliers (other than interest) beyond the appointed day during the year	2,926,128	2,644,768
Interest paid to suppliers under the MSMED Act	-	-
Interest due and payable towards suppliers under MSMED Act towards payments already made	210,958	137,530
Interest accrued and remaining unpaid at the end of the accounting year	214,329	139,489
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.		

35 Other Costs, net

Miscellaneous expenses as disclosed in Schedule 21 includes ₹ 450,748 (2010: Nil) in respect of provisions created for sales tax matters of earlier years.

36 Proposed amalgamation of Siemens VAI Metals Technologies Private Ltd. and Morgan Construction Company India Private Ltd. with the Company.

The Board of Directors approved the amalgamation of Siemens VAI Metals Technologies Private Ltd., Kolkata (SVAI - a 100% Siemens AG company) and Morgan Construction Company India Private Ltd., Mumbai (Morgan - a 100% subsidiary of SVAI) with the Company on 29 October 2011. In terms of the Scheme proposed to be filed with the court, the appointed date is 1 October 2011 and the share swap ratio will be 1318 equity shares of the face value of ₹ 2 each fully paid-up of the Company for every 100 equity shares of the face value of ₹ 100 fully paid-up of SVAI (Morgan is a 100% subsidiary of SVAI). The proposed amalgamation is subject to the approvals of the shareholders and creditors of the companies, and other statutory and regulatory authorities in the respective jurisdictions.

37 Prior year comparatives

Pursuant to the amalgamation of SBTPL and Vista (Refer schedule 2.1), SHDL (Refer schedule 2.2) and SRSPL (Refer schedule 2.3), the figures of the current year are not strictly comparable to those of the previous year. Previous year's figures have been regrouped / reclassified wherever necessary, to conform to current year's classification.

As per our report of even date

For S.R.Batliboi & Associates

Firm Registration Number:- 101049W
Chartered Accountants

per Sudhir Soni

Partner

Membership No: 41870

Mumbai

Date: 22 November 2011

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

Deepak S.Parekh

Chairman

Dr.Armin Bruck

Managing Director

Sunil Mathur

Executive Director

Yezdi H.Malegam

Director & Chairman of Audit Committee

Ajai Jain

Vice President (Legal) & Company Secretary

Mumbai

Date: 22 November 2011

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.

10839

State Code

11

Balance Sheet Date

30

09

2011

Date

Month

Year

II. Capital raised during the year (Amount in ` thousands)

Public Issue

NIL

Rights Issue

NIL

Bonus Issue

NIL

Private Placement

NIL

III. Position of mobilisation and deployment of funds (Amount in ` thousands)

Total Liabilities

101,576,742

Total Assets

101,576,742

Sources of Funds

Paid-up Capital

680,590

Reserves & Surplus

37,481,287

Secured Loans

NIL

Unsecured Loans

NIL

Application of Funds

Net Fixed Assets

14,183,067

Investments

5

Net Current Assets

22,090,092

Miscellaneous Expenditure

NIL

Accumulated Loss

NIL

Deferred Tax Asset

1,888,713

Balance Sheet Abstract and Company's General Business Profile (Continued)

IV. Performance of the Company (Amount in ` thousands)

Turnover (including other income)	Total Expenditure
121,967,319	109,217,784
+ / - Profit / Loss Before Tax	+ / - Profit / Loss After Tax
+ 12,749,535	+ 8,454,259
(Please tick appropriate box + for Profit, - for Loss)	
Earning per share in `	Dividend Rate %
24.95	300%

V. Generic Names of Three Principal Products / Services of the Company

(As per monetary terms)

Item No. (ITC Code)	854800
Product description	Electrical part of machinery or apparatus
Item No. (ITC Code)	903289
Product description	Electronic automatic regulators
Item No. (ITC Code)	902210
Product description	X-ray apparatus

The Earning per share disclosed above has been computed in accordance with the Accounting Standard - 20, Earning per share, issued by the Institute of Chartered Accountants of India ("ICAI").

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

Deepak S. Parekh	<i>Chairman</i>
Dr. Armin Bruck	<i>Managing Director</i>
Sunil Mathur	<i>Executive Director</i>
Yezdi H. Malegam	<i>Director & Chairman of Audit Committee</i>
Ajai Jain	<i>Vice President (Legal) & Company Secretary</i>

Mumbai
Date: 22 November 2011

Statement Regarding Subsidiary Companies Pursuant to Section 212 (1) and (3) of the Companies Act, 1956 :

(Currency: Indian rupees thousands)

Name of the Subsidiary	The net Aggregate of profits (losses) of the subsidiary company for it's financial year so far as they concern the members of Siemens Ltd.		The net Aggregate of profits (losses) of the subsidiary company for it's financial year so far as they concern the members of Siemens Ltd.	
	a) Dealt within the account of Siemens Limited for the year ended	b) Not dealt within the account of Siemens Limited for the year ended	a) Dealt within the account of Siemens Limited for the year ended	b) Not dealt within the account of Siemens Limited for the year ended
	30 September, 2011		30 September, 2010	
Siemens Rolling Stock Private Ltd.	-	-	-	(212,899)
[Nil (amalgamated with the Company w.e.f. 1 st October 2009) (2010 : 25,000,000) Equity shares of ` 10 each, fully paid-up, i.e. Nil (2010: 100% holding)]				
Siemens Building Technologies Private Ltd. (SBTPL)	-	-	-	77,352
[Nil (amalgamated with the Company w.e.f. 1 st October 2010) (2010 : 3,734,079) Equity shares of ` 10 each, fully paid-up, i.e. Nil (2010: 100% holding)]				
iMetrex Technologies Ltd. (Ireland)	-	(23,764)	-	-
[583,707 F ordinary shares of Euro 1.27 each, full paid; 5,867 B ordinary shares of Euro 1.27 each, fully paid; 1,103,280 6% preference shares of Euro 1 each, fully paid, upto 9 th May 2011]				
(2010; Nil - was subsidiary of erstwhile SBTPL)				

**Siemens Group
Consolidated Financial Statements
for the year ended 30 September 2011
with Auditor's Report**

**Particulars regarding subsidiary Companies, in accordance with General Circular No.: 02/2011 dated 8th February, 2011 from the Ministry of Corporate Affairs.
(Currency: Indian rupees thousands)**

Particulars	Siemens Rolling Stock Private Ltd.		Siemens Building Technologies Private Ltd.		Vista Security Technics Private Ltd.		iMetrex Technologies pte.Ltd. (Singapore)		iMetrex Technologies Ltd. (Ireland)		Europlex Technologies UK Ltd. (UK)		Europlex Technologies Ltd. (Ireland)	
	2011	2010	2011	2010	2011	2010	2011	2010	Upto 9 May 2011	2010	Upto 9 May 2011	2010	Upto 9 May 2011	2010
Capital	-	250,000	-	37,341	-	669	-	-	-	113,535	-	220,717	-	199,159
Reserves	-	-	-	576,861	-	66,246	-	-	-	(108,485)	-	(218,881)	-	(183,323)
Loans	-	1,150,000	-	674,129	-	-	-	-	-	-	-	-	-	-
Total Assets	-	1,400,000	-	1,288,330	-	66,915	-	-	-	5,050	-	1,836	-	15,837
Total liabilities	-	1,400,000	-	1,288,330	-	66,915	-	-	-	5,050	-	1,836	-	15,837
Details of investments	-	-	-	209,138	-	-	-	-	-	-	-	-	-	-
Turnover	-	107,629	-	2,490,236	-	99,620	-	284,069	-	-	52,420	73,563	75,237	141,046
Profit / (Loss) before Tax	-	(212,899)	-	258,668	-	(11,719)	-	44,595	(381)	(156,205)	12,784	1,705	(36,167)	352,141
Provision For Tax	-	-	-	206,541	-	-	-	8,611	-	-	-	-	-	-
Deferred Tax	-	-	-	(28,919)	-	3,622	-	-	-	-	-	-	-	-
Profit / (Loss) After Tax	-	(212,899)	-	81,046	-	(15,341)	-	35,984	(381)	(156,205)	12,784	1,705	(36,167)	352,141
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The Currency & exchange rate used by the following companies

Company	Currency	Exchange Rate average rate for revenue items
iMetrex Technologies Private Ltd. (Ireland)	Euro	62.24
Europlex Technologies UK Ltd. (UK)	GBP	71.91
Europlex Technologies Ltd. (Ireland)	Euro	62.24

Auditors' Report

To the Board of Directors Siemens Limited

We have audited the attached consolidated balance sheet of Siemens Limited ('the company') and its subsidiaries (collectively referred to as the 'Siemens group'), as at September 30, 2011, and also the consolidated profit and loss account and the consolidated cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Siemens Limited's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the company's management in accordance with the requirements of Accounting Standards (AS) 21, Consolidated financial statements, notified pursuant to

the Companies (Accounting Standards) Rules, 2006, (as amended).

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

- (a) in the case of the consolidated balance sheet, of the state of affairs of the Siemens Group as at September 30, 2011;
- (b) in the case of the consolidated profit and loss account, of the profit for the year ended on that date; and
- (c) in the case of the consolidated cash flow statement, of the cash flows for the year ended on that date.

For S.R. BATLIBOI & ASSOCIATES

Firm registration number: 101049W

Chartered Accountants

per Sudhir Soni

Partner

Membership No.: 41870

Place : Mumbai

Date : November 22, 2011

Consolidated Balance Sheet as at 30 September 2011 (Currency : Indian rupees thousands)

	Schedule	2011	2010
SOURCES OF FUNDS			
Shareholders' funds			
Share capital	3	680,590	674,320
Reserves and surplus	4	37,481,287	32,122,909
		<u>38,161,877</u>	<u>32,797,229</u>
Minority interest			
Equity	5	-	-
Non-equity	6	-	-
		<u>-</u>	<u>-</u>
Loan funds			
Secured loans	7	-	129
Unsecured loans	8	-	2,410
		<u>-</u>	<u>2,539</u>
		<u>38,161,877</u>	<u>32,799,768</u>
APPLICATION OF FUNDS			
Fixed assets	9		
Gross block		19,983,191	18,262,356
Accumulated depreciation / amortisation		(8,289,160)	(8,412,683)
Net block		<u>11,694,031</u>	<u>9,849,673</u>
Capital work-in-progress including capital advances		2,489,036	2,551,556
		<u>14,183,067</u>	<u>12,401,229</u>
Investments	10	5	5
Deferred tax asset, net	11	1,888,713	1,427,375
Current assets, loans and advances			
Inventories	12	8,078,344	7,199,511
Sundry debtors	13	41,733,342	34,103,953
Cash and bank balances	14	12,750,396	18,795,018
Loans and advances	15	14,060,017	10,738,542
Other current assets	16	8,882,858	8,516,809
		<u>85,504,957</u>	<u>79,353,833</u>
Current liabilities and provisions			
Current liabilities	17	(45,376,326)	(44,644,466)
Provisions	18	(18,038,539)	(15,738,208)
		<u>(63,414,865)</u>	<u>(60,382,674)</u>
Net current assets		<u>22,090,092</u>	<u>18,971,159</u>
		<u>38,161,877</u>	<u>32,799,768</u>
Significant accounting policies	1		
Schedules to the consolidated financial statements	2 - 36		

The schedules referred to above form an integral part of the consolidated balance sheet.

As per our report of even date.

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

per Sudhir Soni
Partner
Membership No: 41870

Mumbai
Date: 22 November 2011

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

Deepak S.Parekh *Chairman*
Dr. Armin Bruck *Managing Director*
Sunil Mathur *Executive Director*
Yezdi H.Malegam *Director & Chairman of Audit Committee*
Ajai Jain *Vice President (Legal) & Company Secretary*

Mumbai
Date: 22 November 2011

Consolidated Profit and Loss Account for the year ended 30 September 2011 (Currency : Indian rupees thousands)

	Schedule	2011	2010
INCOME			
Sales and services (gross)		122,660,370	98,188,248
Excise duty		(3,596,993)	(2,436,149)
Sales and services (net)		119,063,377	95,752,099
Commission income		483,328	448,650
		119,546,705	96,200,749
Interest income	19	882,508	667,648
Other operating income, net	20	1,645,101	1,229,315
Other income	21	159,597	-
		122,233,911	98,097,712
EXPENDITURE			
Cost of sales and services	22	90,418,425	70,314,206
Personnel costs	23	9,174,188	7,052,342
Depreciation/ amortisation	9	1,539,915	1,687,090
Interest Expense		127,273	110,478
Other costs, net	24	8,076,716	6,867,286
		109,336,517	86,031,402
Profit before tax		12,897,394	12,066,310
Provision for tax			
Current tax		(4,565,197)	(4,731,665)
Deferred tax credit		345,279	230,998
Profit after tax		8,677,476	7,565,643
Minority interest		-	12,071
Net profit after tax		8,677,476	7,577,714
Balance in profit and loss account brought forward		(4,133,615)	(1,473,425)
Balance of Profit and loss account of SHDL as on 1 October 2009		64,291	-
Post merger profit of SHDL for the period October 2009 to September 2010		55,137	-
Amount available for appropriation		4,663,289	6,104,289
Appropriations:			
Proposed dividend		2,041,769	1,685,801
Tax on Proposed dividend		331,226	279,990
Transfer to general reserve		1,200,000	8,272,113
Balance carried forward		1,090,294	(4,133,615)
		4,663,289	6,104,289
Earnings per share ('EPS')	33		
(Equity share of face value ` 2 each)			
- Basic and diluted (in `)		25.61	22.48
Significant accounting policies	1		
Schedules to the consolidated financial statements	2 - 36		

The schedules referred to above form an integral part of the consolidated profit and loss account.

As per our report of even date.

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

per Sudhir Soni
Partner
Membership No: 41870

Mumbai
Date: 22 November 2011

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

Deepak S.Parekh Chairman
Dr. Armin Bruck Managing Director
Sunil Mathur Executive Director
Yezdi H.Malegam Director & Chairman of Audit Committee
Ajai Jain Vice President (Legal) & Company Secretary

Mumbai
Date: 22 November 2011

Consolidated cash flow statement for the year ended 30 September 2011 (Currency : Indian rupees thousands)

	Schedule	2011	2010
<u>Cash flow from operating activities</u>			
Profit before tax		12,897,394	12,066,310
Adjustments for:			
Interest expense		127,273	110,478
Bad debts	24	170,120	317,571
Provision for doubtful debts/advances, net	24	(91,691)	49,617
Depreciation and amortisation	9	1,539,915	1,687,090
Profit on sale of fixed assets, net	20	(143,662)	(264,578)
Profit on sale of subsidiaries	21	(159,597)	-
Unrealised exchange loss/ (gain), net		362,178	371,046
Interest income	19	(882,508)	(667,648)
Liabilities no longer required, written back	20	(659,528)	-
Operating profit before working capital changes		13,159,894	13,669,886
(Increase)/Decrease in inventories		(588,120)	(5,161,482)
(Increase)/Decrease in sundry debtors and other receivables		(7,845,818)	571,129
Increase/(Decrease) in sundry creditors and other current liabilities		(1,524,303)	3,968,596
Increase/(Decrease) in provisions		2,143,991	2,053,853
Net change in working capital		(7,814,250)	1,432,096
Cash generated from operations		5,345,644	15,101,982
Direct taxes paid, net		(5,319,359)	(5,012,117)
Net cash provided by operating activities		26,285	10,089,865
<u>Cash flow from investing activities</u>			
Purchase of fixed assets		(4,332,933)	(3,053,952)
Proceeds from sale of fixed assets		350,100	257,314
Purchase of investments			
- In subsidiary companies		-	(702,506)
Sale of investments			
- In subsidiary company (total consideration is in cash or cash equivalent)		186,164	-
- In others		-	108
Interest received		893,143	575,571
Inter corporate deposits placed		(14,833,000)	(9,870,000)
Inter corporate deposits received back		12,962,500	8,430,000
Deposits (with maturity more than three months)		6,745,000	(7,870,000)
Cash (used) / generated from investing activities		1,970,974	(12,233,465)

Schedules to the Consolidated financial statements for the year ended 30 September 2011 (Currency: Indian rupees thousands)

Cash flow statement (*Continued*)

<u>Cash flow from financing activities</u>	Schedule		
Interest paid		-	(41,335)
Dividend paid (including tax thereon)		(1,960,558)	(1,966,830)
Repayment of short term borrowings		(129)	(386)
Repayment of long term borrowings		(2,410)	(3,496)
Net cash (used) / generated from financing activities		(1,963,097)	(2,012,047)
Net increase / (decrease) in cash and cash equivalents		34,162	(4,155,647)
Cash and cash equivalents at beginning of the year		10,925,018	14,745,833
Cash and cash equivalents acquired on merger of SHDL	2	176,300	-
Effect of exchange gain/(loss) on cash and cash equivalents		489,916	334,832
Cash and cash equivalents at the end of the year		11,625,396	10,925,018
Components of cash and cash equivalents :			
Cash and Bank Balances	14	12,750,396	18,795,018
Less: Fixed deposits not considered as cash equivalents		(1,125,000)	(7,870,000)
Cash and Cash Equivalents in Cash Flow Statement		11,625,396	10,925,018

Note:

1. Cash and cash equivalents at the end of the period include current account balances with banks of ₹ 24,569 (2010 : ₹ 19,336) which are restricted in use.
2. The figures of the current year include changes in the cash flow of SHDL (Refer Schedule 2) which was amalgamated with the Company w.e.f. 1 October 2009 and are therefore to that extent not comparable with previous year's figures.
3. The amalgamation of SHDL (Refer schedule 2) with the Company is a non cash transaction and hence, has no impact on the Company's cash flow for the year.

As per our report of even date.

For S.R.Batliboi & Associates

Firm Registration Number:- 101049W
Chartered Accountants

per Sudhir Soni

Partner

Membership No: 41870

Mumbai

Date: 22 November 2011

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

Deepak S.Parekh

Chairman

Dr. Armin Bruck

Managing Director

Sunil Mathur

Executive Director

Yezdi H.Malegam

Director & Chairman of Audit Committee

Ajai Jain

Vice President (Legal) & Company Secretary

Mumbai

Date: 22 November 2011

1. Significant accounting policies

1.1 Basis of preparation of financial statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the accounting standards notified in the Companies (Accounting Standards) Rules 2006, (as amended) issued by the Central Government, in consultation with National Advisory Committee on Accounting Standards ('NACAS') and relevant provisions of Companies Act, 1956 ('the Act'), to the extent applicable.

The accounting policies have been consistently applied by the group and are consistent with those used in the previous year.

1.2 Principles of consolidation

The consolidated financial statements include the financial statements of Siemens Limited ('the Company') or ('the parent company') and its subsidiaries. The Company and its subsidiaries constitute the Siemens Group.

The list of subsidiaries and step-down subsidiaries are set out below:

Entity	Country of incorporation	% holding 2011	% holding 2010
Subsidiaries:			
Siemens Building Technologies Private Ltd. ('SBTPL') (amalgamated with the company w.e.f. 01 October 2010) (refer Note a)	India	-	100%
Siemens Rolling Stock Private Ltd. ('SRSPL') (amalgamated with the company w.e.f. 01 October 2009) (refer Note b)	India	-	100%
Step-down subsidiaries:			
Vista Security Technics Private Ltd. ('VSTPL') (100% share capital held by SBTPL) (amalgamated with the company w.e.f. 01 October 2010) (refer Note a)	India	-	100%
iMetrex Technologies Ltd. ('iTL') (100% share capital held by SBTPL) (refer Note c)	Ireland	-	100%
Europlex Technologies Ltd. (100% share capital held by iTL) (refer Note c)	Ireland	-	100%
Europlex Technologies UK Ltd. (100% share capital held by iTL) (refer Note c)	UK	-	100%

Notes:

- SBTPL and VSTPL have been amalgamated with the company with effect from 01 October 2010. On amalgamation of SBTPL and VSTPL, the goodwill as on that date amounting to ` 1,564,021 has been adjusted against the General Reserve.
- Scheme of amalgamation of SRSPL is sanctioned by the Honorable High Court of Bombay on 27 April 2011 and SRSPL has been amalgamated with the company with effect from 01 October 2009.
- During the year, iMetrex Technologies Ltd., Europlex Technologies Ltd. and Europlex Technologies UK Ltd. have been disposed off on 9 May 2011.

The effect of disposal of stake in subsidiaries during the year on the consolidated financial statement is as under:

Name of the Company	Effect on Group Profit before tax for the year	Net assets as at date of disposal
iMetrex Technologies Ltd. (consolidated)	` 117,996	` (13,978)

Subsidiaries

The excess/deficit of cost to the parent company of its investment in the subsidiaries over its portion of equity in the subsidiaries at the respective dates on which investment in such subsidiaries was made is recognised in the financial statements as goodwill/capital reserve. The parent company's portion of equity in such subsidiaries is determined on the basis of book values of assets and liabilities as per the financial statements of the subsidiaries 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.

Schedules to the Consolidated financial statements for the year ended 30 September 2011 (Currency: Indian rupees thousands)

1.2 Principles of consolidation (Continued)

The financial statements of the parent company and its subsidiaries 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 group. 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 subsidiaries.

Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are 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 shareholders. 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 circumstances.

1.3 Use of estimates

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

1.4 Fixed assets and depreciation

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

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

Diagnostics equipments are being treated as raw 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 issues and are stated at cost.

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

Asset	Rate
Land	
- Freehold land	-
- Lease hold	Over the lease period
Buildings	
- Factory buildings	3.33 - 6.66%
- Other buildings	2 - 2.5%
Plant and machinery	
- Assets at project sites	Over the life of the project
- Special machine tools	10 - 20%
- Other plant and machinery	8.33 - 25%
Furniture, fittings and office equipment	10 - 33.33%
Vehicles	12.5 - 25%

1.4 *Fixed assets and depreciation (Continued)*

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

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

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and estimated net realizable value and are disclosed separately in the financial statements. Any expected loss is recognised in the profit and loss account through an accelerated depreciation charge.

Capital work-in-progress includes the cost of fixed assets that are not ready to use at the balance sheet date and advances paid to acquire capital assets before the balance sheet date.

1.5 *Intangible assets*

Intangible assets comprise goodwill and technical know-how. These intangible assets are amortised on straight-line basis based on the following useful lives, which in management's estimate represents the period during which economic benefits will be derived from their use:

Asset	Useful life
Goodwill	36 - 60 months
Technical know-how	60 - 120 months

1.6 *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 at the weighted average cost of capital. 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 profit and loss account. 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.

1.7 *Revenue recognition*

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

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

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

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

Dividend income is recognised when the right to receive the dividend is established.

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.

1.8 *Investments*

Investments that are readily realizable and intended to be held but not more than a year are classified as current investments. All other investments are classified as long term investments.

Schedules to the Consolidated financial statements for the year ended 30 September 2011 (Currency: Indian rupees thousands)

1.8 *Investments (Continued)*

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. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

1.9 *Inventories*

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

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

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

Custom duty on goods where title has passed to the Group is included in the value of inventory.

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.

1.10 *Other current assets*

Project Excess Cost represents revenue recognised on the contract using the percentage of completion method reduced by progressive billing.

1.11 *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. Lease income is recognised in the Profit and Loss Account on a straight-line basis over the lease term. Costs, including depreciation are recognised as an expense in the Profit and Loss Account. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Profit and Loss Account.

1.12 *Employee benefits*

(a) *Short term employee benefits*

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

(b) *Post-employment benefits*

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

(ii) **Defined Benefit Plans and Other Long Term Benefits:** The Group's provident fund, gratuity, pension and medical benefit schemes are defined benefit plans. Leave encashment, 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.

Actuarial gains and losses are recognised immediately in the Profit and loss account.

1.13 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 profit and loss account 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 profit and loss account. Non monetary items are stated in the balance sheet using the exchange rate at the date of the transaction.

In respect of Non-integral foreign operations, the assets and liabilities, both monetary and non-monetary are translated at the closing rates and income and expenses are translated at average exchange rates and all the resulting exchange differences are accumulated in foreign currency translation reserve.

On the disposal of a non-integral foreign operation, the cumulative amount of the exchange differences which have been deferred and which relate to that operation are recognized as income or as expenses in the same period in which the gain or loss on disposal is recognized.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

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 counter party 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, 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 profit and loss account.

Hedge accounting

The Group uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. With effect from 1 October 2010, the Group designates some of the new 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 profit and loss account.

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

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

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

1.14 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.

Schedules to the Consolidated financial statements (*Continued*)

as at 30 September 2011

(Currency: Indian rupees thousands)

1.14 *Taxation (Continued)*

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, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. 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.

1.15 *Earnings per share*

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

1.16 *Provision*

Provisions are recognized when the Group recognizes it has a present obligation as a result of past events, 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 for which it is not probable that there will be an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or 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.

1.17 *Cash and Cash equivalents*

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

1.18 *Insurance Claims*

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

2 *Amalgamation of Siemens Healthcare Diagnostics Ltd. (SHDL)*

Pursuant to the scheme of amalgamation ('the scheme') of the erstwhile SHDL with the Group under sections 391 to 394 of "The Companies Act" sanctioned by the Honorable High Courts of Bombay and Gujarat on 28 January 2011 and 1 March 2011 respectively, the assets and liabilities of the erstwhile SHDL were transferred to and vested in the Group with effect from 1 October 2009. Accordingly, the scheme has been given effect to in these accounts.

The operations of SHDL include manufacturing, trading and dealing in various healthcare diagnostic products.

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

- i. The assets, liabilities, reserves and credit balance in the profit and loss account of SHDL as at 1 October 2009 have been incorporated at their book values in the financial statements of the Group.
- ii. Consequent to this amalgamation, 3,134,700 additional shares have been issued to the shareholders of SHDL and the paid up share capital of the Group has increased to ₹ 680,590 effective 24 March 2011. The excess amount of ₹ 9,404 of the share capital of SHDL over the face value of share capital issued has been credited to the Capital Reserve of the Group.
- iii. The accounts of SHDL for the year ended 30 September 2010 were finalized as a separate entity. The net profit after tax amounting to ₹ 55,137 of SHDL for the year ended 30 September 2010 has been adjusted in the Profit and Loss account of the Group.

Consequently, the consolidated financial statements for the year ended 30 September 2011 include the operations of SHDL.

	2011	2010
3 Share capital		
Authorised		
1,000,000,000 Equity Shares of ` 2 each (2010: 1,000,000,000 Equity shares of ` 2 each)	2,000,000	2,000,000
	<u>2,000,000</u>	<u>2,000,000</u>
Issued		
341,159,165 Equity Shares of ` 2 each (2010: 338,024,465 Equity shares of ` 2 each)	682,318	676,049
	<u>682,318</u>	<u>676,049</u>
Subscribed and fully paid-up		
340,294,900 Equity Shares of ` 2 each fully paid-up (2010: 337,160,200 Equity shares of ` 2 each fully paid-up)	680,590	674,320
	<u>680,590</u>	<u>674,320</u>
Of the above:		
253,066,759 (2010: 186,041,090) Equity Shares of ` 2 each, fully paid-up, are held by Holding Company, Siemens AG, Germany; 2,154,416 (2010: Nil) Equity Shares of ` 2 each, fully paid-up are held by Siemens Diagnostics Holding II B.V., Netherlands, a 100% subsidiary of Siemens AG, Germany.		
55,500,000 (2010: 55,500,000) Equity Shares of ` 2 each, fully paid-up, were allotted as fully paid-up bonus shares by capitalisation of the General reserve;		
168,580,100 (2010: 168,580,100) Equity Shares of ` 2 each, fully paid up, were allotted as fully paid up bonus shares by capitalisation of Securities Premium account;		
6,772,785 (2010: 3,638,085) Equity Shares of ` 2 each, were allotted as fully paid-up for consideration received other than in cash (refer schedule 2)		
4 Reserves and surplus		
Capital reserve		
- Balance brought forward	10,852	10,852
- Excess of share capital of SHDL over the amount credited by the company to the share capital (Refer schedule 2)	9,404	-
- Addition on amalgamation of SHDL (Refer schedule 2)	1	-
	<u>20,257</u>	<u>10,852</u>
Amalgamation reserve	55,635	55,635
Cash Flow Hedge Reserve (includes deferred tax of ` 8,291)	33,079	-
Securities premium account		
- Balance brought forward	1,520,495	1,520,495
- Addition on amalgamation of SHDL (Refer schedule 2)	22,456	-
	<u>1,542,951</u>	<u>1,520,495</u>
Foreign currency translation reserve		
- Balance brought forward	(38,824)	(48,585)
- Created during the year	(1,721)	17,285
- Share allocated to Minority	-	(7,524)
- FCTR adjusted on sale of subsidiaries	40,545	-
	<u>-</u>	<u>(38,824)</u>
Revaluation reserve		
- Balance brought forward	12,349	13,194
- Additional depreciation on building due to revaluation transferred from profit and loss account	(845)	(845)
	<u>11,504</u>	<u>12,349</u>

Schedules to the Consolidated financial statements (*Continued*)
as at 30 September 2011
(Currency: Indian rupees thousands)

	2011	2010
4 Reserves and surplus (<i>Continued</i>)		
General reserve		
- Balance brought forward	34,696,017	27,060,450
- Goodwill of Flender Ltd. adjusted on amalgamation	-	(636,546)
- Goodwill of SBTPL and Vista adjusted on amalgamation	(1,564,021)	-
- Addition on amalgamation of SHDL (Refer schedule 2)	395,571	-
- Transfer from profit and loss account	1,200,000	8,272,113
	<u>34,727,567</u>	<u>34,696,017</u>
Profit and loss account		
- Transfer from profit and loss appropriation account	1,090,294	(4,133,615)
Profit and loss account	<u>1,090,294</u>	<u>(4,133,615)</u>
	<u>37,481,287</u>	<u>32,122,909</u>
5 Minority interest in equity		
Siemens Building Technologies Private Ltd.		
Nil (2010: Nil) equity shares held by minority interest (Nil holding; 2010: Nil holding)	-	5,173
Adjustment on purchase of additional interest	-	(5,173)
	<u>-</u>	<u>-</u>
6 Minority interest in non-equity		
Siemens Building Technologies Private Ltd.		
Balance brought forward	-	51,144
Adjustment on purchase of additional stake	-	(46,597)
Share of profit/(loss) for the year/period	-	(12,071)
Share of foreign currency translation reserve	-	7,524
	<u>-</u>	<u>-</u>
7 Secured loans		
Finance lease obligation (Refer schedule 26B)	-	129
	<u>-</u>	<u>129</u>
8 Unsecured loans		
Interest free loans under		
- sales tax deferral scheme	-	2,410
	<u>-</u>	<u>2,410</u>

9 Fixed assets

	Intangible assets		Tangible assets						
	Goodwill	Technical knowhow	Land	Buildings	Plant and machinery	Furniture, fittings and office equipment	Vehicles	Total	Previous year
Gross block									
At 1 October 2010	3,393,493	147,739	942,233	4,232,568	7,714,063	1,799,955	32,305	18,262,356	16,705,108
Additions on amalgamation of SHDL (Refer schedule 2)	167,065	-	487	15,351	1,110,907	26,874	1,597	1,322,281	-
Additions	-	251,569	531,987	720,912	2,616,758	392,646	84	4,513,956	2,898,581
Deductions / adjustments	(3,140,000)	-	-	(357,029)	(493,959)	(123,402)	(1,012)	(4,115,402)	(1,341,333)
At 30 September 2011	420,558	399,308	1,474,707	4,611,802	10,947,769	2,096,073	32,974	19,983,191	18,262,356
Accumulated depreciation									
At 1 October 2010	1,756,263	109,224	53,174	794,975	4,270,410	1,408,669	19,968	8,412,683	7,436,799
Additions on amalgamation of SHDL (Refer schedule 2)	120,657	-	-	9,635	539,103	18,105	1,392	688,892	-
Charge for the year	84,233	49,287	8,366	135,116	1,052,882	206,985	3,891	1,540,760	1,687,935
Deductions / adjustments	(1,542,722)	-	-	(146,079)	(542,679)	(120,942)	(753)	(2,353,175)	(712,051)
At 30 September 2011	418,431	158,511	61,540	793,647	5,319,716	1,512,817	24,498	8,289,160	8,412,683
Net block									
At 30 September 2011	2,127	240,797	1,413,167	3,818,155	5,628,053	583,256	8,476	11,694,031	9,849,673
At 30 September 2010	1,637,230	38,515	889,059	3,437,593	3,443,653	391,286	12,337	9,849,673	

Notes:-

- Included in the gross block of land at 30 September 2011 is freehold land of ` 474,446 (2010: ` 474,446) and buildings includes ` 172,750 (2010: ` 172,750) representing 525 shares of ` 50 each and 10 shares of ` 100 each (2010: 520 shares of ` 50 each and 10 shares of ` 100 each) in various co-operative housing societies.

- Land and Buildings include assets held for sale :

	Land		Buildings	
	2011	2010	2011	2010
Acquisition Value	-	2,136	-	475,436
Accumulated depreciation	-	-	-	(250,355)
Written Down Value	-	2,136	-	225,081

- Depreciation provided has been disclosed as under:

	2011	2010
Charge for the year	1,540,760	1,687,935
Transfer from Revaluation reserve	(845)	(845)
As per profit and loss account	1,539,915	1,687,090

- Assets includes assets given on operating lease

Particulars	2011			2010		
	Buildings	Furniture, fittings and office equipment	Plant and machinery	Buildings	Furniture, fittings and office equipment	Plant and machinery
Gross Block	509,531	82,241	1,607,328	888,040	181,161	461,045
Written Down Value	421,693	28,801	775,117	697,030	53,920	193,515
Depreciation charge for the year	10,897	9,131	221,482	36,201	19,728	42,520

- Plant and machinery includes Gross Block of ` 24,962 (2010: ` 24,962) and Net Block of ` 17,372 (2010: ` 20,092) cost incurred by the company on certain assets ownership of which vests with the West Bengal State Electricity Board.
- Goodwill includes goodwill on consolidation - Gross Block ` Nil (2010 : ` 3,140,000) Net Block ` Nil (2010 : ` 1,615,115)
- Diagnostics equipments are given on Lease. Future minimum lease payments are ` Nil (2010: ` Nil) as the Company has never enforced the minimum purchase commitment.

Schedules to the Consolidated financial statements (Continued)
as at 30 September 2011
(Currency: Indian rupees thousands)

	2011	2010
10 Investments		
Non-Trade, long term (at cost)		
In government securities (unquoted)		
National Savings Certificates	5	5
	<u>5</u>	<u>5</u>
- Aggregate book value of unquoted investment	5	5
11 Deferred tax asset, net		
Arising on account of timing differences in :		
- Provision for doubtful debts and advances	349,546	365,853
- Expenditure debited to profit & loss account but allowable for tax purposes in following years	1,318,931	946,838
- Others	581,916	432,373
	<u>2,250,393</u>	<u>1,745,064</u>
Less - Deferred tax liability		
Arising on account of timing differences in :		
- Excess of depreciation allowable under income-tax law over depreciation provided in accounts	361,680	317,689
Deferred tax asset (net)	<u>1,888,713</u>	<u>1,427,375</u>
12 Inventories (at cost)		
Raw materials	2,600,520	2,897,013
Work-in-progress	2,694,078	2,190,592
Finished goods	2,783,746	2,111,906
	<u>8,078,344</u>	<u>7,199,511</u>
13 Sundry debtors (Unsecured)		
Debts outstanding		
- Over six months	25,521,019	12,668,909
- Other debts	17,111,391	22,386,624
	<u>42,632,410</u>	<u>35,055,533</u>
Of which		
- Considered good	41,733,342	34,103,953
- Considered doubtful	899,068	942,236
	<u>42,632,410</u>	<u>35,046,189</u>
Provision for doubtful debts	(899,068)	(942,236)
	<u>41,733,342</u>	<u>34,103,953</u>
Note: Debts outstanding includes retentions ` 18,846,881 (2010: ` 15,553,981)		
14 Cash and bank balances		
Cash in hand	7,522	7,782
Cheques in hand	694,916	902,292
Balances with scheduled banks		
- on current account	2,069,433	1,032,842
- on deposit account	9,297,129	15,966,763
Balances with other banks	681,396	885,339
	<u>12,750,396</u>	<u>18,795,018</u>

	2011	2010
15 Loans and advances (Unsecured)		
Advances recoverable in cash or in kind or for value to be received		
- considered good	5,232,325	3,825,802
- considered doubtful	178,390	216,474
	<u>5,410,715</u>	<u>4,042,276</u>
Provision for doubtful advances	(178,390)	(216,474)
	<u>5,232,325</u>	<u>3,825,802</u>
Advance payments of income tax (net of provision for taxation)	3,119,082	2,365,840
Balances with customs, port trusts etc.	842,756	1,140,911
Inter corporate deposits	4,770,500	3,300,000
Interest accrued on inter corporate deposits and bank deposits	95,354	105,989
	<u>14,060,017</u>	<u>10,738,542</u>
16 Other current assets		
Project Excess Cost	8,882,858	8,516,809
	<u>8,882,858</u>	<u>8,516,809</u>
17 Current liabilities		
Sundry creditors	28,342,115	29,901,868
Advances from customers (Refer note below)	17,009,642	14,723,262
Unclaimed dividend	24,569	19,336
	<u>45,376,326</u>	<u>44,644,466</u>
Note:		
Advance from customers include progress payments billed and advances received from project related work	15,406,701	13,639,351
18 Provisions		
Pension	182,366	166,332
Provision for Taxation (net of advance tax payment)	-	33,496
Leave wages	286,389	255,215
Medical benefits	251,283	202,067
Silver Jubilee	190,568	82,647
Gratuity	4,599	-
Warranty (Refer schedule 28)	3,650,538	2,904,301
Loss order (Refer schedule 28)	915,694	661,819
Liquidated damages (Refer schedule 28)	7,219,409	6,718,140
Contingencies (Refer schedule 28)	2,964,698	2,748,400
Proposed dividend	2,041,769	1,685,801
Tax on proposed dividend	331,226	279,990
	<u>18,038,539</u>	<u>15,738,208</u>

Schedules to the Consolidated financial statements *(Continued)*
for the year ended 30 September 2011
(Currency: Indian rupees thousands)

	2011	2010
19 Interest income		
Interest on bank deposits	450,943	497,678
Others	431,565	169,970
	<u>882,508</u>	<u>667,648</u>
20 Other operating income, net		
Export incentives	171,373	71,684
Profit on sale of fixed assets, net	143,662	264,578
Recoveries from third parties	638,967	390,987
Liabilities no longer required, written back	659,528	-
Miscellaneous income	31,571	502,066
	<u>1,645,101</u>	<u>1,229,315</u>
21 Other income		
Profit on sale of subsidiaries	159,597	-
	<u>159,597</u>	<u>-</u>
22 Cost of sales and services		
Raw materials and components consumed	20,965,022	20,242,078
Traded goods purchased	23,785,127	15,448,562
Spares and stores consumed	653,528	608,494
Project bought outs	43,770,107	32,523,664
(Increase)/ Decrease in inventories	(823,718)	(1,535,606)
Other costs	2,068,359	3,027,014
	<u>90,418,425</u>	<u>70,314,206</u>
Included in other costs, change in excise duty on closing stock of finished goods	36,011	52,711
23 Personnel costs		
Salaries, wages and bonus, net	8,050,756	6,123,573
Contribution to provident and other funds	705,842	548,164
Workmen and staff welfare	417,590	380,605
	<u>9,174,188</u>	<u>7,052,342</u>

	2011	2010
24 Other costs, net		
Exchange loss/(gains), net	(324,530)	776,210
Travel and conveyance	1,550,650	1,173,033
Legal and professional	403,483	219,617
External software services and data processing	351,772	406,648
Communications	799,150	541,158
Rent (Refer schedule 26)	558,221	409,979
Repairs		
- on building	250,357	74,713
- on machinery	223,772	98,950
- others	125,893	141,982
Provision for doubtful debts and advances, net	(91,691)	49,617
Rates and taxes	883,798	571,875
Power and fuel	405,896	371,046
Packing and forwarding	819,931	585,497
Insurance	138,776	179,013
Office supplies, printing and stationery	86,006	77,296
Advertising and publicity	153,764	102,042
Research and development expenditure	123,635	173,183
Bank guarantee commission/ bank charges	137,093	90,052
Bad debts	170,120	317,571
Lease rentals (Refer schedule 26)	51,479	33,460
Donation	10,387	306
Commission to directors	15,280	12,540
Directors' fees	1,260	1,260
Miscellaneous expenses (Refer schedule 34)	1,232,214	460,238
	<u>8,076,716</u>	<u>6,867,286</u>

Schedules to the Consolidated financial statements (*Continued*) for the year ended 30 September 2011 (Currency: Indian rupees thousands)

	2011	2010
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>1,783,341</u>	<u>1,591,702</u>
(b) Contingent liabilities		
Taxation matters (excluding interest)		
-In respect of certain completed assessments where matters are under appeal by the Company	960,186	432,706
Excise/sales tax liabilities	957,769	541,427
Customs liabilities	120,000	120,000
Claims against the company not acknowledged as debts	<u>143,088</u>	<u>80,642</u>
In respect of the above, future cash outflow is determinable only on receipt of judgements pending at various forums / authorities.		
26 Disclosure pursuant to Accounting Standard - 19 'Leases' :		
Lease payments on non cancellable lease arrangement debited to the profit and loss account and the future lease payments in respect of non cancellable operating lease are summarised below:		
A Operating Lease		
(i) Amount due not later than one year from the balance sheet date	247,513	126,077
(ii) Amount due later than one year and not later than five years	1,013,460	409,437
(iii) Amount due later than five years	<u>768,786</u>	<u>328,099</u>
	<u>2,029,759</u>	<u>863,613</u>
Lease rent debited to profit and loss account	609,700	443,439
Sub-lease payments recognised in the profit and loss account ` 175,427 (2010: ` 20,790)		
There is no contingent rent recognised in the P&L account		
General description of the leasing arrangement:		
(i) The Company has entered into operating lease arrangements for its office premises, storage locations, residential premises and motor cars for its employees.		
(ii) The future lease rental payments are determined on the basis of the monthly lease payment terms as per the agreements		
(iii) At the expiry of the non cancellable lease period the option of renewal rests with the Company.		
(iv) Some of the lease agreements have escalation clause ranging from 5% to 15%. There are no exceptional / restrictive covenants in the lease agreements.		
B Future lease commitments in respect of Financial leases		
(i) Within one year		
Minimum lease payments	-	129
Present value of Minimum lease payments	-	126
(ii) Later than one year and not later than five years		
Minimum lease payments	-	-
Present value of Minimum lease payments	-	-
(iii) Later than five years	-	-
(iv) Total minimum lease payments at the year end	-	129
Less : amount representing finance charges	-	3
Present value of minimum lease payments	-	126
(Rate of interest : 16.31% p.a.)		
(v) The Company has entered into finance lease arrangements for vehicles for a period of 5 years. There is no escalation clause and there are no exceptional / restrictive covenants. The lease rental payments are determined on the basis of the monthly lease payment terms as per the agreements.		

27 Related party transactions

27.1 Parties where control exists

Siemens AG Holding company
(holds 75% of the Equity Share Capital as at 30 September 2011)

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

Fellow Subsidiaries	
Siemens Spa	Algeria
Siemens S.A.	Argentina
Siemens Ltd.	Australia
Siemens Aktiengesellschaft Österreich	Austria
Siemens Transformers Austria GmbH & Co KG	Austria
ETM professional control GmbH	Austria
Siemens VAI Metals Technologies GmbH	Austria
Trench Austria GmbH	Austria
Siemens W.L.L.	Bahrain
Siemens Bangladesh Ltd.	Bangladesh
Siemens S.A./N.V.	Belgium
Siemens Healthcare Diagnostics SA	Belgium
Siemens Soluciones Tecnológicas S.A.	Bolivia
Siemens Ltda.	Brazil
SCL - Process Instruments Business Unit	Canada
Siemens Canada Ltd.	Canada
Siemens Hearing Instruments Inc.	Canada
Trench Ltd.	Canada
Siemens Healthcare Diagnostics Manufacturing Ltd.	Cayman Islands
Siemens S.A.	Chile
Siemens Medium Voltage Switching Technologies (Wuxi) Ltd.	China
Siemens International Trading Ltd., Shanghai	China
Siemens High Voltage Switchgear Ltd.	China
Siemens Circuit Protection Systems Ltd.	China
Siemens Electrical Apparatus Ltd.	China
Siemens Switchgear Co. Ltd.	China
Siemens Power Plant Automation Ltd.	China
Siemens Ltd., China	China
Siemens Industrial Automation Ltd., Shanghai	China
Siemens Electrical Drives Ltd.	China
Siemens High Voltage Circuit Breakers Ltd.	China
Siemens Factory Automation Engineering Ltd.	China
Siemens Shanghai Medical Equipment Ltd.	China
Siemens Numerical Control Ltd.	China
Siemens Transformer (Wuhan) Company Ltd.	China
Siemens X-Ray Vacuum Technology Ltd.	China
MWB (Shanghai) Co Ltd.	China
Siemens Electrical Drives (Shanghai) Ltd.	China
Siemens Wiring Accessories Shandong Ltd.	China

Schedules to the Consolidated financial statements *(Continued)* for the year ended 30 September 2011 (Currency: Indian rupees thousands)

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

Fellow Subsidiaries	Siemens Mechanical Drive Systems (Tianjin) Co., Ltd.	China
	Siemens Shenzhen Magnetic Resonance Ltd.	China
	Siemens S.A.	Colombia
	Koncar Power Transformers Ltd.	Croatia
	Siemens, s.r.o., odstěpný závod Nizkonápetová spinací technika, Trutnov	Czech Republic
	Siemens, s.r.o.	Czech Republic
	Siemens Industrial Turbomachinery s.r.o.	Czech Republic
	Siemens A/S	Denmark
	Siemens Flow Instruments A/S	Denmark
	Siemens Wind Power A/S	Denmark
	Siemens S.A.	Ecuador
	Siemens Technologies S.A.E.	Egypt
	Siemens Osaakeyhtiö	Finland
	Siemens S.A.S.	France
	Siemens SAS, Division Production Sensors & Communication, Usine de Haguenau	France
	Trench France S.A.S.	France
	Siemens Transmission & Distribution SAS	France
	Siemens VAI Metals Technologies SAS	France
	Flender-Graffenstaden SAS	France
	SYKATEC Systeme, Komponenten, Anwendungstechnologie GmbH	Germany
	Weiss Spindeltechnologie GmbH	Germany
	Siemens Financial Services GmbH	Germany
	VVK Versicherungsvermittlungs- und Verkehrskontor GmbH	Germany
	HSP Hochspannungsgeräte GmbH	Germany
	Siemens Industriegetriebe GmbH	Germany
	LINCAS Export Services GmbH	Germany
	Siemens Industrial Turbomachinery GmbH (up to 15 June 2011)	Germany
	Siemens Turbomachinery Equipment GmbH	Germany
	TLT-Turbo GmbH	Germany
	Siemens Healthcare Diagnostics Holding GmbH	Germany
	Siemens Healthcare Diagnostics Products GmbH	Germany
	Siemens Industry Software GmbH & Co. KG	Germany
	Trench Germany GmbH	Germany
	Wallace & Tiernan GmbH (up to 15 June 2011)	Germany
	Siemens Bank GmbH	Germany
	Siemens IT Solutions and Services GmbH (up to 1 July 2011)	Germany
	Alpha Verteilertechnik GmbH	Germany
	Lincas Electro Vertriebsgesellschaft mbH	Germany
	evosoft GmbH	Germany
	Loher GmbH	Germany
	Siemens Geared Motors Gesellschaft mit beschränkter Haftung	Germany

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

Fellow Subsidiaries	Winergy AG	Germany
	Siemens A.E., Elektrotechnische Projekte und Erzeugnisse	Greece
	Eviop-Tempo A.E. Electrical Equipment Manufacturers	Greece
	Siemens Ltd.	Hong Kong
	Siemens Healthcare Diagnostics Ltd.	Hong Kong
	Voith Hydro Private Ltd.	India
	Siemens Hearing Instruments Private Ltd.	India
	Siemens Power Engineering Private Ltd.	India
	OSRAM India Private Ltd.	India
	Siemens Information Systems Ltd.	India
	Siemens Information Processing Services Private Ltd.	India
	Siemens VAI Metals Technologies Private Ltd.	India
	PETNET Radiopharmaceutical Solutions Private Ltd.	India
	Siemens IT Solutions and Services Private Ltd. (up to 1 July 2011)	India
	Siemens Corporate Finance Private Ltd.	India
	Winergy Drive Systems India Private Ltd.	India
	Siemens Financial Services Private Ltd.	India
	Compact Automotive Lamp Private Ltd.	India
	Morgan Construction Company India Private Ltd.	India
	Siemens Industry Software (India) Private Ltd.	India
	P.T. Siemens Indonesia	Indonesia
	Siemens Medical Solutions Diagnostics Europe Ltd.	Ireland
	Siemens Israel Ltd.	Israel
	Siemens Concentrated Solar Power Ltd.	Israel
	TurboCare S.p.A.	Italy
	Siemens S.p.A.	Italy
	Trench Italia S.r.l.	Italy
	Siemens Japan K.K.	Japan
	Yaskawa Siemens Automation & Drives Corp.	Japan
	Siemens TOO	Kazakhstan
	Siemens Kenya Ltd.	Kenya
	Siemens Electrical & Electronic Services K.S.C.C.	Kuwait
	Siemens Malaysia Sdn. Bhd.	Malaysia
	Siemens Healthcare Diagnostics Sdn. Bhd.	Malaysia
	Siemens, S.A. de C.V.	Mexico
	Siemens Innovaciones S.A. de C.V.	Mexico
	Siemens S.A.	Morocco
	Siemens Plant Operations Tahaddart SARL	Morocco
	Siemens Nederland N.V.	Netherlands
	Siemens Diagnostics Holding II B.V.	Netherlands
	Siemens Industrial Turbomachinery B.V	Netherlands
	Siemens (N.Z.) Ltd.	New Zealand

Schedules to the Consolidated financial statements *(Continued)* for the year ended 30 September 2011 (Currency: Indian rupees thousands)

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

Fellow Subsidiaries	Siemens Ltd.	Nigeria
	Siemens AS	Norway
	Siemens L.L.C.	Oman
	Siemens, Inc.	Philippines
	Siemens Power Operations, Inc.	Philippines
	Siemens Sp. z o.o.	Poland
	Siemens S.A.	Portugal
	Siemens W.L.L.	Qatar
	Siemens S.R.L.	Romania
	OOO Siemens	Russian Federation
	Siemens Ltd.	Saudi Arabia
	Arabia Electric Ltd. (Equipment)	Saudi Arabia
	Siemens d.o.o. Beograd	Serbia
	Siemens Pte. Ltd.	Singapore
	Siemens Healthcare Diagnostics Pte. Ltd. (up to 1 August 2011)	Singapore
	Siemens IT Solutions and Services Operations Pte. Ltd (up to 1 July 2011)	Singapore
	Siemens Electronics Assembly Systems Pte. Ltd (up to 7 January 2011)	Singapore
	Siemens Ltd.	South Africa
	Siemens Ltd. Seoul	South Korea
	Siemens PETNET Korea Co. Ltd.	South Korea
	Siemens S.A.	Spain
	Siemens AB	Sweden
	Siemens Industrial Turbomachinery AB	Sweden
	Siemens, Security Products	Sweden
	Siemens Schweiz AG, Building Technologies Division, International Headquarters	Switzerland
	Siemens Schweiz AG	Switzerland
	Trench Switzerland AG (up to 1 July 2011)	Switzerland
	Siemens Ltd.	Taiwan
	Siemens Ltd.	Thailand
	Siemens IT Solutions and Services Ltd. (up to 1 July 2011)	Thailand
	Siemens S.A.	Tunisia
	Siemens Sanayi ve Ticaret A.S.	Turkey
	Siemens Ukraine	Ukraine
	Siemens LLC	UAE
	SD (Middle East) LLC	UAE
	Siemens plc	United Kingdom
	Siemens Magnet Technology	United Kingdom
	Siemens Industrial Turbomachinery Ltd.	United Kingdom
	Siemens Protection Devices Ltd.	United Kingdom
	Siemens Healthcare Diagnostics Manufacturing Ltd.	United Kingdom
	Siemens Transmission & Distribution Ltd.	United Kingdom

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

Fellow Subsidiaries	Electrium Sales Ltd.	United Kingdom
	Siemens Energy, Inc.	USA
	Siemens Demag Delaval Turbomachinery, Inc.	USA
	Siemens Corporation	USA
	Siemens Industry, Inc.	USA
	Siemens Healthcare Diagnostics Inc.	USA
	Siemens Water Technologies Corp.	USA
	PETNET Solutions, Inc.	USA
	Siemens Medical Solutions USA, Inc.	USA
	SMS Inc. - Customer Solutions Group	USA
	Siemens S.A.	Venezuela
	Siemens Ltd.	Vietnam
	Siemens Automation Systems Ltd. (up to 21 April 2011)	Vietnam

27.3 Key Managerial Personnel

Dr. Armin Bruck

Mr. Sunil Mathur

Mr. Vijay Paranjape (Retired on 30 September 2011)

27.4 Related party transactions

Description	2011			2010		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
Sales (net of taxes)						
- Siemens AG	1,160,845	-	-	1,473,597	-	-
- Siemens Information Systems Ltd.	-	92,243	-	-	264,927	-
- Siemens VAI Metals Technologies Private Ltd.	-	983,058	-	-	1,097,118	-
- Siemens Medical Solutions Health Services Corp., US	-	-	-	-	4,904	-
- Siemens Industry Inc.	-	366,198	-	-	333,077	-
- Siemens Switzerland Ltd.	-	-	-	-	264,841	-
- Others	-	2,439,819	-	-	1,471,642	-
Commission income						
- Siemens AG	422,585	-	-	425,409	-	-
- Siemens Industrial Turbomachinery AB	-	17,729	-	-	-	-
- Siemens Industrial Turbomachinery Ltd.	-	39,908	-	-	7,961	-
- Loher Gmbh	-	-	-	-	3,043	-
- A. Friedr Flender AG	-	-	-	-	8,640	-
- Others	-	3,105	-	-	3,597	-
Other recoveries						
- Siemens AG	1,233,376	-	-	659,043	-	-
- Siemens Information Systems Ltd.	-	101,919	-	-	125,678	-
- Siemens Information Processing Services Private Ltd.	-	33,943	-	-	27,192	-
- Siemens Corporate Finance Private Ltd.	-	7,769	-	-	-	-
- Siemens Power Engineering Private Ltd.	-	78,372	-	-	15,895	-
- Siemens Wind Power A/S	-	80,733	-	-	27,628	-
- Others	-	148,186	-	-	183,918	-

Schedules to the Consolidated financial statements *(Continued)* for the year ended 30 September 2011 (Currency: Indian rupees thousands)

27.4 Related party transactions *(Continued)*

Description	2011			2010		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
Reimbursement of expenses						
- Siemens AG	903,413	-	-	379,943	-	-
- Siemens Information Systems Ltd.	-	11,115	-	-	31,976	-
- Siemens VAI Metals Technologies Private Ltd.	-	24,310	-	-	2,972	-
- Winergy Drive Systems India Private Ltd.	-	11,140	-	-	441	-
- Siemens Pte. Ltd.	-	1,531	-	-	2,469	-
- Siemens Electronics Assembly Systems Pte. Ltd	-	4,146	-	-	14,289	-
- Siemens Switzerland	-	-	-	-	74,909	-
- Others	-	22,973	-	-	17,712	-
Purchase / Other services						
- Siemens AG	23,463,552	-	-	19,613,627	-	-
- Siemens Information Systems Ltd.	-	57,024	-	-	193,055	-
- Koncar Power Transformers Ltd.	-	1,989,460	-	-	1,932,199	-
- Siemens Electrical Apparatus Ltd.	-	718,225	-	-	879,533	-
- Siemens Medical Solutions USA, Inc.	-	324,993	-	-	342,836	-
- Siemens Information Processing Services Private Ltd.	-	131,939	-	-	88,479	-
- Others	-	6,629,785	-	-	3,777,997	-
Interest Income						
- Osram India Private Ltd.	-	132,165	-	-	58,273	-
- Winergy Drive Systems India Private Ltd.	-	104,615	-	-	44,931	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	24,693	-
- Siemens VAI Metals Technologies Private Ltd.	-	129,528	-	-	6,831	-
- Compact Automotive Lamp Private Ltd.	-	818	-	-	-	-
Interest Expenses						
- Siemens AG	23,353	-	-	19,084	-	-
Liabilities no longer required, written back						
- Siemens AG	258,206	-	-	-	-	-
Sale of investments in Subsidiaries						
- Siemens Schweiz AG	-	186,164	-	-	-	-
Dividend paid						
- Siemens AG	930,205	-	-	930,205	-	-
- Siemens Diagnostics Holding II B.V.	-	18,851	-	-	-	-
Purchase of Fixed assets / Capital work in progress						
- Siemens AG	161,612	-	-	62,339	-	-
- Siemens Transmission & Distribution SAS	-	46,690	-	-	-	-
- Others	-	21,480	-	-	5,857	-
Purchase of Intangible asset						
- Siemens AG	123,380	-	-	-	-	-
- TLT-Turbo GmbH	-	98,208	-	-	-	-
Issue of Share Capital						
- Siemens Diagnostics Holding II B.V.	-	4,309	-	-	-	-
Managerial Remuneration						
Dr. Armin Bruck	-	-	79,814	-	-	70,431
Mr. Sunil Mathur	-	-	43,814	-	-	44,254
Mr. Vijay. V. Paranjape (Retired on 30 September 2011)	-	-	29,437	-	-	19,427

27.4 Related party transactions (Continued)

Description	2011			2010		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
Inter Corporate Deposits given						
- Osram India Private Ltd.	-	4,340,000	-	-	3,750,000	-
- Winergy Drive Systems India Private Ltd	-	4,200,000	-	-	3,120,000	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	1,600,000	-
- Siemens VAI Metals Technologies Private Ltd.	-	6,200,000	-	-	1,400,000	-
- Compact Automotive Lamp Private Ltd.	-	93,000	-	-	-	-
Inter Corporate Deposits repaid						
- Osram India Private Ltd.	-	3,770,000	-	-	3,450,000	-
- Winergy Drive Systems India Private Ltd	-	4,000,000	-	-	2,780,000	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	1,600,000	-
- Siemens VAI Metals Technologies Private Ltd.	-	5,150,000	-	-	600,000	-
- Compact Automotive Lamp Private Ltd.	-	42,500	-	-	-	-
Outstanding Balances						
Debtors						
- Siemens AG	531,625	-	-	344,975	-	-
- Siemens W.L.L.	-	111,689	-	-	3,265	-
- Siemens Schweiz AG	-	53,759	-	-	-	-
- Siemens VAI Metals Technologies Private Ltd.	-	2,315	-	-	100,886	-
- Siemens Information Systems Ltd	-	70,268	-	-	116,358	-
- Morgan Construction Company India Private Ltd.	-	11,876	-	-	4,164	-
- Others	-	239,071	-	-	231,560	-
Creditors						
- Siemens AG	4,676,255	-	-	5,132,776	-	-
- Siemens Healthcare Diagnostics Inc.	-	369,454	-	-	-	-
- Siemens Information Systems Ltd.	-	23,687	-	-	172,662	-
- Siemens VAI Metals Technologies Private Ltd.	-	-	-	-	14,186	-
- Siemens Information Processing Services Private Ltd.	-	35,083	-	-	21,441	-
- Siemens Power Engineering Private Ltd.	-	52,771	-	-	62,575	-
- Siemens Industrial Turbomachinery Ltd.	-	236,074	-	-	238,640	-
- Koncar Power Transformers Ltd.	-	17,154	-	-	1,314,429	-
- Trench Germany GmbH	-	14,820	-	-	322,357	-
- TLT-Turbo GmbH	-	79,343	-	-	-	-
- Others	-	1,748,993	-	-	1,159,221	-
Inter Corporate Deposits						
- Osram India Private Ltd.	-	1,670,000	-	-	1,100,000	-
- Winergy Drive Systems India Private Ltd.	-	1,200,000	-	-	1,000,000	-
- Siemens VAI Metals Technologies Private Ltd.	-	1,850,000	-	-	800,000	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	400,000	-
- Compact Automotive Lamp Private Ltd.	-	50,500	-	-	-	-
Interest receivable on Inter Corporate Deposits						
- Osram India Private Ltd.	-	8,175	-	-	7,324	-
- Winergy Drive Systems India Private Ltd.	-	5,985	-	-	3,668	-
- Siemens VAI Metals Technologies Private Ltd.	-	13,742	-	-	945	-
- Compact Automotive Lamp Private Ltd.	-	53	-	-	-	-
- Siemens Healthcare Diagnostics Ltd.	-	-	-	-	3,915	-

Schedules to the Consolidated financial statements (*Continued*) for the year ended 30 September 2011 (Currency: Indian rupees thousands)

27.4 Related party transactions (*Continued*)

Description	2011			2010		
	Holding Company	Fellow Subsidiaries	Key Managerial Personnel	Holding Company	Fellow Subsidiaries	Key Managerial Personnel
Managerial Remuneration payable						
Dr. Armin Bruck	-	-	32,131	-	-	34,607
Mr. Sunil Mathur	-	-	19,208	-	-	21,835
Mr. Vijay. V. Paranjape (Retired on 30 September 2011)	-	-	12,677	-	-	9,258

28 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.

Contingencies

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

The movements in the above provisions are summarised below:

	Warranties	Liquidated damages	Loss orders	Contingencies
Balance as at 1 October 2010	2,904,301	6,718,140	661,819	2,748,400
Additions on amalgamation of SHDL (Refer schedule 2)	3,409	-	-	-
Provisions:				
- Created	1,702,649	1,290,705	1,030,288	687,709
- Utilised	(256,403)	(194,115)	(644,657)	(174,955)
- Reversed	(703,418)	(595,321)	(131,756)	(296,456)
Balance as at 30 September 2011	<u>3,650,538</u>	<u>7,219,409</u>	<u>915,694</u>	<u>2,964,698</u>

29 Disclosure pursuant to Accounting Standard - 7 'Construction Contracts' :

	2011	2010
(i) Contract Revenue recognised for the year ended 30 September 2011	71,127,394	57,402,075
(ii) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress as at 30 September 2011	216,957,110	177,577,559
(iii) Amount of advances received	8,312,110	8,789,843
(iv) Amount of Retentions	16,845,212	13,283,856
(v) Amounts due from customers	14,899,272	12,514,092
(vi) Amounts due to customers	11,824,627	8,999,435

30 (i) Information about business segments

	Revenue						Results	
	External Revenue		Inter segmental Revenue		Total Revenue		2011	2010
	2011	2010	2011	2010	2011	2010		
Industry Automation	8,118,237	6,305,496	573,253	471,678	8,691,490	6,777,174	674,296	630,717
Drive Technologies	11,242,609	8,497,065	4,687,518	5,274,871	15,930,127	13,771,936	1,042,951	1,092,981
Building Technologies	8,964,545	8,188,987	631,759	629,999	9,596,304	8,818,986	482,145	550,452
Industry Solutions	11,173,519	11,606,371	418,517	283,233	11,592,036	11,889,604	551,209	1,095,618
Mobility	7,529,858	10,315,608	-	-	7,529,858	10,315,608	1,191,874	737,501
Fossil Power Generation	5,355,583	1,292,022	2,183	2,591	5,357,766	1,294,613	552,053	399,526
Oil & Gas	14,204,074	7,036,699	4,300	7,500	14,208,374	7,044,199	1,994,419	935,354
Power Transmission	33,501,645	28,006,892	507,289	1,218,353	34,008,934	29,225,245	3,951,253	5,186,034
Power Distribution	8,372,687	6,903,493	3,176,629	2,602,980	11,549,316	9,506,473	599,827	527,703
Healthcare	10,478,962	7,537,394	-	-	10,478,962	7,537,394	516,466	518,613
Real Estate	604,986	510,722	-	25,099	604,986	535,821	426,069	401,654
Eliminations	-	-	(10,001,448)	(10,516,304)	(10,001,448)	(10,516,304)	-	-
Total	119,546,705	96,200,749	-	-	119,546,705	96,200,749	11,982,562	12,076,153
Interest expenses							(127,273)	(110,478)
Interest income							882,508	667,648
Unallocable corporate items							159,597	(567,013)
Profit before tax							12,897,394	12,066,310
Minority interest							-	12,071
Current tax							(4,565,197)	(4,731,665)
Deferred tax							345,279	230,998
Consolidated total	119,546,705	96,200,749	-	-	119,546,705	96,200,749	8,677,476	7,577,714

	Assets		Liabilities		Capital Expenditure		Non cash expenditure			
							Depreciation		Others	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Industry Automation	3,302,554	2,697,777	1,564,761	1,819,221	214,301	409,670	138,050	125,486	(12,033)	90,556
Drive Technologies	6,687,185	5,826,062	4,482,779	4,334,505	600,166	339,995	216,661	196,976	(15,303)	245,163
Building Technologies	4,427,347	3,807,971	2,244,979	2,431,182	189,960	746,621	114,647	679,921	(4,628)	174,461
Industry Solutions	5,958,179	5,975,391	5,886,176	6,658,401	43,049	28,912	38,379	24,000	47,509	(25,568)
Mobility	4,031,410	4,180,276	4,255,423	4,288,262	17,406	246,602	84,831	52,699	(20,294)	53,570
Fossil Power Generation	1,917,118	717,139	5,352,403	3,541,071	28,752	21,454	14,024	9,031	17,927	(140,331)
Oil & Gas	8,417,040	4,929,401	6,544,867	6,499,852	1,302,320	1,192,342	117,085	55,968	(91,747)	(19,312)
Power Transmission	29,202,949	26,961,061	18,921,376	18,838,694	794,183	459,822	338,172	289,171	386,403	524,970
Power Distribution	7,068,712	5,352,884	3,420,397	3,853,853	769,149	153,177	78,256	40,758	180,098	(99,912)
Healthcare	4,445,896	2,301,458	4,648,301	3,462,503	322,370	67,931	298,073	39,016	(44,757)	(54,649)
Real Estate	1,974,745	2,129,823	959,388	548,618	133,316	113,446	101,737	174,064	(2,568)	(10,714)
Total	77,433,135	64,879,243	58,280,850	56,276,162	4,414,972	3,779,972	1,539,915	1,687,090	440,607	738,234
Unallocable corporate items	24,143,607	28,303,199	5,134,015	4,109,051	36,408	53,823	-	-	-	-
Consolidated total	101,576,742	93,182,442	63,414,865	60,385,213	4,451,380	3,833,795	1,539,915	1,687,090	440,607	738,234

Schedules to the Consolidated financial statements (*Continued*) for the year ended 30 September 2011 (Currency: Indian rupees thousands)

30 (ii) Secondary segment information

	Revenue-based on location of customers		Carrying amount of segment assets by location		Additions to fixed assets and intangible assets	
	2011	2010	2011	2010	2011	2010
Within India	93,366,338	74,904,360	84,804,764	78,434,319	4,451,380	3,833,512
Outside India	26,180,367	21,296,389	16,771,978	14,748,123	-	283
Consolidated total	119,546,705	96,200,749	101,576,742	93,182,442	4,451,380	3,833,795

30 (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.

30 (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 eleven segments. These segments are the basis for management control and hence, form the basis for reporting. The business of each segment comprises of :

- **Industry Automation** :- Provides complete range of automation products & systems, industrial automation systems & low-voltage Switchgears.
- **Drive Technologies** :- Provides complete range of large and standard drives and motors, special purpose motors, process and motion control systems.
- **Building Technologies** :- Electrical Installation Technologies, i.e. Products for Building, e.g. Miniature Circuit breakers, Distribution boards, Residual Current Circuit Breakers etc.
- **Industry Solutions** :- Undertakes turnkey projects in the industrial and infrastructure sectors over the entire life cycle including concept, engineering, procurement, supplies, installation, commissioning and after sales services.
- **Mobility** :- Provides solutions for rail automation, railway electrification, light and heavy rail, locomotives, trains, turnkey projects and integrated services.
- **Fossil Power Generation** :- The Fossil Power Generation Division offers highly efficient products and solutions for power generation based on fossil fuels. They range from individual gas and steam turbines and generators, to turnkey power plants. The Division also develops instrumentation and control systems for every type of power plant.
- **Oil & Gas** :- The Oil & Gas Division offers customers products and solutions that are used for the extraction, conversion and transport of oil and gas. The Division portfolio also includes solutions for power generation and distribution, compressors with electrical and mechanical drives, process and automation technologies, and integrated IT solutions for pipeline and storage applications.
- **Power Transmission** :- The Power Transmission Division offers products and solutions in the high-voltage field – such as High Voltage Direct Current (HVDC) transmission systems, substations, switchgear and transformers.
- **Power Distribution** :- The specialties of the Power Distribution Division range from solutions for the automation of power grids, to products like medium-voltage switchgear and components.
- **Healthcare** :- Provides diagnostic, therapeutic and life-saving products in computer tomography (CT), magnetic resonance imaging (MRI), ultrasonography, nuclear medicine, digital angiography, patient monitoring systems, digital radiography systems, radiology networking systems, lithotripsy and linear accelerators.
- **Real Estate** :- Provides comprehensive real estate management.

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

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

(i) Defined Contribution Plans

Amount of ` 188,403 (2010 : ` 135,947) is recognised as an expense and included in "Personnel costs" (Refer schedule 23) in the Profit and loss account.

(ii) Defined benefit Plans

a Amounts for the current period are as follows :

	Gratuity		Pension		Medical	
	2011	2010	2011	2010	2011	2010
I Change in benefit obligation						
Liability at the beginning of the year	841,311	650,664	166,332	174,983	202,067	70,753
Interest cost	72,491	49,602	13,306	13,999	16,562	5,613
Current service cost	93,221	75,341	-	-	8,971	3,285
Past Service Cost (Vested Benefit)	-	207,706	-	-	-	-
Liability transfer in	5,859	-	-	-	-	-
Liability transfer out	-	(740)	-	-	-	-
Benefit paid	(37,673)	(52,057)	(28,510)	(28,453)	(24,221)	(7,760)
Actuarial (gain)/loss on obligations	37,730	(89,205)	31,238	5,803	47,904	130,176
Liability at the end of the year	1,012,939	841,311	182,366	166,332	251,283	202,067
II Fair value of plan assets						
Fair value of plan assets at the beginning of the year	860,478	686,053	-	-	-	-
Expected return on plan assets	71,708	52,521	-	-	-	-
Contributions	122,075	169,604	-	-	-	-
Transfer from other company	18,552	-	-	-	-	-
Transfer to other company	-	(568)	-	-	-	-
Benefit paid	(37,673)	(52,057)	-	-	-	-
Actuarial gain/(loss) on plan assets	(26,800)	4,925	-	-	-	-
Fair value of plan assets at the end of the year	1,008,340	860,478	-	-	-	-
III Actual return on plan assets						
Expected return on plan assets	71,708	52,521	-	-	-	-
Actuarial gain/(loss) on plan assets	(26,800)	4,925	-	-	-	-
Actual return on plan assets	44,908	57,446	-	-	-	-
IV Amount recognised in the balance sheet						
Liability at the end of the year	1,012,939	841,311	182,366	166,332	251,283	202,067
Fair value of plan assets at the end of the year	1,008,340	860,478	-	-	-	-
Net(Asset)/Liability recognised in balance sheet	4,599	(19,167)	182,366	166,332	251,283	202,067

Schedules to the Consolidated financial statements (Continued)

for the year ended 30 September 2011

(Currency: Indian rupees thousands)

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

	Gratuity		Pension		Medical	
	2011	2010	2011	2010	2011	2010
V Expenses recognised in the income statement						
Interest cost	72,491	49,602	13,306	13,999	16,562	5,613
Current service cost	93,221	75,341	-	-	8,971	3,285
Expected return on plan assets	(71,708)	(52,521)	-	-	-	-
Past Service Cost (Vested Benefit) Recognised	-	207,706	-	-	-	-
Actuarial (gain) / loss	64,530	(94,130)	31,238	5,803	47,904	130,176
Expense recognised in personnel costs (Schedule 23)	158,534	185,998	44,544	19,802	73,437	139,074

VI Balance sheet reconciliation						
Opening net liability	(19,167)	(35,389)	166,332	174,983	202,067	70,753
Expense as above	158,534	185,998	44,544	19,802	73,437	139,074
Employers contribution	(122,075)	(169,604)	(28,510)	(28,453)	(24,221)	(7,760)
Transfer to other company	-	(172)	-	-	-	-
Liability transfer in	(12,693)	-	-	-	-	-
Net(Asset)/Liability recognised in balance sheet	4,599	(19,167)	182,366	166,332	251,283	202,067

VII Actuarial Assumptions : For the Year						
Discount Rate Current	8.50%	8.25%	8.50%	8.25%	8.50%	8.25%
Rate of Return on Plan Assets Current	8.50%	8.00%	-	-	-	-
Medical Cost increase rate	-	-	-	-	7.0%	7.0%
Attrition rate	-	5.00%	-	-	-	-
upto 30 years	15.0%	-	-	-	-	-
31 - 50 years	3.0%	-	-	-	-	-
above 50 years	2.0%	-	-	-	-	-

VIII Sensitivity						
Change in Liability for 1% increase in discount rate	-	-	-	-	236,909	17,337
Change in Liability for 1% decrease in discount rate	-	-	-	-	267,450	21,055
Change in Liability for 1% increase in inflation rate	-	-	-	-	268,261	22,672
Change in Liability for 1% decrease in inflation rate	-	-	-	-	236,475	19,297
Change in Service Cost for 1% increase in discount rate	-	-	-	-	9,062	84
Change in Service Cost for 1% decrease in discount rate	-	-	-	-	10,503	189
Change in Interest Cost for 1% increase in discount rate	-	-	-	-	20,026	702
Change in Interest Cost for 1% decrease in discount rate	-	-	-	-	22,584	702

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

IX Amount for the Current and Previous periods as per AS15 Para 120(n) are as follows :						
	Gratuity				Pension	Medical
	2011	2010	2009	2008	2011	2011
Liability at the end of the year	1,012,939	841,311	650,664	602,966	-	-
Fair value of plan assets at the end of the year	1,008,340	860,478	686,053	520,946	-	-
Difference	4,599	(19,167)	(35,389)	82,020	-	-
Experience Adjustment on Plan Liabilities (gain)/ loss	98,522	(73,367)	(5,845)	13,131	26,894	41,232
Experience Adjustment on Plan Assets (loss)/ gain	(26,800)	4,810	(12,938)	1,986	-	-

- 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 ` 100,000 to gratuity fund in 2011-12.
- 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 guidance issued by the Accounting Standard Board (ASB) on implementing AS 15, Employee Benefits (revised 2005) states that provident funds set up by employers, which requires interest shortfall to be met by the employer, needs to be treated as defined benefit plan. The fund does not have any existing deficit or interest shortfall. In regard to any future obligation arising due to interest shortfall (i.e. government interest to be paid on provident funds scheme exceeds rate of interest earned on investment), pending the issuance of guidance note from the Actuarial Society of India, the Company's actuary is unable to reliably measure the same. Companies contribution to the Provident fund totals to ` 283,992 (2010: ` 207,266)

(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	2011	2010
Government of India securities	14%	16%
State Government securities	28%	19%
Public sector unit bonds	35%	38%
Special Discount scheme	23%	27%
Total Plan Assets	100%	100%

Schedules to the Consolidated financial statements *(Continued)* for the year ended 30 September 2011 (Currency: Indian rupees thousands)

32 Derivative Instruments

a) Forward Contracts

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

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

Currency	Buy			Sell		
	Number of contracts	Amount	Indian rupees equivalent	Number of contracts	Amount	Indian rupees equivalent
US Dollar						
2011	251	122,117	5,980,685	163	312,398	15,299,692
2010	194	110,266	4,954,707	111	407,406	18,306,793
Euro						
2011	185	202,547	13,530,145	66	59,696	3,987,701
2010	209	336,020	20,546,775	45	31,173	1,906,135
Qatari Riyal						
2011	1	350	4,708	24	1,008,289	13,562,472
2010	2	750	9,255	16	1,682,055	20,769,179
Japanese Yen						
2011	5	24,620	15,724	-	-	-
2010	4	32,952	17,702	-	-	-
Pound Sterling						
2011	17	5,757	441,201	3	974	74,655
2010	21	5,781	410,504	3	2,325	165,115
CHF						
2011	4	2,193	120,012	-	-	-
2010	1	51	2,350	-	-	-
CAD						
2011	2	284	13,496	-	-	-
2010	1	167	7,291	-	-	-
SEK						
2011	4	10,406	75,366	-	-	-
2010	1	458	3,066	-	-	-
SGD						
2011	3	2,777	105,117	-	-	-
2010	-	-	-	-	-	-
AED						
2011	1	490	6,534	-	-	-
2010	-	-	-	-	-	-

All currency exposures having underlying transactions as at 30 September 2011 are covered by foreign currency forward contracts. The forward contracts have been converted in Indian rupees, at the spot rates, as at 30 September 2011 to facilitate reading purposes only.

32 Derivative Instruments (Continued)

b) 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 2011

Year	Commodity	Number of contracts	Contractual Quantity	Buy /Sell
2011	Copper	2,924	2,924,000 Kgs	Buy
	Nickel	34	8,500 Kgs	Buy
	Silver	180	5,400 Kgs	Buy
2010	Copper	1,211	1,211,000 Kgs	Buy
	Silver	98	2,940 Kgs	Buy

Note: Each contract of copper is of 1,000 kg, silver is of 30 kg and nickel is of 250 kg.

c) Unhedged foreign currency exposure derivatives

	2011				2010			
	Receivable		Payable		Receivable		Payable	
	Amount	Indian rupees equivalent	Amount	Indian rupees equivalent	Amount	Indian rupees equivalent	Amount	Indian rupees equivalent
USD	-	-	-	-	27,982	1,708,086	2,427	108,960
SGD	-	-	-	-	-	-	22	718
EURO	-	-	-	-	117	7,148	221	13,562
GBP	-	-	-	-	-	-	27	2,079
CHF	-	-	-	-	-	-	0.44	20
AUD	-	-	-	-	-	-	0.06	3

33 Earnings per share:

	2011	2010
Profit after tax (Net profit attributable to Equity shareholders)	8,677,476	7,577,714
Shares :-		
Weighted average number of Equity shares outstanding during the year	338,800,550	337,160,200
Earnings per share (Basic and diluted)	25.61	22.48

34 Other Costs, net

Miscellaneous expenses as disclosed in Schedule 24 includes ` 450,748 (2010: ` Nil) in respect of provisions created for sales tax matters of earlier years.

35 Proposed amalgamation of Siemens VAI Metals Technologies Private Ltd. and Morgan Construction Company India Private Ltd. with the Company

The Board of Directors approved the amalgamation of Siemens VAI Metals Technologies Private Ltd., Kolkata (SVAI - a 100% Siemens AG company) and Morgan Construction Company India Private Ltd., Mumbai (Morgan - a 100% subsidiary of SVAI) with the Company on 29 October 2011. In terms of the Scheme proposed to be filed with the court, the appointed date is 1 October 2011 and the share swap ratio will be 1318 equity shares of the face value of ` 2 each fully paid-up of the Company for every 100 equity shares of the face value of ` 100 fully paid-up of SVAI (Morgan is a 100% subsidiary of SVAI).

The proposed amalgamation is subject to the approvals of the shareholders and creditors of the companies, and other statutory and regulatory authorities in the respective jurisdictions.

36 Prior year comparatives

Pursuant to the amalgamation of SHDL (Refer schedule 2) the figures of the current year are not strictly comparable to those of the previous year. Previous year's figures have been regrouped/ reclassified wherever necessary, to conform to current year's classification.

As per our report of even date.

For S.R.Batliboi & Associates

Firm Registration Number:- 101049W
Chartered Accountants

per Sudhir Soni

Partner

Membership No: 41870

Mumbai

Date: 22 November 2011

For and on behalf of the Board of Directors of Siemens Ltd.

Deepak S.Parekh *Chairman*

Dr. Armin Bruck *Managing Director*

Sunil Mathur *Executive Director*

Yezdi H.Malegam *Director & Chairman of Audit Committee*

Ajai Jain *Vice President (Legal) & Company Secretary*

Mumbai

Date: 22 November 2011

SIEMENS LIMITED

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

Dear Member(s),

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

The Ministry of Corporate Affairs (MCA) has, vide its Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011, allowed companies to serve all notices and correspondences to shareholders including Annual Reports i.e., Audited Financial Statements, Directors' Report, Auditors' Report, etc., through electronic mode (e-mail). The initiative taken by the MCA is a welcome move for the Society at large, as this will reduce paper consumption to a great extent, ensure prompt receipt of communication and avoid loss of document in postal transit. Keeping in view of the theme underlying the Circulars issued by MCA, we propose to henceforth send documents like notices, intimation under Section 302 of the Companies Act, 1956, Annual Reports, Financial Results, etc., to our shareholders through electronic mode.

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

Please note that the Information Slip should be signed by the first / sole-holder as per the specimen signature recorded with the RTA. If you do not register your e-mail ID, a physical copy of the Annual Report and other communication / documents will be sent to you free of cost, as per the current practice. These documents will also be available on the Company's website www.siemens.co.in for your ready reference under the Investors' Relations Section.

Let's be part of this 'Green Initiative'

Thanking You,
Yours faithfully,

For **Siemens Ltd.**



Ajai Jain
Vice President (Legal) &
Company Secretary

TSR Darashaw Ltd.

Unit: Siemens Ltd

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

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

Date: _____

Signature of 1st Holder: _____

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

Siemens Ltd.,
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As an initiative towards a sustainable planet, this annual report has been printed on eco-friendly paper.