

**INDEPENDENT AUDITOR'S REPORT****To the Members of Siemens Rail Automation Private Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of Siemens Rail Automation Private Limited ("the Company"), which comprise the Balance Sheet as at September 30, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at September 30, 2015, its loss, and its cash flows for the year ended on that date.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

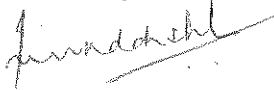
## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on September 30, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on September 30, 2015, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W



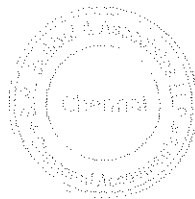
**per Aniruddh Sankaran**

Partner

Membership Number: 211107

Place: Chennai

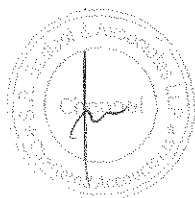
Date: November 16, 2015



**Annexure referred to under paragraph 1 of the Report on Other Legal and Regulatory Requirements of the Auditors' Report**

Re: Siemens Rail Automation Private Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. Inventories lying with outside parties have been confirmed by them as at year end.
- (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 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) and (b) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there 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) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the products of the Company, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income-tax, sales tax, value added tax, customs duty, excise duty, cess and other material statutory dues applicable to it though there has been a slight delay in remittance of provident fund, service tax, and tax deducted at source in few cases. The provisions relating to employees' state insurance, wealth tax, are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, service tax, sales tax, value added 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.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

- (c) According to the information and explanations given to us, there are no dues of provident fund, sales tax, service tax, customs duty, value added tax and cess which have not been deposited on account of any dispute.
  - (d) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company, in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
  - (viii) There are no accumulated losses at the end of the financial year. The Company has incurred cash loss in the current financial year. The Company did not incur any cash losses in the immediately preceding financial year.
  - (ix) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a bank. The Company did not have any dues to financial institution or debenture holders.
  - (x) 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
  - (xi) The Company did not have any term loans outstanding during the year.
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- (xii) 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 fraud on or by the Company has been noticed or reported during the year.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W



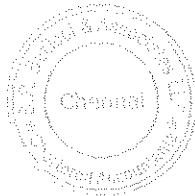
**per Aniruddh Sankaran**

Partner

Membership Number: 211107

Place: Chennai

Date: November 16, 2015



# Siemens Rail Automation Private Limited

## Balance sheet

as at 30 September 2015

(Currency : Indian rupees)

	Notes	2015	2014
<b>Shareholders' funds</b>			
Share capital	2	648,980	648,980
Reserves and surplus	3	177,392,144	196,250,208
		<u>178,041,124</u>	<u>196,899,188</u>
<b>Non-current liabilities</b>			
Long-term provisions	4	7,405,532	5,400,883
		<u>7,405,532</u>	<u>5,400,883</u>
<b>Current liabilities</b>			
Short term borrowings	5	297,000,000	345,000,000
Trade payables	6	178,624,601	230,164,494
Other current liabilities	7	146,154,651	126,637,747
Short-term provisions	8	326,225	169,749
		<u>622,105,477</u>	<u>701,971,990</u>
<b>TOTAL</b>		<b><u>807,552,133</u></b>	<b><u>904,272,061</u></b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	9	43,402,337	13,602,650
Intangible assets	9	1,802,887	2,688,530
Deferred tax assets (net)	10	6,825,675	6,959,757
Long-term loans and advances	11	83,209,819	73,303,222
Other non-current assets	12	50,192,084	30,830,784
		<u>185,432,803</u>	<u>127,384,943</u>
<b>Current assets</b>			
Inventories	13	37,159,192	21,548,175
Trade receivables	14	249,864,175	285,093,844
Cash and bank balances	15	8,200,924	67,935,234
Short-term loans and advances	16	7,408,188	7,705,667
Other current assets	17	319,486,851	394,604,198
		<u>622,119,330</u>	<u>776,887,118</u>
<b>TOTAL</b>		<b><u>807,552,133</u></b>	<b><u>904,272,061</u></b>

### Significant accounting policies

1.2

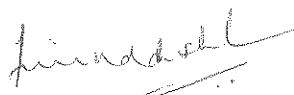
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S. R. Batliboi & Associates LLP

ICAI Firm registration number: 101049W

Chartered Accountants



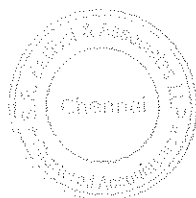
per Aniruddh Sankaran

Partner

Membership no.: 211107

Place: Chennai

Date: November 16, 2015



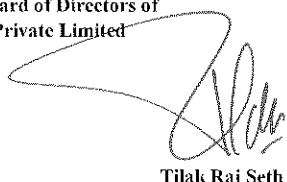
For and on behalf of the Board of Directors of  
Siemens Rail Automation Private Limited



Alok Goel  
DIN: 06579744  
Director

Mumbai

Date: November 16, 2015



Tilak Raj Seth  
DIN: 07027068  
Director

Mumbai

Date: November 16, 2015

# Siemens Rail Automation Private Limited

## Statement of profit and loss

for the year ended 30 September 2015

(Currency : Indian rupees)

	Notes	2015	2014
<b>Income</b>			
Revenue from operations (gross)		623,925,156	615,807,546
Less: Excise duty		(47,336,577)	(24,341,900)
Revenue from operations (net)	18	576,588,579	591,465,646
Other income	19	21,494,049	4,967,997
<b>Total revenue</b>		<b>598,082,628</b>	<b>596,433,643</b>
<b>Expenses</b>			
Project bought outs and other direct costs	27	423,283,351	418,919,412
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods		-	2,864,291
Employee benefits expense	20	88,560,613	74,592,934
Finance costs	21	24,773,674	23,523,462
Depreciation and amortization expense	9	7,538,471	5,277,791
Other expenses	22	72,650,502	47,254,920
<b>Total expenses</b>		<b>616,806,611</b>	<b>572,432,810</b>
<b>Profit before tax</b>		<b>(18,723,983)</b>	<b>24,000,833</b>
<b>Tax expense</b>			
Current tax		-	8,581,000
Deferred tax (credit) / charge		134,081	(58,678)
<b>Total tax expense</b>		<b>134,081</b>	<b>8,522,322</b>
<b>Profit / (Loss) for the period</b>		<b>(18,858,064)</b>	<b>15,478,511</b>
<b>Basic and diluted earnings per share (in Rs.)</b>		<b>(290.58)</b>	<b>238.51</b>
(Equity shares of face value of Rs 10 each)			


### Significant accounting policies

1.2

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

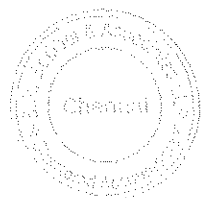
As per our report of even date

For S. R. Batliboi & Associates LLP  
ICAI Firm registration number: 101049W  
Chartered Accountants



per Aniruddh Sankaran  
Partner  
Membership no.: 211107

Place: Chennai  
Date: November 16, 2015



For and on behalf of the Board of Directors of  
Siemens Rail Automation Private Limited

  
Alok Goel  
DIN: 06579744  
Director

Mumbai  
Date: November 16, 2015

  
Tilak Raj Seth  
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Date: November 16, 2015

# Siemens Rail Automation Private Limited

## Cash flow statement

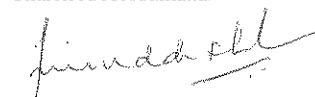
for the year ended 30 September 2015

(Currency : Indian rupees)

	Notes	2015	2014
<b>Cash flow from operating activities</b>			
Profit before tax		(18,723,983)	24,000,833
Adjustments for:			
Finance costs	21	24,773,674	23,523,462
Provision for doubtful debts (net of reversals)	19	(5,899,719)	3,376,585
Provision for doubtful debts / advances, net		678,506	-
Depreciation and amortization expense	9	7,538,471	5,277,791
Loss on sale of asset		558,505	-
Other liabilities written back	19	(14,470,830)	-
Unrealised exchange loss / (gain), net		(624,211)	(4,513,570)
Interest income	19	(499,289)	(454,427)
<b>Operating profit before working capital changes</b>		<b>(6,668,876)</b>	<b>51,210,674</b>
(Increase) / Decrease in inventories		(15,611,017)	25,447,672
(Increase) / Decrease in trade and other receivables		94,390,558	(211,169,174)
Increase / (Decrease) in trade payables and other liabilities		(42,223,140)	12,271,502
Increase / (Decrease) in provisions		2,161,125	(478,447)
<b>Net change in working capital</b>		<b>38,717,526</b>	<b>(173,928,447)</b>
<b>Cash generated from operations</b>		<b>32,048,650</b>	<b>(122,717,773)</b>
Direct taxes paid, net		(8,735,749)	(6,604,043)
<b>Net cash generated from operating activities</b>		<b>23,312,901</b>	<b>(129,321,816)</b>
<b>Cash flow from investing activities</b>			
Purchase of fixed assets		(10,661,052)	(9,693,124)
Interest received		499,289	254,005
Deposits with original maturity of more than 3 months		(499,289)	(413,223)
<b>Net cash generated from / (used in) investing activities</b>		<b>(10,661,052)</b>	<b>(9,852,342)</b>
<b>Cash flow from financing activities</b>			
Interest paid		(25,828,450)	(22,347,297)
Repayment of short- term borrowings (Net)		(48,000,000)	213,909,430
<b>Net cash used in financing activities</b>		<b>(73,828,450)</b>	<b>191,562,133</b>
Net increase / (decrease) in cash and cash equivalents		(61,176,600)	52,387,975
Cash and cash equivalents at beginning of the year		62,474,573	10,086,598
Cash and cash equivalents at the end of the year	15	<b>1,297,973</b>	<b>62,474,573</b>

As per our report of even date

For S. R. Battiboi & Associates LLP  
ICAI Firm registration number: 101049W  
Chartered Accountants



per Aniruddh Sankaran  
Partner  
Membership no.: 211107

Place: Chennai  
Date: November 16, 2015



For and on behalf of the Board of Directors of  
Siemens Rail Automation Private Limited

  
Alope Goel  
DIN: 06579744  
Director

Mumbai  
Date: November 16, 2015

  
Tilak Raj Seth  
DIN: 07027068  
Director

Mumbai  
Date: November 16, 2015

## **1. Corporate information**

Siemens Rail Automation Systems Private Limited ("the Company"), was incorporated on November 12, 2003. The Company's ultimate parent company is Siemens AG, Germany.

The Company is engaged in the business of designing, manufacturing, integration, installation, testing, commissioning, buying and selling of integrated rail management and control products and systems including train control, signaling systems, information systems, protection systems including electronic interlocking and safety processors, trackside and on-board equipments and providing maintenance, support and consultancy services in relation to the above.

During the year with effect from October 1, 2014, the entire shares held by Siemens International Holding B.V was transferred to Siemens Limited, Mumbai.

### **1.1. Basis of preparation**

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain derivative instruments which are measured at fair value in accordance with generally accepted accounting principles in India ("Indian GAAP"). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year except for the change in accounting policy explained below.

### **1.2. Summary of significant accounting policies**

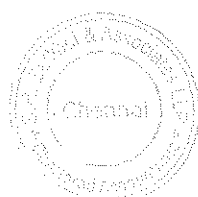
#### **(a) Change in accounting policy**

The Company accounts for revenue from services (maintenance, repair and other services) of railway signaling systems using the proportionate completion method. Till the previous year, the Company followed the policy of recognizing revenue on a straight line basis over the period of the related contracts. In the current year, the Company changed its accounting policy from the straight line method to proportionate completion method. The management believes that such change would result in better presentation of financial statements.

Had the Company continued to use the earlier basis of accounting for revenue from services, its revenue would have been lower by Rs.1,081,944.

#### **(b) Use of estimates**

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





**(c) Tangible fixed assets and depreciation**

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

Depreciation on tangible assets is provided on a straight-line basis over the useful lives of assets estimated by the management. With effect from October 1, 2014 based on internal technical advice, taking into account the nature of the asset, the estimated usage of the assets on the basis of managements' best estimation of getting economic benefits from those classes of assets the Company reassessed the estimated useful life of its assets from the estimates used in the previous year. The Company uses its technical expertise along with historical and industry trends for arriving the economic life of an asset. Such class of assets and their estimated useful life are as under:

Asset	Useful life of asset
Plant and Equipment	5 years
Computers	3 years
Furniture and Fixtures	5 years
Office Equipments	5 years

Had the company continued to use the earlier estimated useful life the depreciation for the current year would have been higher by Rs. 8,482.

Management of the Company has determined that the estimates of useful lives of fixed assets as at October 1, 2014 continue to be appropriate and, accordingly, has not revised such useful lives to those referred to under Schedule II to the Companies Act, 2013 (as amended). Had the Company adopted the useful life estimates for fixed assets prescribed under Schedule II, the depreciation expense for the year ended September 30, 2015 would have been lower by Rs.2,091,838.

Gains or losses arising from derecognition of tangible / intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

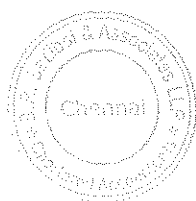
**(d) Intangible fixed assets and depreciation**

Intangible assets comprise software are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. These intangible assets are amortised on straight-line basis over 5 years, which in management's estimate represents the period during which economic benefits will be derived from their use.

**(e) Impairment of assets**

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

The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to the present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model



is used. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost, had no impairment been recognised.

**(f) Revenue recognition**

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

**Trading Sales**

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

**Revenue from Services**

Revenue from services (maintenance, repairs and other services) is recognised as per the terms of the contract with the customer using the proportionate completion method. (Also refer note 1.2(a))

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

**Project Sales**

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

**Interest**

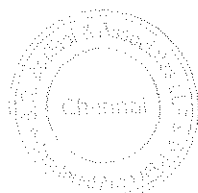
Interest income is recognised on the time proportion basis.

**(g) Inventories**

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

**Project materials and spares**

Project raw materials, components and stores and spares are valued at lower of cost and net realizable value. Costs are determined on a weighted average basis.



**(h) Leases**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**(i) 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**

1. **Defined Contribution Plans:** Benefits in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.
2. **Defined Benefit Plans and other Long Term Benefits:** The Company's gratuity benefit scheme is a defined benefit plan. Leave wages to employees is other long term benefit. The present value of the obligation under such defined benefit plans and other long term benefits are determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

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

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

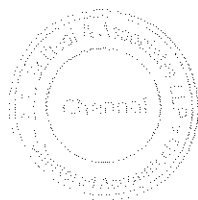
**(j) Foreign currency transactions:**

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

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

**Translation**

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



**(k) 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 realized.

**(l) Earnings per share ("EPS")**

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

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**(m) Provisions**

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

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

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. wherever applicable 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.

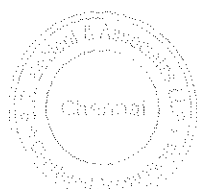
**(n) Cash and Cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

**(o) Segment Reporting**

The Company considers business segments as its primary segment. The Company's operations predominantly relate to supply and installation of railway signaling equipments and, accordingly, this is the only primary reportable segment.

The Company considers geographical segments as its secondary segment. The Company's operations are within India and, accordingly, this is the only secondary reportable segment.



## Siemens Rail Automation Private Limited

### Notes to the financial statements

as at 30 September 2015

(Currency : Indian rupees)

#### 2 Share capital

2015

2014

##### Authorised

15,000,000 (September 30, 2014: 15,000,000) equity shares of Rs. 10/- each

150,000,000

150,000,000

150,000,000

150,000,000

##### Issued

64,898 Equity Shares of Rs 10/- each (2014: 64,898 Equity shares of Rs 10/- each)

Total issued, subscribed and fully paid-up share capital

Subscribed and fully paid-up

64,898 Equity Shares of Rs 10 each fully paid-up

(2014: 64,898 Equity shares of Rs 10 each fully paid-up)

648,980

648,980

648,980

648,980

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

64,897 Equity shares of Rs. 10/- each, fully paid-up, are held by the Holding Company, Siemens Limited; (2014 : 64,897 Equity shares were held by Siemens International Holding B.V.)

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

	2015		2014	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	64,898	648,980	64,898	648,980
Shares issued / subscribed during the year	-	-	-	-
Shares outstanding at the end of the year	64,898	648,980	64,898	648,979

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

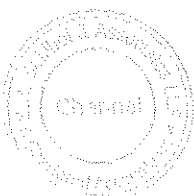
Name of shareholder	2015		2014	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Siemens Limited	64,897	99.99%	-	-
Siemens International Holdings B.V.	-	-	64,897	99.99%

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

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

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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



# Siemens Rail Automation Private Limited

## Notes to the financial statements (continued)

as at 30 September 2015

(Currency : Indian rupees)

	2015	2014
<b>3 Reserves and surplus</b>		
a) <b>Securities premium account</b>		
- Balance brought forward	172,821,567	172,821,567
b) <b>Surplus in the statement of profit and loss</b>		
- Balance brought forward	23,428,641	7,950,130
- Profit / (Loss) for the period	(18,858,064)	15,478,511
<b>Net surplus in the statement of profit and loss</b>	4,570,577	23,428,641
<b>Total reserves and surplus</b>	<b>177,392,144</b>	<b>196,250,208</b>
<b>4 Long-term provisions</b>		
<b>Provision for employee benefits</b>		
- Gratuity (Refer note 30)	3,830,300	3,365,085
- Leave wages	3,575,232	2,035,798
	<b>7,405,532</b>	<b>5,400,883</b>
<b>5 Short term borrowings</b>		
Loan from Siemens Industry Software Private Limited (Note a)	252,000,000	250,000,000
Loan from Siemens limited (Note a)	45,000,000	95,000,000
	<b>297,000,000</b>	<b>345,000,000</b>
a. Repayable on demand and carries interest ranging from 7.75% to 8.25%		
<b>6 Trade payables</b>		
- Micro and Small Enterprises (Refer note 33)	-	-
- Others	178,624,601	230,164,494
	<b>178,624,601</b>	<b>230,164,494</b>
<b>7 Other current liabilities</b>		
Advances from customers	6,547,613	18,532,715
Billing in excess of revenue	100,576,226	99,287,310
Other liabilities		
- Accrued salaries and benefits	-	244,820
- Withholding and other taxes payable	5,822,829	2,243,241
- Liability for capital goods	26,349,968	2,172,798
- Interest accrued and due	121,389	1,176,165
- Others	6,736,626	2,980,698
	<b>146,154,651</b>	<b>126,637,747</b>
<b>8 Short-term provisions</b>		
<b>Provision for employee benefits</b>		
- Leave wages	326,225	169,749
	<b>326,225</b>	<b>169,749</b>



# Siemens Rail Automation Private Limited

## Notes to the financial statements (Continued)

as at 30 September 2015

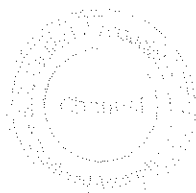
(Currency : Indian rupees)

9 Fixed assets

	Tangible assets				Intangible assets	
	Plant and equipments	Furniture and fixtures	Office equipments	Total	Software	Total
<b>Gross block</b>						
At 30 September 2013	6,418,841	2,020,192	11,241,333	19,680,366	5,821,310	5,821,310
Additions	2,921,087	1,057,422	6,283,243	10,261,752	-	-
Deductions / adjustments	-	-	-	-	-	-
At 30 September 2014	9,339,928	3,077,614	17,524,576	29,942,118	5,821,310	5,821,310
Additions	28,605,195	4,927,224	3,478,601	37,011,020	-	-
Deductions / adjustments	-	(960,066)	-	(960,066)	-	-
<b>At 30 September 2015</b>	<b>37,945,123</b>	<b>7,044,772</b>	<b>21,003,177</b>	<b>65,993,072</b>	<b>5,821,310</b>	<b>5,821,310</b>
<b>Accumulated depreciation / amortisation</b>						
At 30 September 2013	3,194,246	935,673	8,276,292	12,406,211	1,788,246	1,788,246
Charge for the year (Refer note i)	1,847,178	213,326	1,872,753	3,933,257	1,344,534	1,344,534
Deductions / adjustments	-	-	-	-	-	-
At 30 September 2014	5,041,424	1,148,999	10,149,045	16,339,468	3,132,780	3,132,780
Charge for the year (Refer note i)	1,755,355	1,807,722	3,089,751	6,652,828	885,643	885,643
Deductions / adjustments	-	(401,561)	-	(401,561)	-	-
<b>At 30 September 2015</b>	<b>6,796,779</b>	<b>2,555,160</b>	<b>13,238,796</b>	<b>22,590,735</b>	<b>4,018,423</b>	<b>4,018,423</b>
<b>Net block</b>						
<b>At 30 September 2015</b>	<b>31,148,344</b>	<b>4,489,612</b>	<b>7,764,381</b>	<b>43,402,337</b>	<b>1,802,887</b>	<b>1,802,887</b>
At 30 September 2014	4,298,504	1,928,615	7,375,531	13,602,650	2,688,530	2,688,530

### i Depreciation and amortisation expense:

	2015	2014
Depreciation on tangible assets	6,652,828	3,933,257
Amortisation of intangible assets	885,643	1,344,534
<b>As per the statement of profit and loss</b>	<b>7,538,471</b>	<b>5,277,791</b>



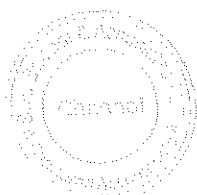
# Siemens Rail Automation Private Limited

## Notes to the financial statements (continued)

as at 30 September 2015

(Currency : Indian rupees)

	2015	2014
<b>10 Deferred tax assets (net)</b>		
<b>Deferred tax assets</b>		
Arising on account of timing differences in :		
Provision for doubtful debts and advances	3,352,017	5,046,039
Expenditure debited to the statement of profit and loss but allowable for tax purposes in following years	4,095,941	2,576,086
Other provisions	7,447,958	7,622,125
<b>Less - Deferred tax liability</b>		
Arising on account of timing differences in :		
Depreciation	622,282	662,369
<b>Deferred tax assets (net)</b>	<b>6,825,675</b>	<b>6,959,757</b>
<b>11 Long-term loans and advances (unsecured considered good, unless otherwise stated)</b>		
Advances recoverable in cash or kind	-	2,705,700
- considered doubtful	678,506	-
	678,506	2,705,700
Provision for doubtful advances	(678,506)	-
	-	2,705,700
Rent Deposit	6,644,000	6,644,000
Other Deposit	7,210,419	2,923,969
Balances with statutory / government authorities (Refer note 34)	53,035,190	53,445,092
Advance tax and TDS (net of provision for taxes)	16,320,210	7,584,461
	<b>83,209,819</b>	<b>73,303,222</b>
<b>12 Other non-current assets</b>		
Long-term trade receivables (unsecured, considered good)	49,431,660	29,127,358
Bank deposits	760,424	1,703,426
	<b>50,192,084</b>	<b>30,830,784</b>
<b>13 Inventories (at lower of cost and net realisable value)</b>		
Project materials and spares [includes Goods in Transit Rs.405,988 (2014 : Rs.2,843,330)]	35,907,186	20,296,169
Traded goods	1,252,006	1,252,006
	<b>37,159,192</b>	<b>21,548,175</b>





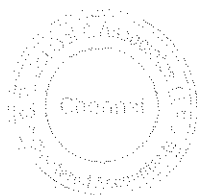
# Siemens Rail Automation Private Limited

## Notes to the financial statements (continued)

as at 30 September 2015

(Currency : Indian rupees)

	2015	2014
<b>14 Trade receivables (unsecured)</b>		
Trade receivables outstanding		
- for a period exceeding six months from the date they are due for payment	25,013,218	90,529,544
- other receivables	234,503,832	210,116,894
	<u>259,517,050</u>	<u>300,646,438</u>
Of which		
- considered good	249,864,175	285,093,844
- considered doubtful	9,652,875	15,552,594
	<u>259,517,050</u>	<u>300,646,438</u>
Provision for doubtful receivables	(9,652,875)	(15,552,594)
	<u><b>249,864,175</b></u>	<u><b>285,093,844</b></u>
<b>15 Cash and bank balances</b>		
<b>Balances with banks</b>		
- On current accounts	1,297,973	62,474,573
Cash and cash equivalents	<u>1,297,973</u>	<u>62,474,573</u>
<b>Other bank balances</b>		
- Bank deposits with original maturity of more than 3 months but less than 12 months	3,190,275	816,972
- Bank deposits with original maturity of more than 12 months	3,712,676	4,643,689
	<u><b>8,200,924</b></u>	<u><b>67,935,234</b></u>
<b>16 Short-term loans and advances (unsecured considered good, unless otherwise stated)</b>		
Advances recoverable in cash or kind	7,408,188	1,123,079
Deposits	-	6,582,588
	<u><b>7,408,188</b></u>	<u><b>7,705,667</b></u>
<b>17 Other current assets</b>		
Unbilled revenue	318,256,239	393,373,586
Other receivables	1,230,612	1,230,612
	<u><b>319,486,851</b></u>	<u><b>394,604,198</b></u>



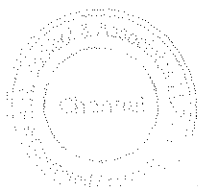
# Siemens Rail Automation Private Limited

## Notes to the financial statements (continued)

for the year ended 30 September 2015

(Currency : Indian rupees)

	2015	2014
<b>18 Revenue from operations (net)</b>		
Revenue from operations, net of excise duty		
Revenue from projects	562,306,825	575,505,883
Trading sales	-	4,562,360
Sale of services	14,281,754	11,397,403
	<u>576,588,579</u>	<u>591,465,646</u>
<b>19 Other income</b>		
Interest income	499,289	454,427
Exchange Differences (Net)	624,211	1,136,985
Provision for doubtful debts written back (net)	5,899,719	3,376,585
Other liabilities written back	14,470,830	-
	<u>21,494,049</u>	<u>4,967,997</u>
<b>20 Employee benefits expense</b>		
Salaries, wages and bonus, net	80,421,584	67,095,682
Contribution to provident and other funds	3,935,851	3,728,643
Staff welfare expenses	4,203,178	3,768,609
	<u>88,560,613</u>	<u>74,592,934</u>
<b>21 Finance costs</b>		
Interest costs	24,773,674	23,523,462
	<u>24,773,674</u>	<u>23,523,462</u>
<b>22 Other expenses</b>		
Travel and conveyance	11,204,252	6,562,224
Rates and taxes	514,575	2,785,058
Communications	5,354,757	3,518,460
Power and fuel	1,893,000	1,896,500
Insurance	3,229,710	3,036,135
Rent	13,203,207	12,569,153
Repairs and maintenance		
- others	10,969,101	3,796,415
Legal and professional [include auditors' remuneration (Refer note 24)]	7,385,279	3,082,784
Office supplies, printing and stationery	3,270,204	2,632,499
Bank guarantee commission / bank charges	111,802	51,925
Provision for doubtful debts and advances, net	678,506	-
Intercompany consultancy and service charges	10,158,300	5,415,417
Loss on sale of fixed assets, net	558,505	-
Miscellaneous expenses	4,119,303	1,908,350
	<u>72,650,502</u>	<u>47,254,920</u>



# Siemens Rail Automation Private Limited

## Notes to the financial statements (Continued)

as at 30 September 2015

(Currency : Indian rupees)

2015

2014

### 23 Commitments and contingent liabilities

#### Contingent liabilities

Liability on account of non-submission of C Forms

103,649,104

52,684,901

**103,649,104**

**52,684,901**

i. Matters wherein management has concluded the Company's liability to be probable (if any) have accordingly been provided for in the books.

ii. Matters wherein management has concluded the Company's liability to be possible have accordingly been disclosed as contingent liability.

### 24 Auditors' remuneration (for audit services exclusive of service tax)

- Audit fees

638,711

545,304

- Tax audit fees (including audit of related financial statements)

350,000

350,000

- Reimbursement of expenses

-

55,000

**988,711**

**950,304**

### 25 Earnings and expenditure in foreign exchange (on accrual basis)

#### (a) Earnings in foreign currency

- Sale of services (based on actual billing)

-

553,624

#### (b) Expenditure in foreign currency

- Travel and conveyance

965,724

2,358,569

- Intercompany consultancy and service charges

6,204,657

642,529

#### (c) Value of imports calculated on CIF basis

- Project materials and spares

27,511,572

17,219,704

- Capital goods

21,955,522

2,883,399

**49,467,094**

**20,103,103**

### 26 Imported and indigenous bought outs and stores & spares consumed

	2015		2014	
	Value	% of total consumption	Value	% of total consumption
Imported	27,271,464	6%	14,490,672	3%
Indigenous	396,011,887	94%	404,428,740	97%
	<b>423,283,351</b>	<b>100%</b>	<b>418,919,412</b>	<b>100%</b>

### 27 Project bought outs and other direct costs \*

	2015	2014
	Value	Value
Project bought outs	308,256,438	336,953,767
Other Costs	115,026,913	81,965,645
	<b>423,283,351</b>	<b>418,919,412</b>

\* The Company's operations involves usage of Bought outs materials of a diverse size and nature in view of which information has been provided under a single head.



## Siemens Rail Automation Private Limited

### Notes to the financial statements (Continued)

as at 30 September 2015

(Currency : Indian rupees)

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

	2015	2014
(i) Contract Revenue recognised for the year ended 30 September	562,306,825	575,505,883
(ii) Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts in progress as at 30 September	2,483,202,463	2,129,098,856
(iii) Amount of advances received	6,547,613	18,532,715
(iv) Amount of retentions	153,408,871	192,397,631

#### 29 Disclosure pursuant to Accounting Standard - 19 'Leases' :

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

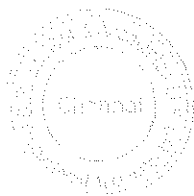
	2015	2014
(i) Amount due not later than one year from the balance sheet date	9,501,707	9,407,948
(ii) Amount due later than one year and not later than five years	9,855,619	15,831,614
	<u>19,357,326</u>	<u>25,239,562</u>

Lease rent debited to the statement of profit and loss Rs. 9,532,958(2014: Rs 3,167,236)

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

General description of the leasing arrangement:

- (i) The Company has entered into operating lease arrangement for its office premises.
- (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) The lease agreement has escalation of 5% of the last rent paid at the end of every year. There are no exceptional / restrictive covenants in the lease agreements.



# Siemens Rail Automation Private Limited

## Notes to the financial statements (Continued)

as at 30 September 2015

(Currency : Indian rupees)

### 30 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' :

#### (i) Defined Contribution Plans

Amount of Rs.3,935,851 (2014: Rs.3,728,643) is recognised as an expense and included in "employee benefits expense" (Refer note 20) in the statement of profit and loss.

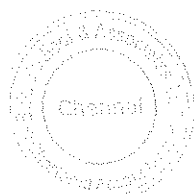
#### (ii) Defined Benefit Plans

##### 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.

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

		Gratuity	
		2015	2014
<b>I</b>	<b>Change in defined benefit obligation</b>		
	Liability at the beginning of the year	3,697,575	3,005,045
	Interest cost	328,117	349,176
	Current service cost	930,283	939,663
	Benefits paid	(1,198,988)	-
	Actuarial (gain) / loss on obligations	439,671	(596,309)
	Liability at the end of the year	4,196,658	3,697,575
<b>II</b>	<b>Fair value of plan assets</b>		
	Fair value of plan assets at the beginning of the year	332,490	311,466
	Expected return on plan assets	29,924	22,184
	Actuarial gain / (loss) on plan assets	3,944	(1,160)
	Fair value of plan assets at the end of the year	366,358	332,490
<b>III</b>	<b>Actual return on plan assets</b>		
	Expected return on plan assets	29,924	22,184
	Actuarial gain / (loss) on plan assets	3,944	(1,160)
	Actual return on plan assets	33,868	21,024
<b>IV</b>	<b>Amount recognised in the balance sheet</b>		
	Defined benefit obligation at the end of the year	4,196,658	3,697,575
	Fair value of plan assets at the end of the year	366,358	332,490
	Amount recognised in the balance sheet	3,830,300	3,365,085
<b>V</b>	<b>Expenses recognised in the statement of profit and loss</b>		
	Interest cost	328,117	349,176
	Current service cost	930,283	939,663
	Expected return on plan assets	(29,924)	(21,024)
	Benefits Settled	-	723,693
	Net actuarial (gain) / loss recognised	435,727	(596,309)
	Expense recognised in employee benefits expense (Refer note 20)	1,664,203	1,395,199
<b>VI</b>	<b>Balance sheet reconciliation</b>		
	Opening net liability / (asset)	3,365,085	2,693,579
	Expense as above	1,664,203	1,395,199
	Benefits Paid (Directly by the Company)	(1,198,988)	(723,693)
	Amount recognised in the balance sheet	3,830,300	3,365,085
	- Current	-	-
	- Non current	3,830,300	3,365,085



# Siemens Rail Automation Private Limited

## Notes to the financial statements (Continued)

as at 30 September 2015

(Currency : Indian rupees)

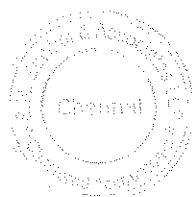
### 30 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' (Continued) :

VII	Actuarial Assumptions	Gratuity	
		2015	2014
	Discount Rate	7.98%	9.00%
	Rate of Return on Plan Assets	9.00%	9.00%
	Attrition rate:		
	upto 30 years	15.00%	15.00%
	31-50 years	3.00%	3.00%
	above 50 years	2.00%	2.00%
	Salary Escalation / Medical cost increase rate	8.00%	8.00%

### VIII Amount for the Current and Previous periods as per AS15 Para 120(n) are as follows:

		Gratuity				
		Sep-15	Sep-14	Sep-13	Mar-13	Mar-12
	Liability at the end of the year	4,196,658	3,697,575	3,005,045	2,583,288	1,745,874
	Fair value of plan assets at the end of the year	366,358	332,490	315,585	301,995	278,979
	Difference	3,830,300	3,365,085	2,689,460	2,281,293	1,466,895
	Experience adjustment on plan liabilities (gain) / loss	(81,319)	(504,367)	(613,147)	(197,445)	(29,195)
	Experience adjustment on plan assets (loss) / gain					

- b) The plan assets of the Company is administered by Life Insurance Corporation Of India(LIC). Expected rate of return on investments is determined based on the assessment made by the Company at the beginning of the year on the return expected on its existing portfolio, along with the estimated incremental investments to be made during the year. Yield on portfolio is calculated based on a suitable mark-up over the benchmark. Government securities of similar maturities. The Company expects to contribute Rs 1,492,241(2014: Rs. 1,664,203) to gratuity fund in 2015-16.
- c) The estimates of future salary increases, considered in actuarial valuation, take in to account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



## Siemens Rail Automation Private Limited

### Notes to the financial statements (Continued)

for the year ended 30 September 2015

(Currency : Indian rupees)

#### 31 Related party transactions

##### 31.1 Parties where control exists

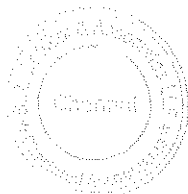
Siemens Limited (w.e.f. October 1, 2014)	Holding company
Siemens International Holdings BV, Netherlands (upto September, 30 2014)	Holding company
Siemens AG (w.e.f May 2, 2013)	Ultimate Holding Company
Invensys Plc ( upto May 2, 2013)	Ultimate Holding Company

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

Fellow Subsidiaries	Name	Country
	Siemens Rail Automation Pty Ltd,	Australia
	Siemens Rail Automation Holdings Limited,	United Kingdom
	Siemens Rail Automation S A U Dimetronics S A,	Spain
	Siemens Industry Software (India) Pvt. Limited.	India
	Siemens Technology Services Pvt. Limited.	India
	Siemens Pte. Ltd.	Singapore

##### 31.3 Key Managerial personnel

Mr. Juergen Ernst Robert Brandes (Director)  
Mr. Alok Goel (Director)  
Mr. Tilak Raj Seth (Director)  
Mr. Puneet Arora (Country Head) - w.e.f October 1, 2014  
Mr. Raviprakash Karcherla (Country Head ) - upto September 23, 2014



# Siemens Rail Automation Private Limited

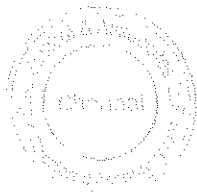
## Notes to the financial statements (Continued)

for the year ended 30 September 2015

(Currency : Indian rupees)

### 31.4 Related party transactions

Description	2015			2014		
	Holding Company	Fellow Subsidiaries	Key managerial personnel	Holding Company	Fellow Subsidiaries	Key managerial personnel
<b>Revenue (net of taxes) - Sale of Materials</b>						
--Siemens Limited	26,822,729	-	-	-	-	-
<b>Sale of Services</b>						
-- Siemens Rail Automation Pty Ltd	-	-	-	-	553,624	-
--Siemens Limited	3,037,144	-	-	-	-	-
<b>Purchase of goods and services</b>						
-- Siemens Rail Automation Pty Ltd	-	3,594,417	-	-	210,412	-
-- Siemens Rail Automation Holdings Limited	-	20,007,311	-	-	12,000,089	-
-- Siemens Rail, Dimetronics	-	7,833,969	-	-	-	-
--Siemens Limited	48,560,062	-	-	39,253,869	-	-
--Siemens Technology Services Pvt Ltd	-	1,822,826	-	-	-	-
-- Siemens Pte Ltd	-	409,878	-	-	544,900	-
-- Siemens AG	1,511,768	-	-	97,629	-	-
<b>Bank guarantee charges</b>						
-- Siemens AG	21,806	-	-	-	-	-
<b>Reimbursement of Expenses</b>						
-- Siemens Rail Automation Pty Ltd	-	-	-	-	1,720,725	-
--Siemens Limited	4,777,314	-	-	8,692,310	-	-
<b>Interest expenses</b>						
--Siemens Industry Software (India) Pvt. Limited	-	20,760,255	-	-	10,867,808	-
--Siemens Limited	3,900,029	-	-	3,040,805	-	-
<b>Purchase of fixed assets</b>						
-- Siemens Rail Automation Pty Ltd,	-	-	-	-	2,289,172	-
-- Siemens Rail Automation Holdings Limited,	-	21,955,522	-	-	-	-
--Siemens Limited	553,953	-	-	2,266,950	-	-





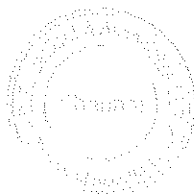
# Siemens Rail Automation Private Limited

## Notes to the financial statements (Continued)

for the year ended 30 September 2015

### 31.4 Related party transactions

Description	2015			2014		
	Holding Company	Fellow Subsidiaries	Key managerial personnel	Holding Company	Fellow Subsidiaries	Key managerial personnel
<b>Managerial remuneration</b>						
Mr. Puneet Arora (Country Head)	-	-	5,041,284	-	-	-
Mr. Raviprakash Karcherla (Country Head )	-	-	-	-	-	8,136,068
<b>Inter corporate deposit taken</b>						
--Siemens Industry Software (India) Pvt. Limited.	-	12,000,000	-	-	250,000,000	-
--Siemens Limited	132,000,000	-	-	345,000,000	-	-
<b>Inter corporate deposit repaid</b>						
--Siemens Industry Software (India) Pvt. Limited.	-	10,000,000	-	-	-	-
--Siemens Limited	182,000,000	-	-	250,000,000	-	-
<b>Outstanding Balances</b>						
<b>Receivables</b>						
-- Siemens Rail Automation Pty Ltd	-	-	-	-	513,223	-
--Siemens Limited	2,341,347	-	-	-	-	-
<b>Payables</b>						
-- Siemens Rail Automation Pty Ltd	-	5,054,432	-	-	14,642,582	-
-- Siemens Rail Automation Holdings Limited	-	28,995,429	-	-	24,698,468	-
-- Invensys Plc,	-	-	-	-	1,161,385	-
--Siemens A G	-	1,680,908	-	-	106,651	-
--Siemens Technology Services Pvt Ltd	-	-	-	-	-	-
-- Siemens Pte. Ltd.	-	887,280	-	-	544,995	-
-- Siemens Rail, Dimetronics	-	8,114,645	-	-	-	-
--Siemens Limited	5,602,551	-	-	10,471,354	-	-
<b>Inter corporate deposits Payable</b>						
--Siemens Limited	45,000,000	-	-	95,000,000	-	-
--Siemens Industries Software Pvt Ltd	-	252,000,000	-	-	250,000,000	-
<b>Interest payable on inter corporate deposits</b>						
--Siemens Limited	73,233	-	-	288,493	-	-
--Siemens Industry Software (India) Pvt. Limited.	-	48,156	-	-	887,672	-



## Siemens Rail Automation Private Limited

### Notes to the financial statements (Continued)

as at 30 September 2015

(Currency : Indian rupees)

- 32 The Company has the following unhedged exposures in various foreign currencies as at the year end

#### Payables

	Foreign currency		Indian rupees	
	2015	2014	2015	2014
GBP	301,427	258,179	30,155,417	25,859,853
AUD	108,656	271,613	5,054,432	14,642,582
EUR	144,478	8,370	10,682,833	651,671

#### Receivables

	Foreign currency		Indian rupees	
	2015	2014	2015	2014
GBP	-	9,520	-	513,223

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

The management has determined that there are no overdue amounts payable to Micro, Small and Medium Enterprises as defined under The Micro, Small and Medium Enterprises Development Act, 2006 based on information available with the Company as at September 30, 2015 and September 30, 2014. Further, the Company has not paid any interest to any Micro, Small and Medium Enterprises during the current year.

- 34 Balances with statutory / government authorities

Balance with government authorities aggregating to Rs. 53,035,190 (2014: Rs. 47,309,708) represents Karnataka VAT input credit taken on purchase of materials accumulated over the years. Management is currently evaluating various options to realise these balances in the form of refunds or by way of utilisation against its local sales. The management is confident about the recoverability of these balances upon the completion of assessments with VAT authorities, pending which no adjustments have been made in the financial statements.

- 35 Prior year comparatives

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

As per our report of even date

For S. R. Batliboi & Associates LLP  
ICAI Firm registration number: 101049W  
Chartered Accountants

per Aniruddh Sankaran  
Partner  
Membership no.: 211107

Place: Chennai  
Date: November 16, 2015



For and on behalf of the Board of Directors of  
Siemens Rail Automation Private Limited

Aloke Goel  
DIN: 06579744  
Director

Mumbai  
Date: November 16, 2015

Tilak Raj Sethi  
DIN: 07027068  
Director

Mumbai  
Date: November 16, 2015