

B S R & Co. LLP

Chartered Accountants

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Independent Auditors' Report on Consolidated Annual Financial Results of Siemens Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of
Siemens Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Siemens Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as 'the Group') for the year ended 30 September 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial information of the subsidiaries, the aforesaid consolidated annual financial results:

- a. include the annual financial results of following subsidiaries:

Name of the Entity	Relationship
Siemens Rail Automation Private Limited	Wholly owned subsidiary
C&S Electric Limited	Subsidiary (w.e.f. 1 March 2021)

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 30 September 2021.

Independent Auditors' Report on Consolidated Annual Financial Results of Siemens Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Siemens Limited

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each 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 controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

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Independent Auditors' Report on Consolidated Annual Financial Results of Siemens Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Siemens Limited

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of consolidated financial statements on whether the company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated annual financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditors' Report on Consolidated Annual Financial Results of Siemens Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Siemens Limited

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- (a) The consolidated annual financial results include the audited financial results of one subsidiary whose financial information reflect total assets (before consolidation adjustments) of INR 3,004 million as at 30 September 2021, total revenue (before consolidation adjustments) of INR 1,130 million and total net profit after tax (before consolidation adjustments) of INR 265 million and net cash outflows of INR 260 million for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their independent auditor. The independent auditors' report on financial information of this entity has been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.



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Independent Auditors' Report on Consolidated Annual Financial Results of Siemens Limited pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Continued)

Siemens Limited

Other Matters (Continued)

- (b) The consolidated annual financial results include the results for the quarter ended 30 September 2021 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Farhad Bamji

Partner

Membership No: 105234

UDIN: 21105234AAAACD2196

Mumbai

24 November 2021

SIEMENS

Statement of Consolidated audited financial results for the quarter and year ended 30 September 2021

(Rs. in millions)

No.	Particulars	Quarter ended			Year ended	
		30 September	30 June	30 September	30 September	
		2021 (Audited) (Refer note 6)	2021 (Unaudited)	2020 (Audited) (Refer note 6)	2021 (Audited)	2020 (Audited)
1	Revenue from operations					
a)	Revenue from contracts with customers	42,330	28,809	34,508	134,226	96,606
b)	Other operating revenue	631	533	960	2,166	2,859
	Total revenue from operations (a+b)	42,961	29,342	35,468	136,392	99,465
2	Other income	622	500	625	2,265	3,149
3	Total Income	43,583	29,842	36,093	138,657	102,614
4	Expenses					
a)	Cost of materials consumed	10,597	6,589	6,199	28,874	17,762
b)	Purchases of stock-in-trade	8,503	9,941	5,030	39,114	21,637
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,589	(2,431)	3,659	(3,025)	1,054
d)	Project bought outs and other direct costs	9,179	5,408	9,147	28,154	23,171
e)	Employee benefits expense (refer note 2)	4,721	4,404	3,928	16,917	15,465
f)	Finance costs	72	80	59	246	295
g)	Depreciation and amortisation expense (refer note 2)	800	930	635	3,005	2,521
h)	Other expenses, net (refer note 2)	3,900	2,971	2,945	11,173	10,340
	Total expenses	39,361	27,892	31,602	124,458	92,245
5	Profit before tax (3-4)	4,222	1,950	4,491	14,199	10,369
6	Tax expense					
a)	Current tax	1,131	647	985	3,880	2,722
b)	Deferred tax expense / (credit)	(125)	(86)	149	(182)	(48)
		1,006	561	1,134	3,698	2,674
7	Net Profit after tax for the period from continuing operations (5-6)	3,216	1,389	3,357	10,501	7,695
	Discontinued operations (refer note 3)					
	Profit / (Loss) before tax from discontinued operations	-	-	(75)	372	(13)
	Gain from sale of discontinued operations	-	-	-	487	-
	Tax expense / (credit) on discontinued operations / divestment	-	-	(20)	456	(4)
8	Profit / (Loss) after tax for the period from discontinued operations	-	-	(55)	403	(9)
9	Profit for the Period (7+8)	3,216	1,389	3,302	10,904	7,686
10	Other comprehensive income					
a)	Items that will not be reclassified to profit or loss					
	Re-measurement of defined benefit plans, net	227	-	203	367	(370)
	Income tax effect	(57)	-	(50)	(92)	93
b)	Items that will be reclassified to profit or loss					
	Fair value changes on derivative designated as cash flow hedges, net	(102)	(73)	151	(5)	149
	Income tax effect	25	19	(39)	1	(38)
	Total other comprehensive income	93	(54)	265	271	(166)
11	Total comprehensive income (Including other comprehensive income) [9+10]	3,309	1,335	3,567	11,175	7,520
	Profit for the period attributable to:					
	- Owners of the Company	3,216	1,389	3,302	10,903	7,686
	- Non controlling interest	-	-	-	1	-
	Other comprehensive income attributable to:					
	- Owners of the Company	93	(54)	265	271	(166)
	- Non controlling interest	-	-	-	-	-
	Total comprehensive income (Including other comprehensive income) attributable to:					
	- Owners of the Company	3,309	1,335	3,567	11,174	7,520
	- Non controlling interest	-	-	-	1	-
12	Paid-up equity share capital (Face Value of equity shares : Rs. 2 each fully paid up)	712	712	712	712	712
13	Other Equity				102,778	94,208
14	Earnings Per Share (EPS) of Rs. 2 each (In Rupees) **					
	- Basic and diluted EPS from continuing operations	9.03	3.90	9.43	29.45	21.62
	- Basic and diluted EPS from discontinued operations	-	-	(0.15)	(0.03)	(0.03)
	- Basic and diluted EPS from Total operations	9.03	3.90	9.28	29.42	21.59

* denotes figures less than a million



Statement of Consolidated Cash flow for the year ended 30 September 2021

(Rs. in millions)

	30 September 2021 (Audited)	30 September 2020 (Audited)
Cash flow from operating activities		
Profit before tax from continuing operations	14,199	10,369
Loss before tax from discontinued operations	859	(13)
Adjustments for:		
Finance costs	246	295
Bad debts	76	150
Provision for doubtful debts / advances, net	(184)	352
Provision for fixed deposit	-	2
Depreciation and amortisation expense	3,005	2,521
(Profit) / loss on sale of assets, net	(24)	(2)
Profit on sale of Mechanical Drives (MD) business (refer note 3)	(487)	-
Liabilities written back	(154)	(137)
Unrealised exchange loss / (gain), net	144	724
Interest income	(2,063)	(2,965)
Operating profit before working capital changes	15,617	11,296
Working capital adjustments		
(Increase) / decrease in inventories	(4,756)	44
(Increase) / decrease in trade and other receivables	(1,626)	846
Increase / (decrease) in trade payables and other liabilities	7,749	(1,843)
Increase / (decrease) in provisions	972	(142)
Net change in working capital	2,339	(1,095)
Cash generated from operations	17,956	10,200
Direct taxes paid, net	(3,735)	(3,004)
Net cash generated from operating activities	14,221	7,197
Cash flow from investing activities		
Purchase of property, plant and equipment and investment property	(1,177)	(180)
Proceeds from sale of property, plant and equipments and investment property	103	78
Proceeds from sale of Mechanical Drives (MD) business (refer note 3)	3,759	-
Payment made towards acquisition of C&S Electric Limited (net of cash acquired on account of acquisition Rs. 2,155) (refer note 1)	(17,433)	-
Interest received	2,095	3,114
Inter corporate deposits given	(4,720)	(7,752)
Refund of inter corporate deposits given	4,340	8,482
Deposits (with original maturity of more than 3 months) with banks matured / (placed)	(10,911)	4,967
Sale of investments	51	-
Net cash generated from / (used) from investing activities	(23,893)	8,709
Cash flow from financing activities		
Interest paid	(140)	(130)
Payment of principal of lease liabilities	(568)	(550)
Payment of interest of lease liabilities	(122)	(175)
Dividend paid (including tax thereon)	(2,493)	(3,005)
Repayment of borrowings	(1,720)	-
Proceeds from short-term borrowings	25	-
Net cash used in financing activities	(5,018)	(3,860)
Net increase / (decrease) in cash and cash equivalents	(14,690)	12,046
Cash and cash equivalents at beginning of the year	19,174	7,125
Effect of exchange gain / (loss) on cash and cash equivalents	-	3
Cash and cash equivalents at the end of the year	4,484	19,174



Notes :

- 1 On 1 March 2021, Siemens Limited ("The Holding Company") acquired 99.22% equity share capital of C&S Electric Limited from its promoters for a preliminary sale share consideration of Rs. 21,588 million, payable in cash, on cash free/debt free basis on terms and conditions that are mutually agreed between the parties to the transaction.

The fair value of assets and liabilities acquired have been determined provisionally in accordance with IND AS 103 'Business Combinations'. The purchase price has been provisionally allocated to the assets acquired and liabilities assumed based on the estimated fair values at the date of acquisition. The excess of the purchase price over the fair value of the net assets acquired has been allocated to goodwill. The Group believes that the information provides a reasonable basis for estimating the fair values of assets and liabilities acquired, but the potential for measurement period adjustments exists based on a continuing review of matters related to the acquisition. The purchase price allocation is expected to be completed within one year.

Details of amounts paid and payable, including allocation based on Purchase Price Accounting in accordance with Ind AS 103 are summarised below:

Particulars	As on
	30 September 2021
Purchase consideration	21,588
Less: Purchase price adjustments	(18)
Fair Value of Net identifiable assets acquired:	
Property plant and equipment and right of use assets	2,976
Capital work in progress	47
Other Intangible assets and intangible assets under development	6,833
Other assets and liabilities (net)	344
Non-controlling interest	(80)
Provisional goodwill	11,450

- 2 During the previous year, the Group's operations and financial results were adversely impacted by the lockdown imposed to contain the spread of Coronavirus (COVID-19) since last week of March 2020. The operations gradually resumed with requisite precautions during the quarter ended 30 June 2021 with limited availability of workforce and disrupted supply chain. Consequently, the results for year ended 30 September 2021 were affected. Further during the current year, the operations for the quarter ended 30 June 2021 and year ended 30 September 2021 were impacted due to the second wave of COVID-19.

The expenses incurred during shutdown and partial shutdown in respect of continuing operations were as under:

Particulars	(Rs. in millions)		
	Quarter ended	Year ended	
	30 June 2021	30 September 2021	30 September 2020
Employee benefits expense	171	171	1,689
Depreciation and amortisation expense	25	25	609
Other expenses	66	66	549
Total	262	262	2,847

- 3 On 1 January 2021, the Holding Company divested its Mechanical Drives (MD) business as a going concern on a slump sale basis to Flender Drives Private Limited for a final consideration of Rs. 3,759 million (after adjusting the consideration of Rs 4,400 million for changes in net current assets and capital expenditure as per the terms and conditions agreed between the parties). The gain on the sale transaction is Rs. 487 million for the year ended 30 September 2021. The tax expense on this transaction is Rs. 362 million (including write-off of deferred tax assets of Rs. 302 million) for the year ended 30 September 2021.

The results of the MD business included in the above financial results and segment results, disclosed as discontinued operations, are as follows:

Particulars	(Rs. In millions)		
	Quarter ended	Year ended	
	30 September 2020	30 September 2021	30 September 2020
Total income	2,136	1,414	6,715
Total expenses	2,211	1,042	6,728
Profit / (Loss) before tax from discontinued operations	(75)	372	(13)
Gain from sale of discontinued operations	-	487	-
Tax expense / (credit) on discontinued operations / divestment	(20)	456	(4)
Profit / (Loss) after tax from discontinued operations	(55)	403	(9)

* denotes figures less than a million

- 4 The Holding Company has executed a Power Purchase Agreement and entered into a Share Subscription and Shareholders Agreement on 22 October 2021, for the subscription of 26% of the paid-up equity share capital of Sunsole Renewables Private Limited, subject to fulfilment of conditions precedent as agreed between the parties.
- 5 The Board of Directors of the Holding Company have recommended a dividend of Rs. 8 per share for the year ended 30 September 2021 amounting to Rs. 2,849 million.
- 6 The figures for the quarter ended 30 September 2021 and 30 September 2020 are the balancing figures between the audited figures in respect of the full financial year and the unaudited nine months figures as reported by the Group.
- 7 The above Consolidated Financial Results were reviewed and approved by the Audit Committee and Board of Directors at their meetings held on 24 November 2021.



For Siemens Limited

Sunil Mathur

Sunil Mathur
Managing Director and Chief Executive Officer

Place : Mumbai

Date : 24 November 2021

Siemens Limited

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