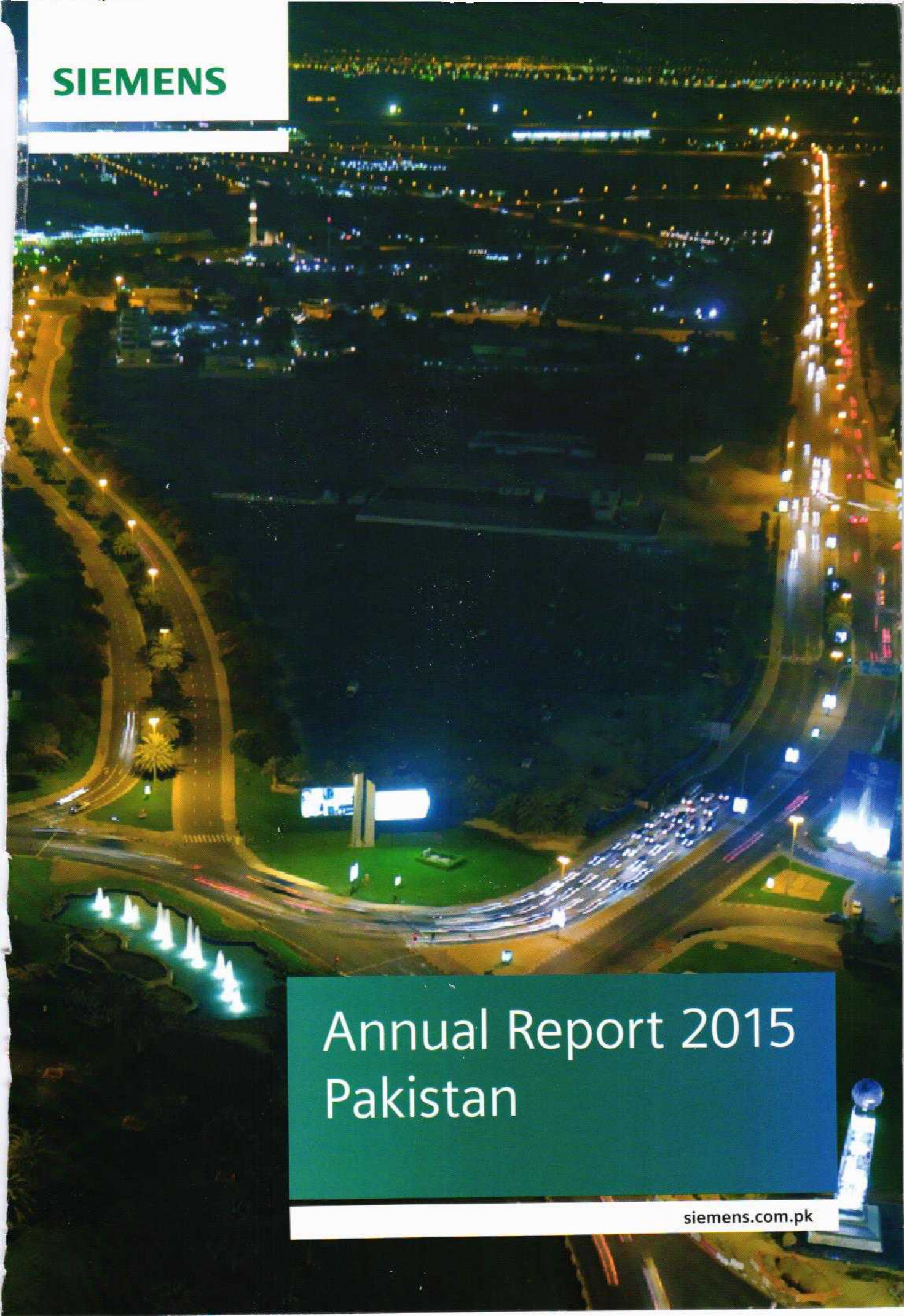


An aerial night photograph of a city, likely Islamabad, Pakistan. The image shows a complex highway interchange with multiple lanes and overpasses, illuminated by streetlights. In the foreground, a large, modern fountain with several water jets is lit up. The city skyline is visible in the background, with numerous lights from buildings and streets. The overall scene is a vibrant display of urban infrastructure and lighting.

SIEMENS

Annual Report 2015 Pakistan

siemens.com.pk

Content

Our Profile

P. 2
Mission, Vision 2020

Information for Stakeholders

P. 3
Key Operating and Financial Data

Our Company

P. 4
Company Information

P. 5
Chairman's / Directors' Profile

P. 6
Directors' Profile

P. 9
Directors' Report

P. 16
Board Committees

Sustainability at Siemens

P. 17
Sustainability at Siemens

Financial Report

P. 21
Auditors' Review Report

P. 22
Statement of Compliance

P. 24
Auditors' Report

P. 25
Balance Sheet

P. 26
Profit and Loss Account

P. 27
Statement of Comprehensive Income

P. 28
Cash Flow Statement

P. 29
Statement of Changes in Equity

P. 30
Notes to the Financial Statements

Shareholders' Information

P. 64
Pattern of Shareholding

P. 65
Categories of Shareholders

P. 66
Registrar and Share Transfer Agent

P. 67
Notice of Annual General Meeting

Proxy Form

Dividend Mandate Form

Request Form for Annual Report and Notices through E-mail

پراکسی فارم

Mission

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

Vision 2020

A Lived Ownership Culture

- > Equity
- > Leadership
- > Values
- > Behaviors
- > People Orientation

A Consistent Strategy – With our positioning along the electrification value chain, we have know-how that extends from power generation to power transmission, power distribution and smart grid to the efficient application of electrical energy. With our outstanding strengths in automation, we're well equipped for the future and the age of digitalization.

Seven Overarching Goals

- > Implement Stringent Corporate Governance
- > Execute Financial Target System
- > Be a Partner of Choice for Customers
- > Foster Ownership Culture
- > Create Value Sustainably
- > Expand Global Management
- > Be an Employer of Choice

Drive Performance – Strengthen Core – Scale Up

Innovation is Our Lifeblood

- > Investment in Research and Development
- > Inventions and Patents
- > University Cooperations.

Key Operating and Financial data

Six Years Summary	2015	2014	2013	2012	2011	2010
	(Rupees in '000)					
Trading Results						
New orders	8,811,758	9,257,688	12,353,737	13,824,146	13,337,147	21,013,900
Net turnover	9,266,909	9,781,082	13,039,194	13,834,074	15,087,935	26,248,842
Export of goods and services	75,207	213,123	287,341	145,083	510,864	487,959
Contracts executed outside Pakistan	793,082	1,157,327	1,892,413	2,584,064	3,774,444	10,674,064
Gross profit	493,890	704,710	327,657	915,209	1,678,564	3,880,997
Operating (loss) / profit	(156,511)	41,126	(559,586)	(22,360)	273,648	1,989,954
(Loss) / profit before tax from continuing operations	(171,955)	688,562	(758,158)	373,802	158,178	1,590,067
Loss before tax from discontinued operations	(163,925)	(923,215)	(62,701)	(437,416)	-	-
(Loss) / profit before tax	(335,880)	(234,653)	(820,859)	(63,614)	158,178	1,590,067
(Loss) / profit after tax	(528,234)	(523,795)	(974,943)	(5,153)	67,408	1,011,279
(Loss) / Earnings before interest, taxes, depreciation and amortisation	(95,825)	165,690	(455,901)	185,261	460,323	1,909,968
Interim dividend	-	-	-	-	-	247,411
Final dividend	82,470	82,470	164,941	989,644	82,470	494,822
Financial Position						
Share capital	82,470	82,470	82,470	82,470	82,470	82,470
Reserves and Retained Earnings	3,120,981	3,706,149	4,382,234	6,437,914	6,526,236	6,951,161
Property, plant and equipment	138,316	562,824	1,383,047	1,544,021	1,657,036	1,678,522
Net current assets	(187,925)	973,055	1,154,390	2,740,419	2,740,825	3,342,129
Long-term / deferred liabilities	20,822	27,966	52,283	60,731	82,343	171,675
Investors Information						
Gross profit ratio	5.33%	7.20%	2.51%	6.62%	11.13%	14.79%
EBITDA Margin to sales	-1.03%	1.69%	-3.50%	1.34%	3.05%	7.28%
Return on equity / capital employed	-16.49%	-13.83%	-21.84%	-0.08%	1.02%	14.38%
Inventory turnover ratio (in times)	3.98	4.12	5.01	4.09	3.80	5.52
Inventory turnover ratio (no. of days)	92	89	73	89	96	66
Debtor turnover ratio (in times)	2.16	1.89	2.04	1.78	1.57	2.20
Debtor turnover ratio (no. of days)	169	193	179	205	232	166
Creditor turnover ratio (in times)	1.30	1.38	1.85	1.88	1.70	2.19
Creditor turnover ratio (no. of days)	281	264	197	194	215	167
Operating cycle (no. of days)	(20)	18	55	100	113	65
Total assets turnover ratio (in times)	0.70	0.63	0.74	0.69	0.66	1.07
Fixed assets turnover ratio (in times)	26.43	10.05	8.91	8.71	9.12	15.71
Current ratio	1.22	1.16	1.09	1.23	1.19	1.19
Quick / acid test ratio	0.74	0.87	0.92	0.98	0.96	0.98
Cash dividend per share (Rs)	10	10	20	120	10	90
Dividend yield ratio	0.01	0.01	0.02	0.150	0.009	0.08
Interest cover ratio	(1.28)	0.06	(3.08)	0.07	3.16	18.69
Breakup value per share (Rs)	388.44	459.39	541.37	790.64	801.35	852.87
Market value per share (Rs)	1,096	1,064	903	800	1070	1160
Share price during the year						
High (Rs)	1,360	1,599	1,218	1,050	1,250	1,500
Low (Rs)	838	933	590	630	810	973
(Loss) / Earnings per share (Rs)	(64.05)	(63.51)	(118.22)	(0.62)	8.17	122.62
(Loss) / Profit before tax in percent to sales	-3.62%	-2.40%	-6.30%	-0.46%	1.05%	6.06%
(Loss) / Profit after tax in percent of sales	-5.70%	-5.36%	-7.48%	-0.04%	0.45%	3.85%
Cash Flows						
Net cash flow from operating activities	1,430,752	1,000,287	552,246	1,799,955	239,820	(1,689,177)
Net cash flow from investing activities	252,432	(14,379)	(19,756)	14,240	(73,292)	(197,953)
Net cash flow from financing activities	(1,508,950)	(488,461)	760,356	(82,470)	(494,822)	(742,233)
Net change in cash and cash equivalents	174,234	497,447	1,292,846	1,731,725	(328,294)	(2,629,363)

Company Information

Board of Directors

Bernhard Wilhelm Niessing	Chairman
Helmut von Struve	Managing Director
Sebastian Andreas Brachert	Director
Helmut Steidle	Director
Marco Jochen Schiffer	Director
Manzoor Ahmed	Director
Qazi Sajid Ali	Director

Company Secretary

Abdul Mannan Majid

Management

Helmut von Struve	Chief Executive Officer
Umer Jalil Anwer	Chief Financial Officer

Bankers

Bank Alfalah Limited
BNP Paribas (Dubai)
Deutsche Bank AG
Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Tax Advisors

KPMG Taseer Hadi & Co.

Legal Advisor

Aqlaal Advocates

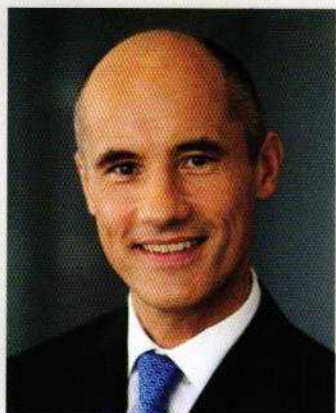
Registrar and Share Transfer Agent

THK Associates (Pvt.) Limited, Karachi

Registered Office

B-72, Estate Avenue, Sindh Industrial Trading Estates, Karachi-75700

Chairman's / Directors' Profile



Bernhard Wilhelm Niessing
Chairman

Skills and experience

Mr. Bernhard Niessing joined Siemens AG, Germany in Dusseldorf as a project engineer in 1988. In 1991 he moved to the Sales and Engineering Department as Head of Offers, Orders and Engineering Processing, High and Medium Voltage Division in the Energy Sector. He subsequently held various positions in different Siemens business units and in 2000 was promoted to Vice President and Head of the Protection and Power Quality Business for the Smart Grid Division. After four years in this role, he was appointed Vice President and Head of Low Voltage Power Distribution Product Business of the Industry Automation Division in Industry Sector.

He has a degree in electrical engineering from the University of Applied Sciences in Dusseldorf, Germany

Other directorships and offices

Director

- Siemens WLL, Bahrain

Board Committee Membership

- Audit Committee of Siemens (Pakistan) Engineering Co. Ltd.



Helmut von Struve
Director

Skills and experience

Helmut von Struve started his career in 1998 as a Process Engineer in Thyssen Krupp Uhde, Germany, a leading global EPC contractor. He became part of Siemens when Mannesmann Demag, a major manufacturer of compressors was merged into the company. Von Struve moved rapidly up the corporate ladder as he progressed from Head of Business Development to Regional Sales Director in the Power Generation Industrial Applications division at Siemens.

Between 2006 and 2014 he held various international Managing Director positions for Siemens. As Managing Director Power Generation Oil and Gas and Industrial Application Service, he was responsible for all service activities in the Middle East region, while also being on the board of Demag, Delaval Desoil Services. He then moved to the Energy Services Division as Managing Director Siemens Wind Power, where he successfully established the regional service organization and defined the regional business strategy. In May 2014 he was appointed Country CEO Siemens AG branch Libya, where being responsible for the entire product portfolio, he developed and initiated a countrywide business strategy.

His latest appointment as Chief Executive and Managing Director of Siemens Pakistan came into effect on October 1, 2015.

He holds Master of Mechanical Engineering degree from Technical University, Darmstadt, Germany.

Other directorships and offices

Board Committee Membership

- Human Resources & Remuneration Committee of Siemens (Pakistan) Engineering Co. Ltd.



Sebastian Andreas Brachert
Director

Skills and experience

Dr. Sebastian Andreas Brachert is the General Counsel for Middle East and CIS for Siemens AG, Germany, a position he holds since October 2014. Since 2015, he is located in Abu Dhabi, UAE.

From 2000 to 2008, Dr. Brachert was the Head of Siemens Legal Services, Munich, Germany with special responsibility for Corporate Law, Merger & Acquisition, Antitrust, Capital Markets, Finance Law, Real Estate Law, Legal matters for Central Procurement, Venture Capital, Central Department and Coordinator for Legal Departments in Asia/Australia/CIS.

From 1997 to 2000, Dr. Brachert was the Head of Legal for Siemens Financial Services and Head of Corporate Legal Affairs Finance Law Project-and Vendor Finance, Capital Markets, (IPOs and Treasury), Munich.

From 1993 until 1997, Dr. Brachert was Head of Corporate Legal Affairs Finance and Real Estate Law, Central Legal Department, Siemens AG, Munich.

In 1990, Dr. Brachert joined Siemens AG in Erlangen, Germany where he was a Legal Advisor for Turnkey Projects for Transportation Systems, Automation and Industrial Plants, Central Legal Department, Siemens AG, Germany.

Other directorships and offices

Director

- Siemens Ltd/AELE, Kingdom of Saudi Arabia
- Siemens Middle East Ltd., Abu Dhabi, UAE

Board Committee Membership

- Human Resources & Remuneration Committee of Siemens (Pakistan) Engineering Co. Ltd.

Member

- Board of German Business Association (BDI) Committee



Helmut Steidle
Director

Skills and experience

Mr. Helmut Steidle is Vice President of Corporate Development Strategy for Middle East and Africa Region, located at Siemens AG Headquarters in Munich, Germany, a position which he holds since 2001.

From 1993 to 1998, Mr. Steidle worked as Deputy Commercial Director in Johannesburg, South Africa, followed by Chief Financial Officer and Member of the Board of Siemens Nixdorf Information System Private Ltd. for Australia and New Zealand located in Sydney.

From April 1998 till January 2001, Mr. Steidle was Vice President and Chief Financial Officer for ICP Computer System Americas and Asia/Pacific located in Silicon Valley, San Jose, USA.

From 1984 to 1987, Mr. Steidle worked as a Commercial Manager for Sales for South/West Europe within Siemens AG Data/Information System.

Mr. Steidle started his career at Siemens AG, Germany in 1972 and represented various national and international management positions for Siemens AG.

Other directorships and offices

Director

- Siemens SSK, Tehran, Iran
- Siemens S.A.E. Egypt

Board Committee Membership

- Human Resources & Remuneration Committee of Siemens (Pakistan) Engineering Co. Ltd.



Marco Jochen Schiffer
Director

Skills and experience

Mr. Marco Jochen Schiffer is the Partner in Corporate Finance Audit, Siemens AG, Germany. He started his career at Siemens AG in 2009 as Director Transaction Support, Munich, Germany.

From September 1997 to September 2009, Mr. Schiffer was associated with KPMG AG, Cologne, Germany and PwC AG, Dusseldorf, Germany where he developed his acumen in the fields of Audit, Advisory and Consultancy. In year 2001, he proceeded to Iselin, USA as Director Operational Audit.

Mr. Schiffer is a Certified Public Auditor and Tax Consultant in Germany. He holds a masters degree in International Management.

Other directorships and offices

Board Committee Membership

- Audit Committee of Siemens (Pakistan) Engineering Co. Ltd.



Manzoor Ahmed
Director

Skills and experience

Mr. Manzoor Ahmed is Chief Operating Officer (COO) of National Investment Trust Limited (NIT) which is the largest Asset Management Company of Pakistan. He has been successfully managing the operations and investment portfolio worth over Rs. 95 bn, as COO for the last 5 years. Over a 26 year association with the mutual fund industry he has held key positions within NIT, including in capital market operations, investments, research and liaising with regulatory authorities.

Mr. Ahmed is a M.B.A. and also holds D.A.I.B.P. At present, he is a candidate for CFA Level III. He has attended various training courses organized by locally and internationally reputed institutions like London Business School (LBS) UK and Financial Markets World, New York (USA).

Mr. Ahmed represents NIT as Nominee Director on the Board of Directors of many leading national and multinational companies of Pakistan. He is also a Certified Director from Pakistan Institute of Corporate Governance.

Other directorships and offices

Director

- Askari Bank Limited
- General Tyre & Rubber Co. Limited
- Service Industries Limited
- Soneri Bank Limited
- Sui Northern Gas Pipelines Limited

Board Committee Membership

- Audit Committee of Siemens (Pakistan) Engineering Co. Ltd.



Qazi Sajid Ali
Director

Skills and experience

Mr. Qazi Sajid Ali worked with BASF for 29 years, which includes 8 years as Director Finance and 12 years as Managing Director and Country Head. He retired from BASF in March, 2014. His educational qualification is M.A., LL.B.

He joined Dadex Eternit Limited as C.E.O. in May, 2014 and has served on the Board of Dadex for 13 years, including 8 years as Chairman Audit Committee of Dadex.

Mr. Ali has attended several training seminars / workshops / courses from renowned national and international institutes and universities which includes: Advance Management from University of Connecticut, USA, Management-21st Century from Michigan Business School, Michigan, USA, Basic Management Program from Singapore, Advance Management Program from Singapore, EDC, USA and Hong Kong. LS Seminars, Germany. He has represented Pakistan at the I.L.O. & United Nation's Conferences at New Delhi & Manila, International Personnel Management Conference, Washington D.C. USA & Bangkok. American Society for Training & Development, Boston, USA, International Eye Bank Conference, Colombo, International Eye Bank Association, Washington & New York, USA.

Mr. Ali is President and Founder Member of Pakistan Eye Bank Society, which has established eye banks all over the country and now constructed Eye & General Hospital in North Karachi. He was elected twice as President of Pak German Business Forum and currently is a Chairman of German Pakistan Trade & Investment. He also held the position of President, International Personnel Management Association, Pakistan Chapter.

Other directorships and offices

- Chief Executive Officer - Dadex Eternit Limited
- Chairman-German Pakistan Trade & Investment
- President-Pakistan Eye Bank Society

Board Committee Membership

- Audit Committee of Siemens (Pakistan) Engineering Co. Ltd.
- Human Resources & Remuneration Committee of Siemens (Pakistan) Engineering Co. Ltd.

Directors' Report

Dubai, December 17, 2015

Dear Shareholder,

We, the undersigned, for and on behalf of the Board of Directors present Siemens (Pakistan) Engineering Co. Ltd. ("Company") annual report and the audited financial statements for the financial year ended September 30, 2015 ("FY 2015") together with auditors' report thereon.

Under the current economic situation of the country, the Company continues to mitigate risks by portfolio and organizational adjustments according to the market dynamics and strives for a leaner structure in order to achieve sustainability.

During the year the Company has signed a contract with K-Electric with the Company's scope worth approximately Rs 10.7 billion, for execution of transmission package aimed at enhancement of K-Electric's transmission system capacity and improve reliability and stability of transmission infrastructure.

Company's Business and Performance Review

A Company level overview of performance during FY 2015 has been summarized as follows:

During the year new orders and sales of the Company decreased by 4.8% and 5.3% respectively whereas loss before tax increased by Rs 101.2 million as compared to previous year ended September 30, 2014. The main reasons for loss includes increase in prolongation costs in the Islamabad International Airport Projects, cost over runs in some other projects and under absorption of fixed costs due to reduced sales.

Loss per share

	FY 2015	FY 2014
Loss per share	(Rs. 64.05)	(Rs. 63.51)

Dividend

In view of availability of sufficient reserves and cash flows, the Board is pleased to recommend a final cash dividend of Rs. 10 per ordinary share, in order to meet the expectation of the shareholders.

Key operating and financial data of last 6 years

An overview of key operating and data for last 6 years is annexed to the Annual Report.

Significant Developments during FY 2015

A) Transformer Business Unit

In accordance with Shareholder's resolution passed in the Extra Ordinary General Meeting held on April 27, 2015, subsequent to year-end all the terms and conditions of Asset Sale and Purchase Agreement have been complied with relating to sale of distribution transformer manufacturing business and fixed assets of power transformer business and the transaction was closed on October 30, 2015.

B) Land and Buildings at S.I.T.E., Karachi

In accordance with Shareholder's resolution passed in the Extra Ordinary General Meeting held on April 27, 2015 subsequent to year end the Company has received the remaining sale price from the buyer relating to sale of Company's leasehold interests in land and buildings located at S.I.T.E., Karachi. The formalities for the transfer of leasehold interest in the name of the buyer are currently in progress and are expected to be completed by March 31, 2016.

C) Islamabad Properties

In accordance with Shareholder's resolution passed in the 62nd Annual general meeting of the Company held on January 23, 2015 to sell Company's properties located at Sector I-9 at Islamabad, the transaction is currently at an advanced stage of its completion and subject to obtaining of requisite approval, the transaction is expected to be completed by March 2016.

The Company's office in Islamabad has been relocated to a new location which will bring the Company closer to its customers.

D) Afghanistan Business

Effective December 31, 2015 the Company will cease to participate in further business in Afghanistan due to withdrawal of sales right by Siemens AG, Germany for the Afghanistan territory. The Company will continue to execute the order in hand as well as all such orders which will be awarded to the Company based on binding offers submitted by the Company till December 31, 2015.

E) Healthcare Business

The Board of Directors decided to transfer the Healthcare business of the Company, at a fair market value, to Siemens Healthcare (Pvt.) Limited a subsidiary of Siemens Diagnostic Holding II B.V., Netherlands subject to obtaining of requisite approvals and in line with overall Siemens Global strategy for its Healthcare business.

Risks and Uncertainties and its Mitigations

The Company is exposed, inter alia, to the following general risks which are mitigated through specific response plans:

Operational risks

The operational risks include risks related to customer relationship, project management risks, such as timely completion and change in estimates. On the operational front, risk also exists with regards to environment, health and safety risks and supply chain management risks.

The Company addresses these risks individually in the course of its business operations. The management determines risk response strategies for such risks which includes avoid, transfer, reduce or accept strategy.

Financial risks

Financial risk has been described in detail in note 44 of the attached financial statements that include market risks, credit risks and liquidity risks.

Compliance risk

Non compliance with laws and regulation may result in imposition of penalties, debarment, black listing, license cancellation etc. To mitigate such risks, a very comprehensive and effective compliance function is in place in the Company. The Business Conduct Guidelines (BCG) clearly defines the Company's expectations from all directors, executives and other employees and those with whom it conduct business. The Company encourages employees and business partners to report compliance violations that they encounter, with confidence that there will be no adverse consequences for them. To facilitate the process various reporting channels such as compliance helpdesk "Tell Us" have been established on Company's website.

Company's Future Outlook

Despite numerous challenges in the foreseeable future, the Company remains committed to driving the business forward. We believe that in order to face the challenges of change in the overall market conditions, we need constantly to explore present and new business opportunities as well as to improve our business portfolios to meet our customers' needs and demands and to achieve profitability.

Appropriations

Following is the summary of appropriations made during FY 2015.

	(Rupees in thousands)
Accumulated loss at October 01, 2014	(1,191,814)
Net loss after taxation for FY 2015	(528,234)
Appropriations	
Final dividend @ Rs. 10 (100%) per share for FY 2014	(82,470)
Accumulated loss at September 30, 2015	(1,802,518)

Adherence to Best Practices of Corporate Governance

The Company is determined to meet and wherever possible, exceed in all legal and ethical requirements and to conduct all business according to the highest professional and ethical standards and practices. The Board defines a path of continuous improvement constantly challenging existing processes. It also requires the Company to embrace change so that the Company is in the right place when new opportunities open up. This also means attracting the best talent in the marketplace and giving them the skills and opportunities they need to become high-achievers. The Company constantly renews its portfolio to provide answers to societies' most vital challenges, enabling it to create sustainable value for its shareholders.

Statement of Compliance

The Company strictly adheres to the principles of corporate governance mandated by the Securities and Exchange Commission of Pakistan and has implemented all the prescribed stipulations. The same have been summarized in the enclosed statement of compliance with best practices of code of corporate governance duly reviewed by the external auditors.

Directors Statements

As required by the Code, we, the undersigned, for and on behalf of the Directors are pleased to state that:

- a. The financial statements, prepared by the management of the Company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- b. Proper books of account have been maintained by the Company.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements. Further, the accounting estimates are based on reasonable and prudent judgment.
- d. International Accounting Standards (IAS) and IFRS, as applicable in Pakistan, have been followed in preparation of financial statements.
- e. The system of internal control is sound in design and has been effectively implemented and monitored.
- f. There are no significant doubts upon the Company's ability to continue as a going concern.
- g. There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

Meetings and activities during the Year

Number of meetings of the Board of Directors, and its Audit and the Human Resource and Remuneration Committees, together with attendance therein, is as follows:

Board and committee composition and attendance		Required to attend / Attended		
		Board	Audit	Human Resource and Remuneration
Mr. Bernhard Niessing	Non-Executive Director	7/7 Chairman	4/4	N/A
Mr. Guenter Zwickl	CEO – Executive Director	7/7	N/A	2/2
Mr. Naeemuddin Khan	Independent Director	7/5	4/2 Chairman	2/1 Chairman
Mr. Marco Schiffer	Non-Executive Director	7/7	4/4	N/A
Mr. Manzoor Ahmed	Non-Executive Director	7/7	4/4	N/A
Dr. Udo Niehage	Non-Executive Director	7/5	N/A	N/A
Dr. Sebastian Brachert	Non-Executive Director	7/6	N/A	2/2
Mr. Helmut Steidle	Non-Executive Director	7/7	N/A	2/2

Changes in the Board of Directors

On November 30, 2015 an Extraordinary General Meeting was held to elect a new Board of directors after completion of three years term. The list of new directors elected is as follows:

Category	Names
Independent Director	Mr. Qazi Sajid Ali
Non-Executive Directors	Mr. Manzoor Ahmed Mr. Bernhard Niessing Mr. Helmut Steidle Dr. Sebastian Brachert Mr. Marco Schiffer
Executive Director	Mr. Helmut von Struve, CEO

Evaluation of the Board's performance and Directors' training program

The Board has developed a mechanism of annual performance evaluation. Every member of the Board ensures his active participation in all the meetings of the Board. Detailed discussions are held on strategic matters and clear directions are provided to the management, which are regularly monitored by the Board and its committees. The Board ensures that the Company adopts the best practices of corporate governance. The Board also reviews performance of business segments at each quarter with an aim to improve the low performing segments and at the same time further opportunities of growth are emphasized in all profitable segments. Details of Directors' training program have been disclosed in the statement of compliance with the code of corporate governance.

External Auditors

The present auditors, Ernst & Young Ford Rhodes Sidat Hyder & Co., Chartered Accountants (a member firm of Ernst & Young Global Limited) retire at the conclusion of the upcoming Annual General Meeting and being eligible, offer themselves for reappointment.

As suggested by the Audit Committee, the Board recommends their reappointment for FY 2016 to its shareholders.

Corporate Status

The Company is a subsidiary of Siemens Aktiengesellschaft, Germany (Siemens AG) which is incorporated in Germany and holds 74.65% shares as at September 30, 2015.

Pattern of Shareholding

Shares of the Company are listed on Karachi, Lahore and Islamabad stock exchanges. The detailed pattern and categories of its shareholding including shares held by directors and executives, if any, are annexed to the Annual Report.

Investment in Retirement Benefits

The Company maintains provident and gratuity funds for its permanent employees which are regulated through the respective board of trustees. The value of investments of these funds as per their respective audited financial statements, are as follows:

	June 30, 2014	June 30, 2013	June 30, 2012
	(Rupees in million)		
Provident Fund	537.371	662.120	750.292

	September 30, 2014	September 30, 2013	September 30, 2012
	(Rupees in million)		
Gratuity Fund	208.485	286.585	354.896

Post Balance Sheet Events

There have been no material changes or events since 30th of September 2015 to the date of this report, which has an impact on the financial statements, except for the business sell off transaction of Transformer Business which has been completed on October 30, 2015 and comes therefore into the financial year 2016 and the declaration of final dividend which is subject to the approval of the Members at the forthcoming Annual General Meeting. The effect of such declaration shall be reflected in the next year's (Financial Year 2016) financial statements.

Acknowledgement

We, for and on behalf of Directors, would like to take this opportunity to express deep appreciation of the commitment, loyalty and dedication of our employees.

We would also like to acknowledge the professional support and co-operation received from our esteemed customers, contractors, vendors, bankers, shareholders, sponsors and other stakeholders.

For and On behalf of the Board



Bernhard Niessing
Chairman



Helmut von Struve
Chief Executive Officer

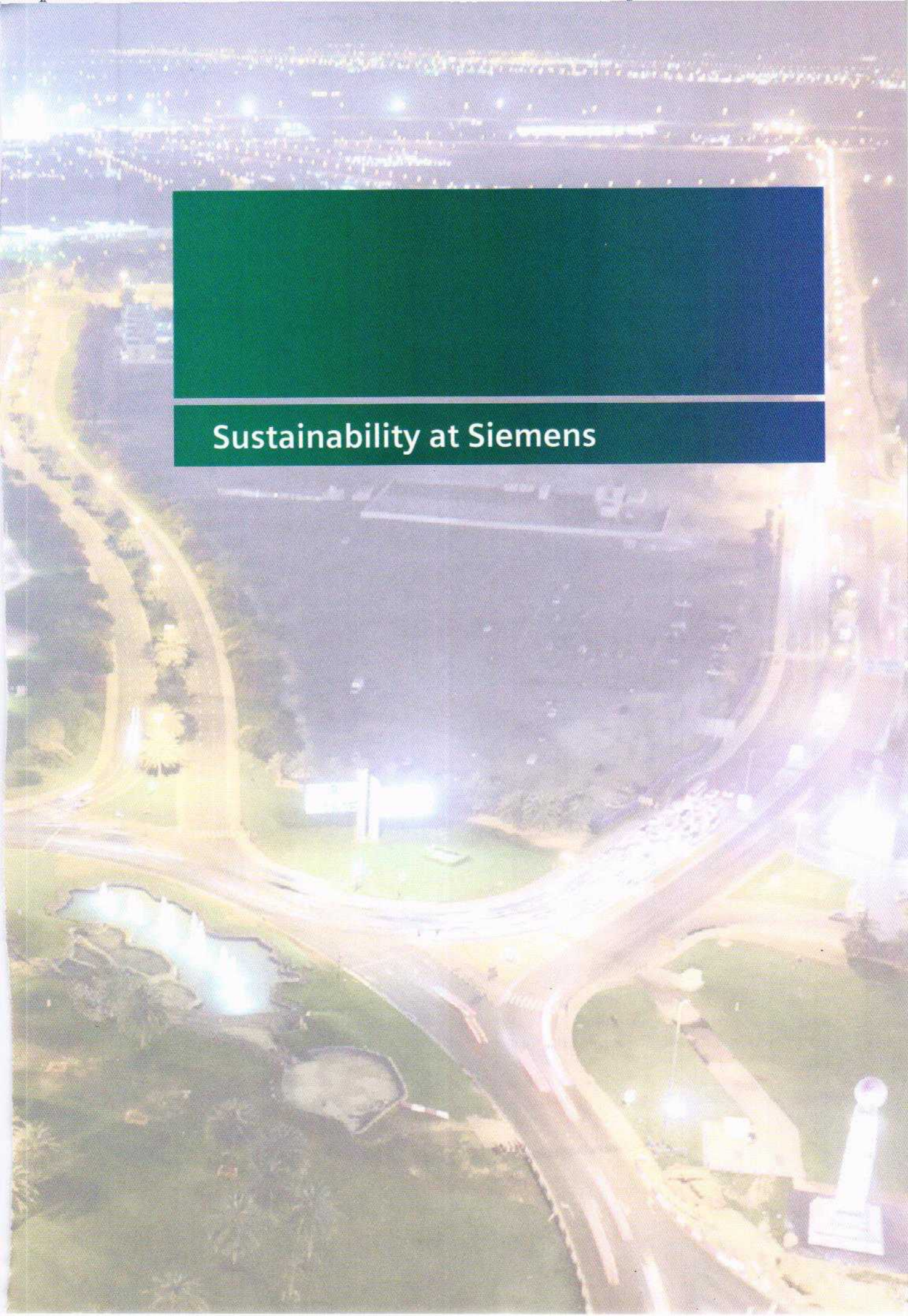
Board Committees

Terms of Reference of Audit Committee

1. Review of quarterly, half-yearly and annual financial statements before their consideration by the Board.
2. Review of preliminary announcements of results prior to publication.
3. Detailed review of Board and management letters issued by the external auditors and management's response thereto.
4. Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any other significant matter.
5. Ensuring coordination between the internal and external auditors of the listed company.
6. Ascertaining that the internal control systems, including financial and operational controls, are adequate and effective and reviewing the company's statement on internal control systems prior to endorsement by the Board of Directors.
7. Review of compliance with all relevant laws and regulations and other statutory requirements.
8. Monitoring compliance with the best practices of corporate governance.
9. Determination of appropriate measures to safeguard Company's assets.
10. Review of related party transactions.
11. Reviewing the scope, extent and adequacy of resources in internal audit function.
12. Review of internal audit progress reports and internal investigations reports and discuss significant findings.
13. Review of major receivables of the Company including collection action plan and adequacy of provisioning available there-against.
3. Recommend to the board the selection, evaluation, compensation of CFO and Company Secretary;
4. Review of the Company's compensation philosophy and strategy with a view to ensure that compensation and benefit levels are maintained and aligned with comparable size companies;
5. The Committee may review and recommend to the Board:
 - i. salary increments, bonus and other pay adjustments in the light of a salary review conducted annually;
 - ii. changes to the compensation ranges and incentive compensation plan, if any,
 - iii. salary adjustments and incentive compensation awards for staff;
 - iv. severance arrangement for staff, if necessary.
6. Consider and approve on recommendations of CEO on such matters for key management positions who report directly to CEO;
7. Review and assess adequacy of the charter of the Committee;
8. Review, assess and make recommendations to the Board with respect to the Business Conduct Guidelines of the Company;
9. Ensure that Director's attain certification under any Director Training Program offered by any institution (local or foreign) which meets the criteria specified by SECP;
10. Atleast once annually, review the senior management structure and where appropriate, recommend to the Board any material change thereto;
11. Ensure that the Company implements programs and policies to attract and retain high caliber executives who will successfully lead the organization in their respective areas of responsibility;
12. To investigate and recommend a resolution to the Board of major violations of the code of business conduct and ethics that may relate to personnel or internal controls relating to human resource policies or benefits.;
13. To apprise the Board of any disciplinary action taken against any employee;
14. Any other matters relating to Human Resource Management.

Terms of Reference of Human Resources and Remuneration Committee

1. Review and recommend to the Board HR policies of the Company;
2. Recommend to the board the selection, evaluation, compensation and succession planning of the CEO;

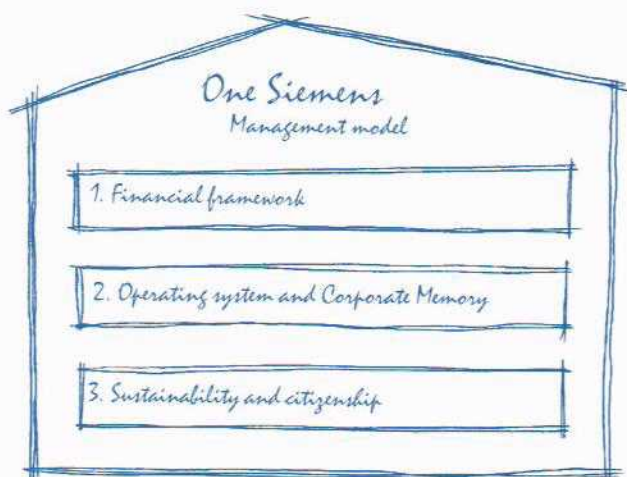
An aerial night photograph of a city, showing a complex highway interchange with multiple overpasses and ramps. The city lights are visible in the background, and the foreground shows some green spaces and smaller structures. A large, solid green rectangle is superimposed over the upper portion of the image, partially obscuring the city lights.

Sustainability at Siemens

Sustainability at Siemens

For almost 170 years, we have had a clear commitment to thinking and acting in the interest of future generations. We believe acting responsibly is the only way to achieve a balance between profitable long term growth and the planet and people.

Sustainability has been anchored in our strategy for many years and integrated into our Siemens Management model. We are guided by sustainable business practices in our interactions with external and internal stakeholders, and we "walk the talk" within our own operations. We aim to minimize risks for society, the environment and our company. Similarly, we identify business opportunities to ensure we are sustainable for the long term. We are convinced that sustainability, especially in the sense of energy and resource efficiency, is a business opportunity, and one worth seizing.



With our expertise and passion, our innovative offerings, partnerships and local presence, we contribute to our customers' competitiveness and to the sustainable development of societies. Advancing sustainability is a key element for our aim to be the employer of choice.

Materiality

In regular dialogue with external and internal stakeholders, we identify sustainability topics based on their importance for Siemens and our stakeholders and prioritize them by materiality. The prioritization shows the action areas identified as the key levers for sustainable business success on which we will continue to focus in the future. We conducted a comprehensive process to detail the priorities of "Sustainability and Citizenship" within our "One Siemens Management model."

The process closely integrated analyses of macroeconomic developments; the way we respond to the five megatrends Demographic Change, Urbanization, Climate Change, Globalization and Digitalization; results from our dialogues with external and internal stakeholders; and assessments from the Company's specialist functions. The following 12 principles were defined in this process:

PROFIT

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

PLANET

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

PEOPLE

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

These principles guide us in the process of adhering to our global strategy and define the impact we have on our customers, on our suppliers, in our own operations and in the societies we are operating in. Siemens divisions and regional entities define their material action areas in adherence to the above centrally defined 12 principles and in alignment with the One Siemens Management model.

Sustainability outlook

CO₂ NEUTRAL SIEMENS

At Siemens, we believe that taking action against climate change is not just prudent – it's profitable. That's why we have launched our "CO₂ neutral Siemens" program in September 2015: Taking 2014 as a baseline, we plan to cut our global carbon footprint from our own operations in half by 2020 and make our global operations carbon neutral by 2030.

BUSINESS TO SOCIETY

Our lasting contribution to society has not only been a moral and legal obligation for us for almost 170 years, but lies at the center of our business activities with societies being our ultimate customers.

For us, being a business to society means bringing our mission "We make real what matters" to life in the societies we are operating in and in demonstrating how Siemens' portfolio, own operations, thought leadership activities and voluntary contributions translate into sustainable societal value.

Via the electrification, automation and digitalization value chain, all our businesses contribute significantly and measurably to the sustainable development of societies around the globe. With more than 348,000 employees in nearly all countries, our own operations and supplier network provide a valuable contribution to employment, the local economy and skills development, while ensuring stringent standards with regard to health, safety, compliance and the environment. We are committed to consulting with societies and applying our thought leadership and domain expertise in our business activities and beyond. We drive voluntary external activities in projects on education, environmental protection, compliance and social inclusion.

In fiscal 2015, we developed methodologies on how to assess and measure our impact on the societies we are operating in as the outcome of two pilot projects in the Great Britain and South Africa. In fiscal 2016, we will roll out these methodologies to several of our key countries. In this way, we are equipping our local teams with the necessary expertise for making strategic choices on the four elements of the Business to Society framework: portfolio, own operations, thought leadership and voluntary activities.

An aerial night photograph of a city. In the foreground, a large, multi-level highway interchange is illuminated by streetlights, with light trails from vehicles visible. To the left of the interchange is a green area with palm trees and a small, irregularly shaped pond. In the background, a city skyline is visible, featuring a prominent mosque with a tall, illuminated minaret. A large, solid dark green rectangle is superimposed over the middle of the image, partially obscuring the city skyline.

Financial Report 2015

Review report to the members on statement of compliance with the code of corporate governance

We have reviewed the enclosed Statement of Compliance with the best practices contained in the Code of Corporate Governance (the Code) prepared by the Board of Directors of **Siemens (Pakistan) Engineering Co. Ltd.** (the Company) for the year ended **30 September 2015** to comply with the requirements of Listing Regulation No. 35 Chapter XI of Karachi Stock Exchange Limited, Listing Regulation No. 35 Chapter XI of Lahore Stock Exchange Limited and Listing Regulation No. 35 Chapter XI of Islamabad Stock Exchange Limited, where the Company is listed.

The responsibility for compliance with the Code is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code and report if it does not and to highlight any non-compliance with the requirements of the Code. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Code requires the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval its related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price and recording proper justification for using such alternate pricing mechanism. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended **30 September 2015**.



Chartered Accountants
Date: 17 December 2015
Place: Karachi

Statement of Compliance with the Code of Corporate Governance

This statement is being presented to comply with the Code of Corporate Governance (Code) contained in Regulation No. 35 of Chapter XI of Listing Regulations of Karachi, Lahore and Islamabad Stock Exchanges for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

The Company has applied the principles contained in the Code in the following manner:

1. The Company encourages representation of independent non-executive directors and directors representing minority interests on its board of directors. At present the board includes:

Category	Names
Independent Director	Mr. Qazi Sajid Ali
Non-Executive Directors	Mr. Manzoor Ahmed Mr. Bernard Niessing Mr. Helmut Steidle Dr. Sebastian Brachert Mr. Marco Schiffer
Executive Director	Mr. Helmut von Struve, CEO

2. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies where applicable).
3. All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking Company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
4. No casual vacancy occurred during the year.
5. The Company has prepared a Code of Conduct called "Business Conduct Guidelines" and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
6. The Board has developed a vision and mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
7. All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and non-executive directors, have been taken by the Board.
8. The meetings of the Board were preside over by the Chairman and, in his absence, by a director elected by Board for this purpose. The Board met at least once in every quarter. Written notices of the Board meetings, along with the agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.
9. The Company arranges orientation course for its directors as and when needed to apprise them of their duties and responsibilities. One of the director has already acquired certification under directors training programme conducted by Pakistan Institute of Corporate Governance whereas four of existing directors have received an exemption from that training vide letter reference SMD/SE/2(10)/2002 dated September 19, 2014.

10. The Board has approved the appointments of Chief Financial Officer and Company Secretary, including their remuneration and terms and conditions of employment.
11. The Directors' Report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
12. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
13. The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.
14. The Company has complied with all the corporate and financial reporting requirements of the Code.
15. The Board has formed an audit committee. It comprises of four members, all of whom are non-executive directors.
16. The meetings of the audit committee were held at least once every quarter prior to the approval of interim and final results of the Company and as required by the Code. The Terms of Reference of the Committee have been formed and advised to the Committee for compliance.
17. The Board has formed a Human Resource & Remuneration Committee consists of non-executive directors and an executive director.
18. The Board has outsourced the internal audit function to Corporate Finance Audit (CF A) department of Siemens AG who is considered suitably qualified and experienced for the purpose and conversant with the policies and procedures of the Company.
19. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accountants of Pakistan (ICAP), that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP.
20. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC guidelines in this regard.
21. The 'closed period', prior to the announcement of interim / final results, and business decisions which may materially affect the market price of Company's securities, was determined and intimated to the directors, employees and Stock Exchanges.
22. Material / price sensitive information has been disseminated amongst all the market participants at once through the Stock Exchanges.
23. We confirm that all other material principles enshrined in the Code have been complied with.



Bernhard Niessing
Chairman



Helmut von Struve
Chief Executive Officer

Dubai,
December 17, 2015

Auditors' report to the members

We have audited the annexed balance sheet of **Siemens (Pakistan) Engineering Co. Ltd.** (the Company) as at **30 September 2015** and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that 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.

It is the responsibility of the Company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conduct our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

- a) in our opinion, proper books of account have been kept by the Company as required by the Companies Ordinance, 1984;
- b) in our opinion:
 - i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;
 - ii) the expenditure incurred during the year was for the purpose of the Company's business; and
 - iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;
- c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, conform with approved accounting standards as applicable in Pakistan, and, give the information required by the Companies Ordinance, 1984, in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at **30 September 2015** and of the loss, its comprehensive loss, cash flows and changes in equity for the year then ended; and
- d) in our opinion, Zakat deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under Section 7 of that Ordinance.



Chartered Accountants
Audit Engagement Partner's Name: Khurram Jameel
Date: 17 December 2015
Place: Karachi

Siemens (Pakistan) Engineering Company Limited

Balance Sheet

As at September 30, 2015

	Note	2015 (Rupees in '000)	2014
Equity and liabilities			
Share capital and reserves			
Share capital			
- Authorised		200,000	200,000
20,000,000 (2014: 20,000,000) Ordinary shares of Rs 10 each			
- Issued, subscribed and fully paid-up	7	82,470	82,470
Reserves			
Capital	8	624,192	624,192
Revenue	8	2,496,789	3,081,957
		3,120,981	3,706,149
		3,203,451	3,788,619
Non-current liabilities			
Retention money		1,280	10,765
Other non-current liabilities		19,542	17,201
		20,822	27,966
Current liabilities			
Trade and other payables	9	6,748,998	6,287,720
Provisions	10	954,614	914,075
Short-term borrowings	11	212,209	2,186,713
Taxation - net	12	753,151	952,941
		8,668,972	10,341,449
Liabilities classified as held for sale	4.5	533,053	-
Total liabilities		9,222,847	10,369,415
Contingencies and commitments			
13			
Total equity and liabilities		12,426,298	14,158,034
Assets			
Non-current assets			
Fixed assets			
Property, plant and equipment	14	138,316	562,824
Intangible assets	15	189	585
		138,505	563,409
Long-term loans and trade receivables	17	249,675	175,711
Long-term deposits and prepayments		18,310	20,023
Deferred tax asset	18	1,428,365	1,453,995
		1,834,855	2,213,138
Current assets			
Inventories	19	1,291,605	2,317,235
Trade receivables	20	4,175,017	4,233,194
Due against construction work in progress	21	1,918,572	3,297,991
Loans and advances	22	78,640	41,832
Deposits and short-term prepayments	23	88,394	116,977
Other receivables	24	249,617	254,283
Cash and bank balances	25	679,202	1,052,992
		8,481,047	11,314,504
Assets classified as held for sale	4.4	2,110,396	630,392
Total assets		12,426,298	14,158,034

The annexed notes 1 to 49 form an integral part of these financial statements.



Helmut von Struve
Chief Executive



Sebastian Andreas Brachert
Director

Siemens (Pakistan) Engineering Company Limited

Profit and Loss Account

For the year ended September 30, 2015

		2015			2014		
		Continuing operations	Discontinued operations	Company as a whole	Continuing operations	Discontinued operations	Company as a whole
	Note	(Rupees in '000)					
Net sales and services	26	7,988,038	1,278,871	9,266,909	8,613,165	1,167,917	9,781,082
Cost of sales and services	27	(7,593,609)	(1,179,410)	(8,773,019)	(7,233,060)	(1,843,312)	(9,076,372)
Gross profit / (loss)		394,429	99,461	493,890	1,380,105	(675,395)	704,710
Marketing and selling expenses	28	(309,253)	(132,200)	(441,453)	(330,787)	(185,616)	(516,403)
General administrative expenses	29	(134,328)	(36,412)	(170,740)	(176,852)	(60,590)	(237,442)
		(443,581)	(168,612)	(612,193)	(507,639)	(246,206)	(753,845)
Other income	30	47,917	10,723	58,640	89,798	463	90,261
Other operating expenses	30	(1,381)	(95,467)	(96,848)	-	-	-
Net other operating income / (expenses)		46,536	(84,744)	(38,208)	89,798	463	90,261
Operating (loss) / profit		(2,616)	(153,895)	(156,511)	962,264	(921,138)	41,126
Financial income	31	5,770	-	5,770	6,287	-	6,287
Financial expenses	31	(175,109)	(10,030)	(185,139)	(279,989)	(2,077)	(282,066)
Net finance costs		(169,339)	(10,030)	(179,369)	(273,702)	(2,077)	(275,779)
(Loss) / profit before tax		(171,955)	(163,925)	(335,880)	688,562	(923,215)	(234,653)
Income tax	32	(214,310)	21,956	(192,354)	(544,985)	255,843	(289,142)
(Loss) / profit for the year		(386,265)	(141,969)	(528,234)	143,577	(667,372)	(523,795)
Basic and diluted (loss) / earnings per share (Rupees)	33	(46.84)	(17.21)	(64.05)	17.41	(80.92)	(63.51)

The annexed notes 1 to 49 form an integral part of these financial statements.


Helmut von Struve
 Chief Executive


Sebastian Andreas Brachert
 Director

Siemens (Pakistan) Engineering Company Limited

Statement of Comprehensive Income

For the year ended September 30, 2015

	2015	2014
	(Rupees in '000)	
Net loss for the year	(528,234)	(523,795)
Other comprehensive income for the year not to be reclassified to profit and loss in subsequent periods:		
Recognition of remeasurement gain on defined benefit plan	37,330	18,676
Deferred tax on remeasurement gain on defined benefit plan	(11,794)	(6,025)
	25,536	12,651
Total comprehensive loss for the year	(502,698)	(511,144)

The annexed notes 1 to 49 form an integral part of these financial statements.



Helmut von Struve
Chief Executive



Sebastian Andreas Brachert
Director

Siemens (Pakistan) Engineering Company Limited

Cash Flow Statement

For the year ended September 30, 2015

	Note	2015 (Rupees in '000)	2014
Cash flows from operating activities			
Cash generated from operations	34	2,054,592	1,817,528
Payment to gratuity fund		(46,705)	(50,639)
Financial expenses paid		(198,827)	(293,862)
Income tax paid		(378,308)	(472,740)
Net cash generated from operating activities		1,430,752	1,000,287
Cash flows from investing activities			
Capital expenditure		(56,732)	(44,998)
Advances against sale of Islamabad Properties and Karachi Real Estate		280,000	-
Proceeds from sale of property, plant and equipment		27,127	29,324
Financial income received		2,037	1,295
Net cash generated from / (used in) investing activities		252,432	(14,379)
Cash flows from financing activities			
Dividends paid		(82,470)	(164,941)
Short-term loans - net		(1,426,480)	(323,520)
Net cash used in financing activities		(1,508,950)	(488,461)
Net increase in cash and cash equivalents		174,234	497,447
Cash and cash equivalents at beginning of the year		292,759	(204,688)
Cash and cash equivalents at end of the year	35	466,993	292,759

The annexed notes 1 to 49 form an integral part of these financial statements.



Helmut von Struve
Chief Executive



Sebastian Andreas Brachert
Director

Siemens (Pakistan) Engineering Company Limited

Statement of Changes in Equity

For the year ended September 30, 2015

	Issued, subscribed and paid-up share capital	Capital reserves			Revenue reserves			Total
		Share premium	Capital repurchase reserve account	Other capital reserve	General reserves	Remeasurement loss on defined benefit plan	Accumulated loss	
	(Rupees in '000)							
Balance as at September 30, 2013	82,470	619,325	567	4,300	4,523,026	(261,906)	(503,078)	4,464,704
Final dividend @ Rs 20 per Ordinary share of Rs 10 each for the year ended September 30, 2013	-	-	-	-	-	-	(164,941)	(164,941)
Net loss for the year ended September 30, 2014	-	-	-	-	-	-	(523,795)	(523,795)
Other comprehensive income for the year	-	-	-	-	-	12,651	-	12,651
Total comprehensive loss for the year	-	-	-	-	-	12,651	(523,795)	(511,144)
Balance as at September 30, 2014	82,470	619,325	567	4,300	4,523,026	(249,255)	(1,191,814)	3,788,619
Final dividend @ Rs 10 per Ordinary share of Rs 10 each for the year ended September 30, 2014	-	-	-	-	-	-	(82,470)	(82,470)
Net loss for the year ended September 30, 2015	-	-	-	-	-	-	(528,234)	(528,234)
Other comprehensive income for the year	-	-	-	-	-	25,536	-	25,536
Total comprehensive loss for the year	-	-	-	-	-	25,536	(528,234)	(502,698)
Balance as at September 30, 2015	82,470	619,325	567	4,300	4,523,026	(223,719)	(1,802,518)	3,203,451

The annexed notes 1 to 49 form an integral part of these financial statements.


Helmut von Struve
 Chief Executive


Sebastian Andreas Brachert
 Director

Siemens (Pakistan) Engineering Company Limited

Notes to the Financial Statements

For the year ended September 30, 2015

1. LEGAL STATUS AND OPERATIONS

Siemens (Pakistan) Engineering Co. Ltd. (the Company) was incorporated in Pakistan in the year 1953. The Company is a public limited company and its shares are quoted on the Karachi, Islamabad and Lahore Stock Exchanges. The Company is principally engaged in the execution of projects under contracts and in manufacturing, sale and installation of electronic and electrical capital goods. The Company's registered office is situated at B-72, Estate Avenue, S.I.T.E., Karachi.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP), as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

2.2 Basis of measurement

These financial statements have been prepared under the 'historical cost' convention except as mentioned in note 3 to the financial statements.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupees (Rs) which is the functional currency of the Company and figures are rounded off to the nearest thousand of rupees unless otherwise specified.

2.4 Use of estimates, assumptions and judgements

The preparation of financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and judgements that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

These are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In preparing these financial statements, the significant estimates, assumptions and judgements made by the management in applying accounting policies include:

- Warranty obligations (note 3.2)
- Provision for liquidated damages (note 3.2)
- Method of depreciation and amortisation, residual values and useful lives of property, plant and equipment and intangible assets (note 3.4 and 3.5)
- Impairment on property, plant and equipment and intangible assets (note 3.4 and 3.5)
- Provisions against inventories, doubtful receivables and construction work in progress (notes 3.6, 3.9, 3.10 and 3.11)
- Actuarial assumptions for the gratuity scheme and provision thereagainst (note 9.1)
- Provision for taxation and deferred taxation (note 3.7)
- Cost of completion of contracts in progress and their results (note 37)
- Expected outcome of litigations involving the Company (note 13.1).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of these financial statements are set out below:

3.1 Employees' retirement benefits

The Company's retirement benefit plans comprise of a defined benefit plan and a defined contribution plan.

3.1.1 Defined Benefit Plan

The Company operates a funded gratuity scheme for all its regular permanent employees. Provisions are made in the financial statements to cover obligations on the basis of actuarial valuation carried out annually under the Projected Unit Credit method. Remeasurement gains / losses are recognised directly to equity through statement of Other Comprehensive Income (OCI) and are not reclassified to profit or loss in subsequent periods.

3.1.2 Defined Contribution Plan

The Company also operates a provident fund scheme for all its regular permanent employees. Equal monthly contributions are made to the fund, both by the Company and the employees at the rate of 10 percent of the aggregate of basic salary and cost of living allowance wherever applicable.

3.2 Provisions

A provision is recognised in the balance sheet when the Company has legal or constructive obligation as a result of past event 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 obligation.

Various contracts entered into by the Company include provisions whereby liquidated damages may be imposed in case of delay in completion of the sales or construction contracts. These damages are generally levied in case the delay is considered to be on account of factors under Company's control. The Company makes provision for these liquidated damages based on an analysis of various factors resulting in delays / estimated delays. The imposition of actual liquidated damages is subject to negotiations and in certain cases, based on fresh analysis of the factors affecting the delay, these damages may not be imposed or may be higher than the amount provided.

The Company accounts for its warranty obligations when the underlying products or services are sold or rendered. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

3.3 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying capital asset under construction are capitalised and added to the project cost until such time the assets are substantially ready for their intended use, i.e., when they are capable of commercial production. All other borrowing costs are recognised as an expense in the profit and loss in the period in which they are incurred.

3.4 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, except for capital work in progress which are stated at cost less accumulated impairment losses. Cost in relation to self manufactured assets includes direct cost of materials, labour and applicable manufacturing overheads. If the cost of certain components of an item of property, plant and equipment are significant in relation to the total cost of the item, they are accounted for and depreciated separately.

Capital work in progress are transferred to the respective items of property, plant and equipment on becoming available for intended use.

Depreciation is charged to profit and loss account applying the straight line method whereby the cost of an asset is written off over its estimated useful life. Depreciation on additions is charged from the month in which the asset is available for use and on disposals upto the month of deletion. The residual value, depreciation method and the useful lives of each part of property, plant and equipment that is significant in relation to the total cost of the asset are reviewed, and adjusted if appropriate, at each reporting date.

3.5 Intangible assets

Intangible assets having definite useful lives are stated at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised using the straight line method over the estimated useful lives.

3.6 Impairment

3.6.1 Financial assets

Financial assets are assessed at each reporting date to determine whether there is any objective evidence of impairment, if any. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect of the estimated future cash flows of that asset.

3.6.2 Non-Financial assets

The carrying values of non-financial assets other than inventories and deferred tax assets are assessed at each reporting date to determine whether there is any indication of impairment. If any such indications exist, then the recoverable amount is estimated. An impairment loss is recognised, as an expense in the profit and loss account, for the amount by which an asset's carrying amount exceeds its recoverable amount.

3.7 Taxation

3.7.1 Current

Provision for current taxation is based on taxability of certain income streams of the Company under Normal Tax Regime after taking into account tax credits and tax rebates available, if any and the remaining income streams under Final Tax Regime at the applicable tax rates. The charge for current tax includes adjustments to charge for prior years, if any. The tax charge as calculated above is compared with turnover tax under Section 113 of the Income Tax Ordinance, 2001 and whichever is higher is provided in the financial statements.

3.7.2 Deferred

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates and the tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax liability is recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences. A deferred tax asset is recognised only when it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax relating to items recognised in OCI / Equity is recognised directly in OCI / Equity.

3.8 Long-term receivables

Long-term loans and trade receivables are measured at amortised cost less provision for any uncollectible amounts and are discounted to their present values.

3.9 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of finished goods, both manufactured and purchased, raw material and components is determined on weighted average basis. The cost of work-in-process and finished goods includes direct materials, labour and applicable production overheads.

Net realisable value signifies the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessarily to be incurred to make the sale.

3.10 Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less provision for any uncollectible amounts.

3.11 Due against construction work in progress

Due against construction work in progress represents the gross unbilled amount expected to be collected from customers for contract work performed to date. It is measured at cost plus profit recognised to date less progress billing and recognised losses and any related provision thereagainst. Cost includes all expenditures related directly to specific projects and an allocation of fixed and variable overheads incurred.

3.12 Cash and cash equivalents

Cash and cash equivalents are stated at cost and comprise of cash in hand, deposits held with banks and highly liquid investments with less than three months maturity from the date of acquisition. Running finance facilities availed by the Company, which are repayable on demand and form an integral part of the Company's cash management are considered as part of cash and cash equivalents for the purpose of the statement of cash flows.

3.13 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the management. Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly investments and related revenue, loans and borrowings and related expenses, corporate assets, cash and bank balances and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment and intangible assets other than goodwill.

3.14 Foreign currencies

Foreign currency transactions are translated into Pakistani Rupees at exchange rates prevailing on the date of transaction. All monetary assets and liabilities in foreign currencies are re translated at the rates of exchange prevailing at the balance sheet date. Exchange gains and losses are included in the profit and loss account.

3.15 Revenue recognition

Revenue from sale of goods are recognised when significant risks and rewards of ownership are transferred to the buyer. Service revenue is recognised over the contractual period or as and when services are rendered to customers. Commission income is recognised on receipt / acknowledged basis. Financial income is recognised as it accrues, using the effective mark-up rates.

Contract revenue and contract costs relating to long-term construction contracts are recognised as revenue and expenses respectively by reference to stage of completion of contract activity at the balance sheet date. Stage of completion of a contract is determined by applying 'cost-to-cost method' by reference to the proportion that contract cost incurred to date bears to the total estimated contract cost. Contract revenue on construction contracts valuing less than Rs 10 million and / or duration upto six months is recognised using completed contract method. When it is probable that contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that they have agreed with the customer and are capable of being measured reliably.

3.16 Financial assets and liabilities

All financial assets and liabilities are initially measured at cost, which is the fair value of the consideration given or received as appropriate. These financial assets and liabilities are subsequently measured at fair value or amortised cost as the case may be. The Company derecognises the financial assets and financial liabilities when it ceases to be a party to contractual provisions of such instruments.

3.17 Derivative financial instruments

The Company uses derivative financial instruments to cover its exposure to foreign exchange arising from operational activities, if possible. Any gain or loss from re-measuring the derivative financial instrument at fair value is recognised in the profit and loss account.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss.

3.18 Dividends

Dividend is recognised as a liability in the period in which it is declared.

3.19 Share based payment transactions

The fair value of the amount payable in cash to employees in respect of Stock Awards is recognised as an expense, with a corresponding increase in liabilities, over the period that the employees become entitled to payment. The liability is remeasured at each reporting date and at settlement date. Any changes in the fair value of the liability are recognised as salaries, wages and employee welfare expense in the profit and loss account.

3.20 Operating leases

Leases in which a significant portion of the risks and rewards of ownership is retained by the Muj'ir (lessor) and Ijarah agreement has been entered into are classified as Ijarah. Payments made under Ijarah are charged to profit and loss on a straight-line basis over the period of Ijarah.

3.21 Discontinued operations

A discontinued operation is a component of the Company's business that has been discontinued or disposed off or is held-for-sale. Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative profit and loss account is restated as if the operation had been discontinued from the start of the comparative period.

3.22 Non-current assets (or disposal group) classified as held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Such non-current assets (or disposal groups) are measured at the lower of their carrying amount and fair value less costs to sell. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

3.23 Adoption of standards, amendments and interpretations effective during the year

The following standards, interpretations and improvements became effective for the current financial year but are either not relevant or do not have any effect on the Company's financial statements:

IAS 19	Employee Benefits (Amendment)
	- Defined Benefit Plans: Employee Contributions
IAS 32	Financial Instruments : Presentation – (Amendment)
	- Offsetting Financial Assets and Financial Liabilities
IAS 36	Impairment of Assets - (Amendment)
	- Recoverable Amount Disclosures for Non-Financial Assets
IAS 39	Financial Instruments: Recognition and Measurement - (Amendment)
	- Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21	Leases

Improvements to Accounting Standards issued by the IASB

IFRS 2	Share-based Payment - Definitions of vesting conditions
IFRS 3	Business Combinations - Accounting for contingent consideration in a business combination and Scope exceptions for joint ventures
IFRS 8	Operating Segments - Aggregation of operating segments and Reconciliation of the total of the reportable segments' assets to the entity's assets
IAS 16 and IAS 38	Property, Plant and Equipment and Intangible Assets- method – proportionate restatement of accumulated depreciation / amortisation
IAS 24	Related Party Disclosures - Key management personnel
IAS 40	Investment Property - Interrelationship between IFRS 3 and IAS 40 (ancillary services)

The adoption of the above amendments, improvements to accounting standards and interpretations did not have any effect on the financial statements.

3.24 Standards and amendments to approved accounting standards that are not yet effective

The following revised standards and amendments with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standards:

Standard		Effective date (annual periods beginning on or after)
IFRS 10	Consolidated Financial Statements	January 1, 2015
IFRS 11	Joint Arrangements	January 1, 2015
IFRS 11	Accounting for Acquisition of Interest in Joint Operation (Amendment)	January 1, 2016
IFRS 12	Disclosure of Interests in Other Entities	January 1, 2015
IFRS 13	Fair Value Measurements	January 1, 2015
IAS 1	Disclosure Initiative (Amendment)	January 1, 2016
IAS 16 & 38	Clarification of Acceptable Method of Depreciation and Amortisation	January 1, 2016
IAS 16 & 41	Agriculture: Bearer Plants	January 1, 2016
IAS 27	Investment Entities (Amendment)	January 1, 2015
IAS 27	Investment Entities: Applying the Consolidation Exception (Amendment)	January 1, 2016
IAS 27	Equity Method in Separate Financial Statements (Amendment)	January 1, 2016
IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	January 1, 2016

In addition to the above amendments, improvements to various accounting standards have also been issued by the IASB. Such improvements are generally effective for accounting periods beginning on or after July 1, 2015. The Company expects that the adoption of the above revisions, amendments, interpretations and improvements of the standards will not have any material impact on the Company's financial statements in the period of initial application.

Further, the following new standards have been issued by IASB which are yet to be notified by the Securities and Exchange Commission of Pakistan (SECP) for the purpose of applicability in Pakistan.

Standard		IASB Effective date (annual periods beginning on or after)
IFRS 9	Financial Instruments: Classification and Measurement	January 1, 2018
IFRS 14	Regulatory Deferral Accounts	January 1, 2016
IFRS 15	Revenue from Contracts with Customers	January 1, 2018

The Company expects that above new standards will not have any material impact on the Company's financial statements in the period of initial application except for IFRS 15, for which the Company is currently evaluating its impact on the financial statements.

4. NON-CURRENT ASSETS HELD FOR SALE

4.1 Transformer Business and Karachi Real Estate

The Board of Directors of the Company, in their meeting held on March 30, 2015 and shareholders of the Company in the Extra Ordinary General Meeting held on April 27, 2015, approved, subject to approval / consent of the applicable regulatory authorities, the sale of:

(i) Distribution Transformer manufacturing business (DT Business) of the Company as a going concern including all assets (including plant, machinery, fixed, movable and other assets, of whatsoever description and nature but excluding land and buildings) comprised in the Company's DT Business, for an aggregate consideration of Rs. 1.1 billion (which may be adjusted (positively or negatively) in accordance with the terms and conditions of the assets sale and purchase agreement);

(ii) fixed assets pertaining to Power Transformer manufacturing facility (PT Fixed Assets) of the Company for an aggregate consideration of Rs 300 million; and

(iii) leasehold/allotment rights in all land and buildings comprised in the Company's plots No. B-72, B-14, B-55 and B-55A situated at Estate Avenue, Sindh Industrial Trading Estate, (Karachi Real Estate), for an aggregate consideration of Rs 1.8 billion.

Subsequent to September 30, 2015, the sale of DT Business and PT Fixed Assets has been completed on October 30, 2015 and an initial sale proceed of Rs 1.284 billion has been received based on the net assets values of September 30, 2015 (to be adjusted on the basis of net assets values as of October 31, 2015).

Further, the Company has, on November 25, 2015, received the balance proceeds of Rs 1.620 billion against sale of Karachi Real Estate. An advance of Rs 180 million has already been received during the year ended September 30, 2015.

4.2 Healthcare Business

The Board of Directors in their meeting held on July 29, 2015, decided to transfer the Healthcare business of the Company to a private limited company to be incorporated in Pakistan by a Siemens subsidiary, subject to obtaining requisite approvals and on such value and terms and conditions as may be approved by the Board of Directors in due course. The said transfer is expected to be completed by March 31, 2016.

4.3 Islamabad Properties

The Board of Directors of the Company, in their meeting held on December 19, 2014 and shareholders of the Company in the Annual General Meeting held on January 23, 2015, approved, subject to approval / consent of the applicable regulatory authorities, the sale of lands and buildings located at Sector I-9/4, Islamabad, Pakistan, (Islamabad Properties) for an aggregate consideration of Rs 1 billion.

The sale of Islamabad Properties is expected to be completed by March 31, 2016. The management is endeavoring to expedite the process of sale.

4.4 Assets classified as held for sale

	Note	2015 (Rupees in '000)	2014
Transformer business (including DT Business and PT Fixed Assets)	4.4.1	749,416	-
Karachi Real Estate	4.4.2	249,570	-
Healthcare business	4.4.3	481,018	-
Islamabad Properties	4.4.4	630,392	630,392
		<u>2,110,396</u>	<u>630,392</u>
4.4.1 Transformer business (including DT Business and PT Fixed Assets)			
Property, plant and equipment		184,115	-
Long-term deposits and prepayments		475	-
Inventories		506,795	-
Trade receivables		57,732	-
Short-term deposits and prepayments		299	-
		<u>749,416</u>	<u>-</u>

4.4.2 Karachi Real Estate

Note 2015 2014
(Rupees in '000)

Leasehold land	51,134	-
Buildings on leasehold land	190,397	-
Plant & machinery associated with buildings	7,255	-
Furniture & fixtures associated with buildings	784	-
	<u>249,570</u>	<u>-</u>

4.4.3 Healthcare business

Property, plant and equipment	4,029	-
Long-term deposits and prepayments	1,012	-
Inventories	292,791	-
Trade receivables	132,636	-
Loans and advances	1,469	-
Short-term deposits and prepayments	43,878	-
Other receivables	5,203	-
	<u>481,018</u>	<u>-</u>

4.4.4 Islamabad Properties

Leasehold land	544,011	544,011
Buildings on leasehold land	86,201	86,201
Plant and machinery associated with buildings	180	180
	<u>630,392</u>	<u>630,392</u>

4.5 Liabilities classified as held for sale

Transformer business (including DT Business and PT Fixed Assets)	4.5.1	119,785	-
Healthcare business	4.5.2	413,268	-
		<u>533,053</u>	<u>-</u>

4.5.1 Transformer business (including DT Business and PT Fixed Assets)

Trade and other payables	108,397	-
Provisions	11,388	-
	<u>119,785</u>	<u>-</u>

4.5.2 Healthcare business

Other non-current liabilities	1,242	-
Trade and other payables	369,719	-
Provisions	42,307	-
	<u>413,268</u>	<u>-</u>

5. DISCONTINUED OPERATIONS

DT Transformer and Healthcare businesses

The Distribution Transformer Business (TR) and Healthcare (HC) businesses are classified as discontinued operations in terms of the decisions of the Board of Directors as mentioned in notes 4.1 and 4.2 respectively to these financial statements. The sales of TR for the year 2015 was Rs 660.936 million (2014: Rs 761.839 million) whereas the sales of HC for the year 2015 was Rs 617.935 million (2014: Rs 406.078 million). TR incurred loss before tax of Rs 185.115 million during the year 2015 (2014: Rs 946.301 million) whereas HC achieved profit before tax of Rs 53.115 million during the year 2015 (2014: Rs 23.086 million).

The comparative income statement has been re-presented to show the discontinued operations separately from continuing operations. Profits attributable to the discontinued operations have been disclosed on the face of profit and loss account which include gain amounting to Rs 50.366 million recognised on remeasurement of assets relating to TR business during the year 2015.

Cash flows from discontinued operations

2015 2014
(Rupees in '000)

Net cash (used in) / generated from operating activities	(154,554)	127,497
Net cash used in investing activities	(5,613)	(4,844)
Net cash flows from discontinued operations	(160,167)	122,653

For segment reporting, TR business has been classified as a separate Business Unit under the Division 'Energy Management' whereas the HC business has been classified as a separate Division (note 47).

6. OPERATIONS IN AFGHANISTAN

Effective December 31, 2015 the Company will cease to participate in further business in Afghanistan due to withdrawal of sales rights by Siemens AG for the Afghanistan territory. The Company will continue to execute the order in hand (amounting to Rs 2,231.120 million as at September 30, 2015) as well as all such orders which will be awarded to the Company based on binding offers submitted by the Company till December 31, 2015. Information relating to Afghanistan operations is presented in note 47 to these financial statements.

7. ISSUED, SUBSCRIBED AND FULLY PAID-UP SHARE CAPITAL

Ordinary shares of Rs 10 each

2015	2014		2015	2014
(No. of shares)			(Rupees in '000)	
6,217,780	6,217,780	Issued for cash	62,178	62,178
81,700	81,700	Issued for consideration other than cash	817	817
1,526,800	1,526,800	Issued as bonus shares	15,268	15,268
(56,683)	(56,683)	Shares bought back	(567)	(567)
477,440	477,440	Issued under a scheme of amalgamation	4,774	4,774
8,247,037	8,247,037		82,470	82,470

7.1 Siemens Aktiengesellschaft (Siemens AG, the parent company), held 6,156,782 Ordinary shares (2014: 6,156,782 Ordinary shares) of Rs 10 each of the Company as at September 30, 2015.

7.2 Dividends and other appropriations

The Board of Directors have, in their meeting held on December 17, 2015 proposed a final cash dividend of Rs 10 per Ordinary share of Rs 10 each (2014: Rs 10 per share), amounting to Rs 82.470 million (2014: Rs 82.470 million).

8. RESERVES

	Note	2015	2014
		(Rupees in '000)	
Capital			
Share premium	8.1	619,325	619,325
Capital repurchase reserve account	8.2	567	567
Other capital reserve		4,300	4,300
		624,192	624,192
Revenue			
General reserves		4,523,026	4,523,026
Remeasurement loss on defined benefit plan		(223,719)	(249,255)
Accumulated loss		(1,802,518)	(1,191,814)
		2,496,789	3,081,957

8.1 This represents premium of Rs 50 per share on the issue of 186,340 Ordinary shares of Rs 10 each and Rs 70 per share on the issue of 223,608 Ordinary shares of Rs 10 each during the years ended September 30, 1988 and 1990, respectively, and premium of Rs 1,277 per share on the issue of 477,440 Ordinary shares of Rs 10 each under the scheme of amalgamation during the year ended September 30, 2007. This amount was reduced by Rs 15.334 million on account of 56,683 Ordinary shares of Rs 10 each bought back by the Company during the year ended September 30, 2003.

8.2 This represents the amount by which the share capital of the Company was reduced on the buy back of 56,683 Ordinary shares of Rs 10 each and transferred from the distributable profits of the Company to 'capital repurchase reserve account' during the year ended September 30, 2003. This reserve was created to comply with the requirements of sub-section 10 of section 95A of the Companies Ordinance, 1984.

9. TRADE AND OTHER PAYABLES

	Note	2015 (Rupees in '000)	2014
Trade creditors [including retention money of Rs 383.015 million (2014: Rs 373.477 million)]		3,049,203	2,545,700
Accrued liabilities		1,188,008	1,296,276
Advances from customers			
For goods		321,358	488,536
For projects and services		1,507,752	1,200,560
Advances against sale of Islamabad Properties and Karachi Real Estate		280,000	-
Defined benefit plan - gratuity	9.1	292,313	293,212
Interest accrued on short-term borrowings		3,836	17,524
Unearned portion of revenue and maintenance contracts		69,400	115,679
Workers' Welfare Fund (WWF)		30,246	28,865
Unclaimed dividend		19,227	18,980
Derivative financial instruments		166,282	230
Withholding tax payable		40,502	12,425
Other liabilities		258,987	269,733
	9.2	7,227,114	6,287,720
Transferred to liabilities classified as held for sale		(478,116)	-
		<u>6,748,998</u>	<u>6,287,720</u>

9.1 Defined benefit plan - gratuity

The actuarial valuation of gratuity scheme was carried out on September 30, 2015. The Projected Unit Credit Method, using the following significant financial assumptions has been used for the actuarial valuation:

- Discount rate 9.25% per annum compound (2014: 13.50%).
- Expected rate of increase in salaries 8.75% per annum (2014: 13.00%).

The amounts recognised in the balance sheet are as follows:

	Note	2015 (Rupees in '000)	2014
Fair value of plan assets	9.1.1	252,682	235,605
Present value of defined benefit obligation	9.1.2	(544,995)	(528,817)
Deficit - recognised as liability in the balance sheet	9.1.3	<u>(292,313)</u>	<u>(293,212)</u>

9.1.1 Movement in the fair value of plan assets

Opening balance	235,605	312,671
Interest income	30,681	34,406
Contributions made by the Company	46,705	50,639
Benefits paid	(63,383)	(146,652)
Remeasurement gains / (losses)	3,074	(15,459)
	<u>252,682</u>	<u>235,605</u>

9.1.2 Movement in the present value of defined benefit obligation

Opening balance	528,817	591,591
Current service cost	46,705	50,639
Interest expense	67,112	67,374
Benefits paid	(63,383)	(146,652)
Remeasurement gains	(34,256)	(34,135)
	<u>544,995</u>	<u>528,817</u>

9.1.3 Movement in net liability in the balance sheet is as follows:

	Note	2015 (Rupees in '000)	2014
Opening balance of liability		(293,212)	(278,920)
Expense recognised for the year	9.1.4	(83,136)	(83,607)
Contributions made by the Company		46,705	50,639
Net remeasurement gains for the year recognised in OCI		37,330	18,676
		<u>(292,313)</u>	<u>(293,212)</u>

9.1.4 The following amounts have been charged in the profit and loss account in respect of these benefits:

Current service cost	46,705	50,639
Interest expense	67,112	67,374
Interest income on plan assets	(30,681)	(34,406)
	<u>83,136</u>	<u>83,607</u>

9.1.5 Major categories / composition of plan assets are as follows:

	2015 ----- % -----	2014
Government bonds	91	92
Cash and cash equivalents	9	8
	<u>100</u>	<u>100</u>

9.1.6 Sensitivity analysis for actuarial assumptions

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Assumptions	Impact on defined benefit obligation (Rupees in '000)	
	0.5% increase	0.5% decrease
Effect of change in discount rate	(22,388)	24,072
Effect of change in future salary increases	24,072	(22,588)

9.1.7 The expected interest income on plan assets is taken as weighted average of the expected investment return on different assets of the gratuity fund.

9.1.8 As per the recommendation of the actuary, the Company plans to contribute Rs 44.320 million to the gratuity fund during the year 2016.

9.2 These include sums, aggregating to Rs 2,174.516 million (2014: Rs 1,688.289 million), due to related parties.

10. PROVISIONS

	Warranties	Liquidated damages	Losses on sales contracts	Total
	----- (Rupees in '000) -----			
Balance at beginning of the year	452,503	263,730	197,842	914,075
Additional provision	428,901	43,684	118,622	591,207
Cost incurred / imposed	(150,871)	(31,341)	(68,817)	(251,029)
Reversal of unutilised amounts	(184,330)	(41,761)	(19,853)	(245,944)
	<u>546,203</u>	<u>234,312</u>	<u>227,794</u>	<u>1,008,309</u>
Transferred to liabilities classified as held for sale	(28,127)	(4,632)	(20,936)	(53,695)
Balance at end of the year	<u>518,076</u>	<u>229,680</u>	<u>206,858</u>	<u>954,614</u>

11. SHORT-TERM BORROWINGS

	Note	2015 (Rupees in '000)	2014
Short-term loans			
Secured		-	1,426,480
Short-term running finances			
Unsecured - from related party		-	236,835
- from others	11.1	20	-
		20	236,835
Secured - from others	11.2	212,189	523,398
		212,209	760,233
		212,209	2,186,713

11.1 These facilities arranged with various banks in the United Arab Emirates (UAE) aggregated to Rs 142 million (September 30, 2014: Rs 231 million) at interest rates ranges between 4.00% and 4.10% per annum (September 30, 2014: 4.10% per annum).

11.2 These facilities available from various banks in Pakistan aggregated to Rs 4,600 million (2014: Rs 3,174 million). The mark-up on these facilities ranges between 7.50% and 10.00% per annum (2014: 9.66% and 10.76% per annum). These facilities are secured against the joint hypothecation of inventories and present and future trade receivables.

11.3 Outstanding letters of credit and guarantees

	2015 (Rupees in '000)	2014
(i) Outstanding Letters of credit		
- limit	1,364,000	1,616,342
- unutilised portion	1,176,318	1,552,807
(ii) Outstanding Guarantees		
- limit	7,040,903	7,162,400
- unutilised portion	1,359,756	2,243,107

12. TAXATION - Net

Provision for taxation	1,481,468	1,917,824
Advance tax	(728,317)	(964,883)
	753,151	952,941

13. CONTINGENCIES AND COMMITMENTS

13.1 Contingencies

The Company is defending various suits filed against it in various courts in Pakistan for sums, aggregating to Rs 187.550 million (2014: Rs 197.124 million), related to its business operations. The Company's management is confident, based on the advice of its legal advisors, that these suits will be decided in Company's favour and, accordingly, no provision has been made for any liability against these law suits in these financial statements.

13.2 Commitments

- As at September 30, 2015 capital expenditure contracted for but not incurred amounted to Rs 20.431 million (2014: Rs 5.386 million).
- Post dated cheques issued to the Collector of Customs against import duty was Rs 4.103 million (2014: Rs 59.644 million). This includes Rs 0.521 million relating to the Transformer business.
- The Company has entered into lease arrangements for vehicles with a commercial bank. The aggregate amount of commitments against these arrangements are as follows:

	2015 (Rupees in '000)			2014
	Continuing operations	Discontinued operations	Total	
- Not later than one year	30,403	988	31,391	25,453
- Later than one year but not later than five years	62,442	2,084	64,526	62,228
	92,845	3,072	95,917	87,681

14. PROPERTY, PLANT AND EQUIPMENT

Note

2015 (Rupees in '000)

2014

Operating assets
Plant, machinery and equipment under installation

14.1	138,188	562,608
	128	216
	138,316	562,824

14.1 Operating assets

2015	As at October 1, 2014			During the year ended September 30, 2015					As at September 30, 2015			Depreciation rates as a % of cost		
	Cost	Accumulated depreciation	Accumulated impairment	Net book value	Additions / (deletions)	Transferred to non-current assets classified as held for sale*	Depreciation/ (on deletions) / (on transfer)*	(Impairment reversal) (on transfer)*	Net book value of disposals / transfer*	Cost	Accumulated depreciation		Accumulated impairment	Net book value
(Rupees in ,000)														
Leasehold land	53,149	-	-	53,149	-	(51,134)*	-	-	(51,134)*	2,015	-	-	2,015	-
Buildings on leasehold land	332,563	137,358	-	195,205	14,577	(329,817)*	3,942 (139,420)*	-	(190,397)*	17,323	1,880	-	15,443	2.5 & 10
Plant and machinery	1,076,431	731,062	105,927	239,442	5,370 (88,298)	(729,385)*	40,113 (85,716) (502,831)*	(50,599) (43,292)*	2,582 (183,262)*	264,118	182,628	12,036	69,454	10, 20, 25 & 100
Furniture and fixtures	145,833	133,978	985	10,870	7,612 (6,189)	(38,909)*	6,532 (6,041) (37,341)*	(231) (603)*	148 (965)*	108,347	97,128	151	11,068	20, 25, 33.33 & 100
Office equipment	155,616	128,563	-	27,053	19,955 (15,561)	(19,813)*	18,762 (14,698) (14,729)*	-	863 (5,084)*	140,197	117,898	-	22,299	20, 33.33 & 100
Vehicles	210,101	181,276	32	28,793	- (19,974)	(14,260)*	14,526 (19,974) (14,245)*	(15)	(15)*	175,867	161,583	17	14,267	25 & 50
Tools and patterns	236,905	226,100	2,709	8,096	9,306 (19,008)	(77,626)*	8,750 (19,008) (69,958)*	(1,847) (811)*	- (6,857)*	149,577	145,884	51	3,642	50 & 100
	2,210,598	1,538,337	109,653	562,608	56,820 (149,030)	(1,260,944)*	92,625 (145,437) (778,524)*	(52,692) (44,706)*	3,593 (437,714)*	857,444	707,001	12,255	138,188	

* Net book value of Rs 184,115 million, Rs 249,570 million and Rs 4,029 million relating to TR, Karachi Real Estate and HC respectively has been transferred to non-current assets classified as held-for sale (note 4).

2014	As at October 1, 2013			During the year ended September 30, 2014				As at September 30, 2014						
	Cost	Accumulated depreciation	Accumulated impairment	Net book value	Additions / (deletions)	Transferred to non-current assets classified as held for sale*	Depreciation/ (on deletions) / (on transfer)*	Impairment	Net book value of disposals / transfer*	Cost	Accumulated depreciation	Accumulated impairment	Net book value	Depreciation rates as a % of cost
							(Rupees in ,000)							
Leasehold land	597,160	-	-	597,160	-	(544,011)*	-	*	(544,011)*	53,149	-	-	53,149	-
Buildings on leasehold land	441,145	147,984	-	293,161	- (125)	(108,457)*	11,755 (125) (22,256)*	-	(86,201)*	332,563	137,358	-	195,205	2.5 & 10
Plant and machinery	1,074,198	657,753	27,991	388,454	5,027 (1,510)	(1,284)*	75,686 (1,273) (1,104)*	77,936	237 (180)*	1,076,431	731,062	105,927	239,442	10,20,25 & 100
Furniture and fixtures	152,027	133,812	435	17,780	5,395 (11,589)	-	11,439 (11,273)	550	316	145,833	133,978	985	10,870	20, 25, 33,33 & 100
Office equipment	166,412	152,930	-	13,482	29,276 (40,072)	-	15,525 (39,892)	-	180	155,616	128,563	-	27,053	20, 33,33 & 100
Vehicles	273,674	220,799	42	52,833	3,900 (67,473)	-	24,581 (64,104)	(10)	3,369	210,101	181,276	32	28,793	25 & 50
Tools and patterns	251,115	234,226	283	16,606	4,755 (18,965)	-	10,833 (18,959)	2,426	6	236,905	226,100	2,709	8,096	50 & 100
	2,955,731	1,547,504	28,751	1,379,476	48,353 (139,734)	(653,752)*	149,819 (135,626) (23,360)*	80,902	4,108 (630,392)*	2,210,598	1,538,337	109,653	562,608	

14.2 Property, plant and equipment include items, having an aggregate cost of Rs 544.701 million (2014: Rs 938.439 million), which have been fully depreciated and are still in use of the Company.

14.3 Details of property, plant and equipment disposed off during the year

	Original cost	Accumulated depreciation and impairment	Net book value	Sale proceeds	Mode of disposal	Name and address of purchaser
	(Rupees in ,000)					
Plant and machinery						
CNC Automatic Crimping Machine	10,729	8,166	2,563	5,290	Negotiations	Thal Limited (Engineering Division), Plot No. 1,2,25 &26, Sector 22, Korangi Industrial Area, Karachi
Items with book value below Rs 50,000 each	77,569	77,550	19	12,957	Various	Various
	88,298	85,716	2,582	18,247		
Furniture and fixtures						
CCTV System	360	246	114	–	Scrapped	
Items with book value below Rs 50,000 each	5,829	5,795	34	284	Various	Various
	6,189	6,041	148	284		
Office equipment						
I Phone	74	23	51	–	Scrapped	
Laptop	210	134	76	–	Scrapped	
Laptop	211	117	94	–	Scrapped	
Laptop	94	10	84	–	Theft	
Laptop	94	16	78	–	Theft	
Laptop	86	10	76	64	Insurance claim	
Items with book value below Rs 50,000 each	14,792	14,388	404	146	Various	Various
	15,561	14,698	863	210		
Vehicles						
Items with book value below Rs 50,000 each	19,974	19,974	–	3,469	Various	Various
	19,974	19,974	–	3,469		
Tools and patterns						
Items with book value below Rs 50,000 each	19,008	19,008	–	4,917	Various	Various
	19,008	19,008	–	4,917		
September 30, 2015	149,030	145,437	3,593	27,127		
September 30, 2014	139,734	135,626	4,108	29,324		

15. INTANGIBLE ASSETS

	Note	2015 (Rupees in '000)	2014
Software	15.1	189	385
Software under development		-	200
		<u>189</u>	<u>585</u>

15.1 Software

	As at October 1, 2014			During the year ended September 30, 2015				As at September 30, 2015			
	Cost	Accumulated amortisation	Net book value	Additions / (write off)	Transferred to non-current assets classified as held for sale *	Amortisation / (on write off) (on transfer) *	Net book value of write off / transfer *	Cost	Accumulated amortisation	Net book value	Amortisation rate as a % of cost
	(Rupees in '000)										
2015	82,051	81,666	385	200 (450)	(225)	396 (450) (225) *	- - *	81,576	81,387	189	33.33
2014	87,838	87,102	736	- (5,787)	-	351 (5,787)	-	82,051	81,666	385	33.33

15.2 Intangible assets include items, having an aggregate cost of Rs 81.141 million (2014: Rs 81.013 million), which have been fully amortised and are still in use of the Company.

16. Depreciation and amortisation have been allocated as follows:

	Note	Depreciation	Amortisation	2015 Total	2014 Total
		(Rupees in '000)			
Cost of sales	27.1	71,981	308	72,289	117,791
Marketing and selling expenses	28	15,672	67	15,739	22,977
General administrative expenses	29	4,972	21	4,993	9,402
		<u>92,625</u>	<u>396</u>	<u>93,021</u>	<u>150,170</u>

17. LONG-TERM LOANS AND TRADE RECEIVABLES

	Note	2015 (Rupees in '000)	2014
Loans			
Considered good - secured			
Due from non-executive employees		799	890
Receivable within one year shown under current assets	22	(509)	(736)
Long term portion		290	154
Discounting to present value		(42)	(92)
		<u>248</u>	<u>62</u>
Trade receivables			
Considered good		266,404	190,472
Considered doubtful		14,465	12,433
		<u>280,869</u>	<u>202,905</u>
Provision for doubtful trade receivables		(14,465)	(12,433)
Discounting to present value		(16,977)	(14,823)
		<u>249,427</u>	<u>175,649</u>
		<u>249,675</u>	<u>175,711</u>

18. DEFERRED TAX ASSET

Note	2015 (Rupees in '000)	2014
Debit / (credit) balances arising in respect of:		
Unadjusted tax losses / tax credits	703,175	687,442
Provisions	693,407	712,924
Remeasurement loss on defined benefit plan	68,841	80,635
Discounting of long-term receivables	4,232	3,828
Accelerated tax depreciation and amortisation	(41,290)	(30,834)
18.1	<u>1,428,365</u>	<u>1,453,995</u>

18.1 The Company has not recognised deferred tax asset of Rs 305.648 million (2014: Rs 232.923 million) in respect of minimum tax and Rs 83.625 million (2014: Nil) in respect of unadjusted tax losses in these financial statements in accordance with the policy as stated in note 3.7.2 to the financial statements. Minimum tax amounting to Rs 51.985 million, Rs 102.753 million, Rs 78.185 million and Rs 72.725 million will expire in 2017, 2018, 2019 and 2020 respectively and unadjusted tax loss amounting to Rs 83.625 million will expire in 2020.

19. INVENTORIES

Note	2015 (Rupees in '000)	2014
Raw materials and components	901,475	1,198,940
Work-in-process	942,096	912,007
Finished goods	467,450	677,084
	<u>2,311,021</u>	<u>2,788,031</u>
Provision for slow moving and obsolete items	(495,493)	(566,935)
	<u>1,815,528</u>	<u>2,221,096</u>
Goods-in-transit	275,663	96,139
	<u>2,091,191</u>	<u>2,317,235</u>
Transferred to assets classified as held for sale	(799,586)	-
19.1	<u>1,291,605</u>	<u>2,317,235</u>
19.2		

19.1 These include items, costing Rs 185.790 million, valued at their net realisable value of Rs 152.590 million.

19.2 These include items, costing Rs 196.625 million (2014: Rs 727.403 million) valued at their net realisable value of Rs 186.376 million (2014: Rs 562.076 million).

20. TRADE RECEIVABLES

Note	2015 (Rupees in '000)	2014
Considered good		
Due from related parties	24,679	10,523
Due from others	4,340,706	4,222,671
	<u>4,365,385</u>	<u>4,233,194</u>
Considered doubtful - others	902,894	1,079,519
	<u>5,268,279</u>	<u>5,312,713</u>
Provision for doubtful receivables	(902,894)	(1,079,519)
	<u>4,365,385</u>	<u>4,233,194</u>
Transferred to assets classified as held for sale	(190,368)	-
	<u>4,175,017</u>	<u>4,233,194</u>

20.1 Represents amounts due from Rousch (Pakistan) Power Limited.

20.2 For ageing analysis and movement of provision, refer note 44.2.

21. DUE AGAINST CONSTRUCTION WORK IN PROGRESS

Considered good	1,918,572	3,297,991
Considered doubtful	130,804	120,432
	<u>2,049,376</u>	<u>3,418,423</u>
Provision for doubtful construction work in progress	(130,804)	(120,432)
	<u>1,918,572</u>	<u>3,297,991</u>

22. LOANS AND ADVANCES

	Note	2015 (Rupees in '000)	2014
Considered good			
Current portion of loans due from non-executive employees	17	509	736
Advances to:			
Suppliers		65,070	31,632
Executive employees		5,464	2,623
Non-executive employees		9,066	6,841
		79,600	41,096
		80,109	41,832
Transferred to assets classified as held for sale		(1,469)	-
		78,640	41,832

23. DEPOSITS AND SHORT-TERM PREPAYMENTS

Deposits			
Considered good		105,710	96,032
Considered doubtful		22,177	24,109
		127,887	120,141
Provision for doubtful deposits		(22,177)	(24,109)
		105,710	96,032
Prepayments		26,861	20,945
		132,571	116,977
Transferred to assets classified as held for sale		(44,177)	-
		88,394	116,977

24. OTHER RECEIVABLES

Considered good			
Sales tax refundable		113,308	94,522
Interest accrued		23,998	20,265
Others		117,514	139,496
		254,820	254,283
Considered doubtful			
Sales tax refundable		51,772	51,772
Others		164,642	135,125
		216,414	186,897
		471,234	441,180
Provision against doubtful other receivables		(216,414)	(186,897)
		254,820	254,283
Transferred to assets classified as held for sale		(5,203)	-
		249,617	254,283

25. CASH AND BANK BALANCES

With banks in			
Current accounts		584,367	462,883
Deposit account		-	191,909
		584,367	654,792
Cheques in hand		93,275	396,946
Cash in hand		1,560	1,254
		679,202	1,052,992

2015 2014
(Rupees in '000)

Note

26. NET SALES AND SERVICES

Execution of contracts - outside Pakistan	793,082	1,157,327
- local	2,146,071	2,716,227
	2,939,153	3,873,554
Sale of goods - outside Pakistan	7,158	3,941
- local	5,199,646	4,828,581
	5,206,804	4,832,522
Rendering of services - outside Pakistan	68,049	209,182
- local	1,052,903	865,824
	1,120,952	1,075,006
	9,266,909	9,781,082
Sales Tax	1,350,628	1,424,411
Gross sales and services	10,617,537	11,205,493
Sales tax	(1,350,628)	(1,424,411)
	9,266,909	9,781,082

27. COST OF SALES AND SERVICES

Opening inventory of finished goods	19	677,084	568,301
Cost of goods manufactured and services rendered	27.1	7,578,300	8,475,659
Finished goods purchased		985,085	709,496
		9,240,469	9,753,456
Closing inventory of finished goods	19	(467,450)	(677,084)
		8,773,019	9,076,372

27.1 Cost of goods manufactured and services rendered

	Note	2015 (Rupees in '000)	2014
Opening inventories			
Raw materials and components	19	1,198,940	886,892
Work-in-process	19	912,007	675,628
Goods-in-transit	19	96,139	364,756
		2,207,086	1,927,276
Purchase of goods and services		4,981,577	5,885,217
Salaries, wages and employees welfare expenses		1,065,842	1,555,558
Gratuity		53,005	51,623
Provident fund contribution		25,655	24,847
Royalty		35,264	20,752
Commission		18,371	10,051
Fuel, power and water		174,664	200,164
Repairs and maintenance		102,149	116,205
Rent, rates and taxes		176,808	123,275
Vehicle lease rentals		17,498	7,031
Provision for liquidated damages		1,923	22,249
Provision / (reversal of provision) for warranty		58,650	(108,182)
Provision / (reversal of provision) for losses on sales contracts		98,769	(156,950)
Insurance		48,984	52,368
(Reversal of provision) / provision for slow moving and obsolete items of inventories-net		(71,442)	156,566
Inventories written off		1,655	10,042
IT, networking and data communication		81,231	102,099
Depreciation and amortisation	16	72,289	117,791
(Reversal of impairment) / impairment on property, plant and equipment	14.1	(52,692)	80,902
Travelling and conveyance		184,446	175,954
Transportation		101,076	80,573
Stationery, telex and telephone		37,128	30,104
Security		72,361	53,878
Exchange loss - net		129,362	119,347
Legal and professional charges		11,440	17,777
Bank charges		48,590	31,543
Others		61,279	42,145
		9,742,968	10,750,205
Closing inventories			
Raw materials and components	19	(901,475)	(1,198,940)
Work-in-process	19	(942,096)	(912,007)
Goods-in-transit	19	(275,663)	(96,139)
		(2,119,234)	(2,207,086)
		7,623,734	8,543,119
Sale of scrap		(45,434)	(67,460)
		7,578,300	8,475,659

28. **MARKETING AND SELLING EXPENSES**

	Note	2015 (Rupees in '000)	2014
Salaries and employees welfare expenses		355,515	357,951
Gratuity		23,994	25,405
Provident fund contribution		12,202	11,669
Fuel, power and water		25,680	30,392
Repairs and maintenance		22,890	15,475
Rent, rates and taxes		16,847	13,877
Vehicle lease rentals		18,573	8,544
Advertising and sales promotion		28,280	34,431
Insurance		13,124	13,968
Reversal of provision for doubtful trade receivables - net		(174,155)	(64,542)
Provision for doubtful construction work in progress		10,372	22,523
Provision for doubtful deposits and other receivables- net		27,585	78,921
Discounting of long-term loans and trade receivables		2,104	3,031
IT, networking and data communication		21,347	28,975
Depreciation and amortisation	16	15,739	22,977
Travelling and conveyance		52,717	49,797
Transportation		2,769	1,014
Stationery, telex and telephone		15,798	11,642
Security		3,859	4,411
Legal and professional charges		5,896	20,600
Bank charges		2,558	2,574
Others		36,478	29,425
		<u>540,172</u>	<u>723,060</u>
Commission income		(96,976)	(205,171)
Sale of scrap		(1,743)	(1,486)
		<u>441,453</u>	<u>516,403</u>

29. **GENERAL ADMINISTRATIVE EXPENSES**

Salaries and employees welfare expenses		94,371	119,718
Gratuity		6,137	6,579
Provident fund contribution		2,402	3,424
Fuel, power and water		7,573	7,725
Repairs and maintenance		5,244	8,230
Rent, rates and taxes		2,964	4,526
Vehicle lease rentals		3,977	2,539
Insurance		717	1,272
IT, networking and data communication		10,479	18,046
Auditors' remuneration	36	6,352	5,132
Depreciation and amortisation	16	4,993	9,402
Travelling and conveyance		8,380	11,421
Stationery, telex and telephone		3,265	3,460
Security		1,619	2,285
Legal and professional charges		465	6,262
Bank charges		634	1,521
Others		11,302	26,070
		<u>170,874</u>	<u>237,612</u>
Sale of scrap		(134)	(170)
		<u>170,740</u>	<u>237,442</u>

2015 2014
(Rupees in '000)

30. OTHER INCOME AND OTHER OPERATING EXPENSES

Gain on sale of property, plant and equipment	23,534	25,216
Liabilities written back	31,431	63,147
Rental income	3,675	1,898
Other income	58,640	90,261
Expenses in connection with disposal transaction (AHFS)	95,467	-
WWF	1,381	-
Other operating expenses	96,848	-
Net other operating (expenses) / income	(38,208)	90,261

31. FINANCIAL INCOME AND EXPENSES

Interest on trade and other receivables	3,734	4,992
Income on amounts placed with banks under deposit accounts and TDRs	2,036	1,295
Financial income	5,770	6,287
Interest on short-term borrowings	133,314	237,255
Interest on trade and other payables	13,720	12,918
Commission on guarantees	38,105	31,893
Financial expenses	185,139	282,066
Net finance costs	(179,369)	(275,779)

32. INCOME TAX

Current	178,518	193,494
Deferred	13,836	95,648
	192,354	289,142

32.1 During the year, provision for current tax is based on minimum tax. Accordingly, tax reconciliation is not presented in these financial statements.

33. BASIC AND DILUTED (LOSS) / EARNINGS PER SHARE

2015 2014
(Rupees in '000)

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

(Loss) / profit for the year from continuing operations	(386,265)	143,577
Loss for the year from discontinued operations	(141,969)	(667,372)
Loss for the year	(528,234)	(523,795)

(No. of shares)

Weighted average number of Ordinary shares	8,247,037	8,247,037
--	-----------	-----------

(Rupees)

From continuing operations	(46.84)	17.41
From discontinued operations	(17.21)	(80.92)
Basic and diluted loss per share	(64.05)	(63.51)

34. CASH GENERATED FROM OPERATIONS

Loss before tax for the year	(335,880)	(234,653)
Adjustment for non-cash expenses:		
Depreciation and amortisation	93,021	150,170
(Reversal of impairment) / impairment on property, plant and equipment	(52,692)	80,902
(Reversal of provision) / provision for slow moving and obsolete items of inventories-net	(71,442)	156,566
Reversal of provision for doubtful trade receivables - net	(174,155)	(64,542)
Provision for doubtful construction work in progress	10,372	22,523
Provision for doubtful deposits and other receivables- net	27,585	78,921
Discounting of long-term loans and trade receivables	2,104	3,031
Gain on sale of property, plant and equipment	(23,534)	(25,216)
Liabilities written back	(31,431)	(63,147)
Gratuity	83,136	83,607
Financial expenses	185,139	282,066
Financial income	(5,770)	(6,287)
Adjustment for other items:		
Long-term loans and trade receivables	(78,100)	362,133
Long-term deposits and prepayments	226	(10,719)
Retention money payable	(9,485)	(22,788)
Other non-current liabilities	3,583	(1,529)
Working capital changes	2,431,915	1,026,490
	2,054,592	1,817,528

34.1

34.1 Working capital changes

(Increase) / decrease in current assets

Inventories	297,486	(388,593)
Trade receivables	43,996	1,788,075
Due against construction work in progress	1,369,047	678,602
Loans and advances	(38,277)	43,205
Deposits and short-term prepayments	(13,662)	41,239
Other receivables	(26,321)	4,681
	1,632,269	2,167,209

Increase / (decrease) in current liabilities

Trade and other payables	705,412	(469,024)
Provisions	94,234	(671,695)
	799,646	(1,140,719)
	2,431,915	1,026,490

35. CASH AND CASH EQUIVALENTS

Cash and bank balances	25	679,202	1,052,992
Short-term running finances	11	(212,209)	(760,233)
		466,993	292,759

36. AUDITORS' REMUNERATION

	2015	2014
	(Rupees in '000)	
Audit fee	3,587	3,544
Special reports and certifications, review of half yearly interim financial statements, audits of Workers' Profits Participation Fund and Gratuity Fund	1,379	788
Out of pocket expenses	1,386	800
	<u>6,352</u>	<u>5,132</u>

37. LONG-TERM CONSTRUCTION CONTRACTS

Contract revenue to date	13,729,716	20,411,225
Contract costs incurred to date	13,606,425	19,301,287
Gross profit realised to date	123,291	1,109,938
Advances received	1,049,878	1,049,096
Retention money receivable	1,534,359	1,353,396
Gross amount due from customers	<u>3,583,474</u>	<u>3,775,658</u>

- 37.1 As part of application of percentage of completion method on contract accounting, the plan costs are estimated. These estimates are based on the prices of materials and services applicable at that time, forecasted increases and expected completion date at the time of such estimation. Such estimates are reviewed at regular intervals. Any subsequent changes in the prices of materials and services compared to forecasted prices and changes in the time of completion affect the results of the subsequent periods.

38. PROVIDENT FUND

	Note	2015	2014
		(Rupees in '000)	
Size of the fund		594,918	487,693
Cost of investments made	38.1	512,866	476,567
Percentage of investments made		86%	98%
Fair value of investments		551,405	476,597

- 38.1 Break-up of investments in terms of amount and percentage of the size of the Fund are as follows:

	2015		2014	
	Investments (Rs '000)	% of investment as size of the fund	Investments (Rs '000)	% of investment as size of the fund
Pakistan Investment Bonds	412,866	81%	133,012	28%
Treasury Bills	100,000	19%	310,240	65%
Term Deposit Receipts	-	-	25,000	5%
Term Finance Certificates	-	-	8,315	2%
	<u>512,866</u>	<u>100%</u>	<u>476,567</u>	<u>100%</u>

The financial year end of the Provident Fund of the Company is June 30 each year. The above information is based on unaudited financial statements of the Provident Fund.

Investments out of provident fund have been made in accordance with the provisions of the section 227 of the Companies Ordinance, 1984 and the rules formulated for this purpose.

39. EMPLOYEES

	2015	2014
Number of employees	786	829
Average during the year	799	928

40. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in these financial statements in respect of remuneration and fringe benefits of the chief executive, directors and executives of the Company are as follows:

	2015		2014	
	Chief Executive	Executives	Chief Executive	Executives
	Rupees in '000)			
Salaries and allowances - fixed	34,653	650,112	43,951	623,818
Salaries and allowances - variable including bonus	13,323	232,423	26,592	278,460
Compensation for loss of office - adjustment	–	(7,398)	–	47,270
Retirement benefits and Company's contribution to provident fund	3,742	65,052	–	71,305
Perquisites and benefits:				
- Group insurance and medical / social security	870	13,566	3,168	11,601
- Share based benefits	1,377	1,943	1,422	2,622
- Long service bonus	–	800	–	552
- House maintenance, utilities and club membership	129	1,500	64	1,200
	54,094	957,998	75,197	1,036,828
Number of persons	1	326	1	314

40.1 In addition to the above, the Chief Executive has also been provided with a Company maintained furnished accommodation and two cars alongwith security. Further, an executive has also been provided with a Company maintained furnished accommodation and a car alongwith security.

40.2 The aggregate amount charged in these financial statements in respect of directors' fee paid to two directors (2014: two) was Rs 3.162 million (2014: Rs 3.223 million).

40.3 Certain executives of the Company are also provided with free use of Company's cars and Generating sets in accordance with their entitlements.

40.4 The above balances include an amount of Rs 91.277 million (2014: Rs 114.924 million) on account of compensation to key management personnel, the details of which are as follows:

	2015	2014
	(Rupees in '000)	
Short-term benefits	81,761	108,254
Post-employment benefits	7,383	3,057
Other long-term benefits	69	344
Share based benefits	2,064	3,269
	91,277	114,924

41. SHARE BASED PAYMENTS

Certain employees are entitled to participate in the share based payment plans of Siemens AG. Siemens AG grants stock awards as a form of share-based payment to the employees. These awards are subject to a restriction period of three to four years. Stock awards forfeit if the employment with the Company terminates prior to the expiration of the restriction period and can not be transferred, sold, pledged or otherwise encumbered.

The allocation of stock awards as a share-based payment has been increasingly tied to corporate performance criteria. The target achievement for the performance criteria ranges between 0% and 200%.

Half of the annual target amount for stock awards is based on the average of earnings per share of the past three fiscal years of Siemens AG. The target attainment determines the number of stock awards upon allocation.

The other half of the annual target amount for stock awards is based on the share price performance of Siemens AG's shares relative to the share price performance of five important competitors during the restriction period. The target attainment is determined during the restriction period for the stock awards and accordingly, determines the number of Siemens AG's Shares ultimately transferred following the restriction period.

Further, the Share Matching Plan gives employees an opportunity to invest in Siemens AG's shares. After a holding period of three years, the Company will match every three shares bought with one free share.

These stocks are remeasured to their fair value at each reporting date. Details of stock awards are as follows:

	2015	2014
	Number of Awards	
Balance as at beginning of the year	1,600	990
Granted during the year	603	967
Paid during the year	-	(357)
Expired / forfeited during the year	(137)	-
Balance as at end of the year	2,066	1,600

Total expenses for share based benefits during the year ended September 30, 2015 was Rs 3.419 million (2014: Rs 4.549 million). The liabilities as of September 30, 2015 aggregated to Rs 8.387 million (2014: Rs 5.848 million) and is reported under accrued liabilities and other non-current liabilities.

42. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of Siemens AG (parent company), its subsidiaries and associates and other companies with common directorship with significant influence on other companies, employees retirement benefit funds and key management employees. Transactions with related parties can be summarised as follows:

	Note	2015 (Rupees in '000)	2014
Parent company			
Sales of goods and rendering of services		71,718	312,402
Purchases of goods and receipt of services		1,537,970	1,760,145
Commission and allowances earned		26,702	94,083
Liability written back		-	60,567
Dividends paid		61,568	123,136
Associated companies			
Sales of goods and rendering of services		418,965	115,698
Purchases of goods and receipt of services		915,430	584,783
Commission and allowances earned		70,274	105,989
Financial expenses		7,547	6,635
Others			
Dividends paid		5	10
Contribution to employees' retirement benefits		123,395	123,548
Compensation to key management personnel	40.4	91,277	114,924
Sale of a vehicle		-	470

- 42.1 Amounts due from and due to related parties, amounts due from executives and remuneration of the Chief Executive, directors and executives are disclosed in the relevant notes to these financial statements.

43. PLANT CAPACITY AND ACTUAL PRODUCTION

	Capacity 2015	Actual Production 2015	Actual Production 2014
Electric transformers	1,320 MVA	373 MVA	510 MVA (*)
Switchgears & distribution boards	4,500 Nos.	2,510 Nos.	1,895 Nos.

(*) Achieved against the annual capacity of 1,731 MVA during the year 2014.

- 43.1 The under utilisation is mainly attributed to reduced demand.

44. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities mainly comprise trade and other payables and short-term borrowings. The main purpose of financial liabilities is to raise finance for the Company's operations. The Company's financial assets comprise loans to employees, deposits, trade and other receivables and cash and bank balances. The Company is exposed to market risk, credit risk and liquidity risk.

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

44.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and equity price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company manages its foreign currency risk by hedging its exposure to fluctuations on the translations into Rupees through derivatives such as forward covers against its foreign currency denominated payables and receivables, where possible in line with the regulations of State Bank of Pakistan. In respect of anticipated future transactions, the following have been taken at the balance sheet date to hedge the foreign currency liabilities.

	2015	2014
	(Rupees in '000)	
Forward exchange contracts		
- Purchased value	149,279	22,421
- Fair value	149,320	22,191
Options		
- Purchased value	24,778	-
- Fair value	24,397	-

The Company's exposure to foreign currency risk in major currencies at their gross values is as follows:

	2015	2014
	(AED in '000)	
Trade and other receivables	49,540	74,597
Cash and bank balances	3	837
Trade and other payables	(10,835)	(12,557)
Short-term running finances	(1)	(8,478)
	38,707	54,399

	2015	2014
	(EUR in '000)	
Trade and other receivables	3,270	3,393
Trade and other payables	(8,700)	(4,822)
	<u>(5,430)</u>	<u>(1,429)</u>

	2015	2014
	(USD in '000)	
Trade and other receivables	5,668	7,589
Cash and bank balances	5,535	4,101
Trade and other payables	(15,631)	(10,969)
	<u>(4,428)</u>	<u>721</u>

The following is the demonstration of the sensitivity to a reasonably possible change in exchange rate of all currencies applied to assets and liabilities as at September 30, 2015 represented in foreign currencies, with all other variables held constant, of the Company's loss before tax.

	2015	2014
Change in exchange rate	± 1%	1%
Effect on loss before tax (Rs '000)	± 298	14,003

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's running finances.

The Company's policy is to keep its short-term running finances at the lowest level by effectively utilising the positive cash and bank balances. Further, the Company also minimises the interest rate risk by investing in fixed rate investments like Term Deposit Receipts, where possible.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was as follows:

	2015	2014	2015	2014
	Effective rates (%)		(Rupees in '000)	
Financial Assets				
Cash and bank balances	-	7.00	-	191,909
Financial Liabilities				
Short-term running finances (AED)	2.48	2.45	20	236,835
Short-term borrowings (Rs)	8.83	10.45	212,189	1,949,878
			<u>212,209</u>	<u>2,186,713</u>

A change of 100 basis points (1%) in interest rates at the reporting date would have changed the Company's loss before tax for the year by the amount shown below, with all other variables held constant.

	2015	2014
Change in interest rate	± 1%	1%
Effect on loss before tax (Rs '000)	± 6,301	28,074

Equity price risk

Equity price risk is the risk of loss arising from movements in prices of equity investments. The Company is not exposed to any equity price risk, as the Company does not have any investment in equity shares.

44.2 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail completely to perform as contracted. It mainly comprise of trade receivables, due against construction work in progress, advances to suppliers, trade deposits and bank balances. The Company's maximum exposure to credit risk at the reporting date is as follows:

	2015	2014
	(Rupees in '000)	
Category - Loans and receivables		
Loans to employees	757	798
Advances to employees	14,530	9,464
Advances to suppliers	65,070	31,632
Trade deposits	110,479	100,801
Trade receivables	4,424,444	4,408,843
Due against construction work in progress	1,918,572	3,297,991
Other receivables	188,081	211,533
Bank balances	677,642	1,051,738
	7,399,575	9,112,800

Concentration of credit risk

The sector wise analysis of receivables including trade receivables, due against construction work in progress, advances to suppliers and trade deposits based on their gross values is given below:

	2015		2014	
	(Rupees in '000)	%	(Rupees in '000)	%
Government sector				
Energy	3,705,874	46	3,856,457	41
Aviation	772,864	9	944,891	10
Housing	481,190	6	482,553	5
Communication	177,617	2	86,667	1
Civil works	149,444	2	206,752	2
Health	89,556	1	148,470	2
Education	-	-	63,676	1
Fertilizer	58,634	1	2,818	0
Others	165,776	2	141,721	1
Sub-total	5,600,955	69	5,934,005	63
Private sector				
Energy	1,658,738	21	2,604,104	28
Sugar	157,183	2	190,662	2
Health	119,499	1	81,352	1
Dealers and agents	76,756	1	101,886	1
Housing	53,504	1	16,947	-
Communication	30,824	-	49,016	1
Civil works	41,828	1	134,639	1
Fertilizer	40,066	0	2,821	-
Cement	36,124	1	9,718	0
Beverages	34,057	1	-	-
Petroleum	27,304	-	21,743	-
Shipping	22,155	-	20,760	-
Banks	19,981	-	3,447	-
Packaging	15,100	-	44,410	1
Others	146,808	2	164,218	2
Sub-total	2,479,927	31	3,445,723	37
Total	8,080,882	100	9,379,728	100

Trade receivables

To mitigate the credit risk against trade receivables, the Company has a system of assigning credit limits to its customers based on an extensive credit rating scorecards. Outstanding customer receivables are regularly monitored. The Company endeavors to cover the credit risks on trade receivables, where possible, by restricting credit facility to the projects which are financed by multilateral financial institutions and / or financed by special allocation of funds by the provincial / federal governments. Business with customers is also secured by way of letters of credits where possible. As at September 30, 2015, trade receivables amounting to Rs 752.337 million (2014: Rs 885.310 million) were secured through letters of credit.

The ageing of trade receivables at the reporting date is as follows:

	2015	2014
	(Rupees in '000)	
Related parties		
Not yet due	9,692	10,491
Past due 1-180 days	15,236	-
Past due 181-360 days	-	161
	24,928	10,652
Less: Provision for impairment	(249)	(129)
	24,679	10,523
Others		
Not yet due	3,265,986	3,254,700
Past due 1-180 days	891,784	874,471
Past due 181-360 days	334,081	248,242
Past due 361-720 days	215,649	272,307
Past due 721-1080 days	107,866	314,467
Over 1080 days	708,854	540,779
	5,524,220	5,504,966
Less: Provision for impairment	(917,110)	(1,091,823)
Less: Discounting on long-term receivables	(16,977)	(14,823)
	4,590,133	4,398,320
	4,614,812	4,408,843

The movement in the provision for impairment in respect of trade receivables during the year was as follows:

	2015	2014
	(Rupees in '000)	
Balance at beginning of the year	1,091,952	1,213,409
Provision reversed during the year - net	(174,155)	(64,542)
Provision utilised against write offs	(438)	(56,915)
Balance at end of the year	917,359	1,091,952

Trade deposits and other receivables

The movement in the provision for impairment in respect of trade deposits and other receivables during the year was as follows:

	2015	2014
	(Rupees in '000)	
Balance at beginning of the year	211,006	134,157
Provision reversed during the year - net	27,585	78,921
Provision utilised against write offs	-	(2,072)
Balance at end of the year	238,591	211,006

Cash and bank balances

The Company keeps its surplus funds with the banks having good credit rating. Currently the surplus funds are kept with banks having rating of A1+.

44.3 Liquidity risk

Liquidity risk is the risk that the Company will not be able meet its financial obligations as they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the Company's business, the treasury maintains flexibility in funding by maintaining availability under control committed credit lines. The facilities available to the Company have been detailed in notes 11.1 to 11.3 to these financial statements.

The table below summarises the maturity profile of the Company's financial liabilities as at the reporting date.

	Carrying amount	Less than 12 months	1 to 2 years	2 to 5 years
	----- (Rupees in '000) -----			
Financial liabilities				
2015				
Long-term retention money	1,280	-	1,280	-
Trade and other payables	4,519,261	4,519,261	-	-
Short-term borrowings	212,209	212,209	-	-
	<u>4,732,750</u>	<u>4,731,470</u>	<u>1,280</u>	<u>-</u>
2014				
Long-term retention money	10,765	-	10,765	-
Trade and other payables	4,148,213	4,148,213	-	-
Short-term borrowings	2,186,713	2,186,713	-	-
	<u>6,345,691</u>	<u>6,334,926</u>	<u>10,765</u>	<u>-</u>

45. FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The carrying values of all financial assets and liabilities are estimated to approximate their fair values.

46. CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain a strong capital base.

The Company manages its capital structure by monitoring return on net assets and makes adjustment to it in the light of changes in economic conditions.

The Company is not subject to externally imposed capital requirements.

As of balance sheet date, the Company does not have any long-term interest bearing loan.

47. INFORMATION ABOUT OPERATING BUSINESS SEGMENTS

Divisions	(All rupees in '000)											
	Business Units											
	Power and Gas	Transmission Solutions	Transformers	Medium Voltage & Systems	Others	Total	Logistics & Airport Solutions	Digital Factory	Process Industries & Drives	Healthcare	Eliminations	Company as a whole
2015												
REVENUE												
Sales to external customers	573,459	1,985,997	660,936	1,999,261	666,806	5,313,000	379,387	1,015,820	1,367,308	617,935	-	9,266,909
Inter-segment sales	-	100	115,296	287,202	356,129	758,727	-	68,143	590	-	(827,460)	-
Total revenue	573,459	1,986,097	776,232	2,286,463	1,022,935	6,071,727	379,387	1,083,963	1,367,898	617,935	(827,460)	9,266,909
RESULT												
Segment result	187,554	(335,439)	(185,115)	161,296	124,346	(234,912)	(297,793)	77,840	65,699	53,115	-	(148,497)
Interest expense	-	-	-	-	-	-	-	-	-	-	-	(133,268)
Interest income	-	-	-	-	-	-	-	-	-	-	-	2,036
Other operating income	-	-	-	-	-	-	-	-	-	-	-	3,675
Others	-	-	-	-	-	-	-	-	-	-	-	(59,826)
Income tax	-	-	-	-	-	-	-	-	-	-	-	(192,354)
Net loss for the period	-	-	-	-	-	-	-	-	-	-	-	(528,234)
OTHER INFORMATION												
Capital expenditure	2,925	2,343	3,719	8,819	1,327	16,208	3,101	2,582	5,518	3,057	-	-
Depreciation, impairment and amortisation	6,139	3,617	(29,288)	11,971	1,047	(12,653)	5,049	1,909	11,987	1,951	-	-
Non-cash expenses other than depreciation and amortisation	(31)	15	1,517	591	58	2,181	(570)	1,148	(1,296)	62	-	-
ASSETS AND LIABILITIES												
Segment assets	100,952	3,977,524	760,087	1,181,880	578,413	6,497,904	802,814	572,617	798,466	481,018	-	9,253,771
Segment liabilities	817,809	2,463,335	516,061	894,701	493,879	4,367,776	519,447	516,666	691,609	413,268	-	7,326,575
2014												
REVENUE												
Sales to external customers	681,328	3,314,072	761,839	1,646,969	642,430	6,365,310	245,646	293,900	1,788,820	406,078	-	9,781,082
Inter-segment sales	-	-	238,937	220,048	327,575	786,560	815	31,319	33,622	-	(852,316)	-
Total revenue	681,328	3,314,072	1,000,776	1,867,017	970,005	7,151,870	246,461	325,219	1,822,442	406,078	(852,316)	9,781,082
RESULT												
Segment result	326,119	229,896	(946,301)	171,993	99,630	(444,782)	79,229	(18,577)	64,992	23,086	-	30,067
Interest expense	-	-	-	-	-	-	-	-	-	-	-	(237,255)
Interest income	-	-	-	-	-	-	-	-	-	-	-	1,295
Other operating income	-	-	-	-	-	-	-	-	-	-	-	1,898
Others	-	-	-	-	-	-	-	-	-	-	-	(30,658)
Income tax	-	-	-	-	-	-	-	-	-	-	-	(289,142)
Net profit for the period	-	-	-	-	-	-	-	-	-	-	-	(523,795)
OTHER INFORMATION												
Capital expenditure	5,498	5,249	1,864	6,523	1,551	15,187	823	383	8,780	2,322	-	-
Depreciation and amortisation	5,402	3,338	44,527	9,424	770	58,059	5,360	253	28,405	1,403	-	-
Non-cash expenses other than depreciation and amortisation	20	24	(669)	484	15	(146)	502	(9)	76	(28)	-	-
ASSETS AND LIABILITIES												
Segment assets	131,684	5,247,565	946,430	981,834	620,620	7,796,449	996,536	172,330	1,196,966	299,324	-	10,593,289
Segment liabilities	703,077	2,427,578	636,944	794,634	445,118	4,304,274	475,694	156,657	991,302	196,150	-	6,827,154

- 47.1 The Company is operating through business divisions, namely Power and Gas (PG), Energy Management (EM), Digital Factory (DF), Process Industries and Drives (PD), Logistics & Airport Solutions (LAS) and Healthcare (HC). The PG Division includes supply, installation, commissioning and related services of power plant and related equipment. EM Division mainly relates to execution of sub-station projects under contracts, supply of transformers, switchboards and panels, supply and installation of sub-station automation and telecommunication systems, transmission, and distribution equipment and related services. DF and PD Divisions include designing, engineering services, information technology services and supply and installation of motors and drives etc. LAS Division includes designing, engineering and construction services in electrical field relating to airport projects. HC includes supply and services of healthcare equipment.

The Company has changed the composition of its reportable segment and Sector levels in the organisation are replaced by the Divisions with effect from October 1, 2014. Accordingly, the comparative segment information relating to revenue, results and certain other information for the year ended September 30, 2014 and assets and liabilities as at September 30, 2014 has been restated to bring it in line with the current organisation structure of the Company.

47.2 **Geographical information**
Revenues from external customers

	2015	2014
	(Rupees in '000)	
Pakistan	8,001,786	8,301,455
Afghanistan	734,512	957,154
United Arab Emirates	263,770	211,675
Germany	192,675	158,666
Others	74,166	152,132
	<u>9,266,909</u>	<u>9,781,082</u>

The revenue information above is based on the location of customers.

Non-current assets

Pakistan	255,758	633,118
United Arab Emirates	123,730	124,259
Afghanistan	27,002	1,766
	<u>406,490</u>	<u>759,143</u>

Non-current assets for this purpose consist of property, plant and equipment, intangible assets and other long-term receivables except for deferred tax asset.

- 47.3 Transfer prices between operating segments are on commercial terms and conditions.

47.4 **Segment assets and liabilities**

Reportable segments' assets are reconciled to total assets as follows:

	2015	2014
	(Rupees in '000)	
Segment assets for reportable segments	9,253,771	10,593,289
Corporate assets	933,929	936,788
Unallocated		
Deferred tax asset	1,428,365	1,453,995
Cash and bank balances	679,202	1,052,992
Others	131,031	120,970
Total assets as per balance sheet	<u>12,426,298</u>	<u>14,158,034</u>

Reportable segments' liabilities are reconciled to total liabilities as follows:

	2015	2014
	(Rupees in '000)	
Segment liabilities for reportable segments	7,326,575	6,827,154
Corporate liabilities	397,040	148,754
Unallocated		
Trade and other payables	533,892	490,688
Short-term borrowings	212,189	1,949,878
Taxation - net	753,151	952,941
Total liabilities as per balance sheet	9,222,847	10,369,415

Segment assets include all operating assets used by a segment and consist principally of receivables, inventories and property, plant and equipment, net of impairment and provisions but do not include deferred taxes. Segment liabilities include all operating liabilities and consist principally of accounts payable, advances and accrued and other liabilities.

47.5 Segment performance is generally evaluated based on certain key performance indicators including business volume, gross profit, marketing and selling expenses, profit from operations and free cash flows.

47.6 Interest income and expense are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Company.

48. OPERATIONS IN UNITED ARAB EMIRATES

The Board of Directors of the Company in their meeting held on January 22, 2010 decided that the Company will cease to participate in further bidding in the United Arab Emirates (UAE) due to prevalent market situation. The shareholders of the Company, in their Extra-ordinary General Meeting held on March 4, 2010, also approved the decision.

48.1 Results of the UAE Operations

The following are the results of the UAE operations:

	2015	2014
	(Rupees in '000)	
Net sales and services	201,559	200,655
Cost of sales and services	(282,796)	(133,099)
Gross (loss) / profit	(81,237)	67,556
Marketing and selling expenses	306,822	18,771
General administrative expenses	(3,712)	(2,809)
	303,110	15,962
Other operating income	166	389
Operating profit	222,039	83,907
Financial expenses	(13,333)	(21,387)
Profit before tax	208,706	62,520
Income tax	(2,016)	(2,007)
Net profit for the year	206,690	60,513

2015 2014
(Rupees in '000)

48.2 Cash flows from the UAE Operations

Net cash generated from operating activities	878,023	606,049
Net cash generated from / (used in) investing activities	166	(1,088)
Net cash in flows from UAE Operations	<u>878,189</u>	<u>604,961</u>

48.3 Assets of the UAE Operations

Property, plant and equipment	605	967
Long-term loans and trade receivables	123,125	124,259
Trade receivables - current	1,242,763	1,546,847
Due against construction work in progress	394,392	935,007
Loans and advances	598	145
Deposits and short-term prepayments	3,552	8,059
Other receivables	24,224	32,204
	<u>1,789,259</u>	<u>2,647,488</u>

48.4 Liabilities of the UAE Operations

Long term retention money	343	236
Other non-current liabilities	166	182
Trade and other payables	917,346	1,164,538
Provisions	258,099	222,568
Short-term running finances	20	236,835
	<u>1,175,974</u>	<u>1,624,359</u>

48.5 For segment reporting, operations in UAE have been classified in 'Transmission Solutions' under the Division 'Energy Management' (note 47).

49. GENERAL

These financial statements were authorised for issue by the Board of Directors of the Company in the meeting held on December 17, 2015


Helmut von Struve
Chief Executive


Sebastian Andreas Brachert
Director

Siemens (Pakistan) Engineering Company Limited

Incorporation Number: CUIN 0000617

Pattern of holding of the Shares held by the Shareholders

As at September 30, 2015

Number of Shareholders	Shareholding		Total Shares held
	From	To	
612	1	100 shares	19,055
429	101	500 shares	103,012
76	501	1,000 shares	57,693
59	1,001	5,000 shares	123,393
9	5,001	10,000 shares	69,850
5	10,001	15,000 shares	58,930
2	15,001	20,000 shares	31,100
1	25,001	30,000 shares	25,150
1	30,001	35,000 shares	32,700
1	35,001	40,000 shares	39,018
1	70,001	75,000 shares	70,031
1	85,001	90,000 shares	86,308
1	145,001	150,000 shares	148,131
1	180,001	185,000 shares	183,201
1	1,040,001	1,045,000 shares	1,042,683
1	6,155,001	6,160,000 shares	6,156,782
1201			8,247,037

Siemens (Pakistan) Engineering Company Limited

Categories of Shareholders

As at September 30, 2015

Particulars		Shares held	Percentage
Director			
Mr. Naeemuddin Khan		500	0.01
Associated companies, undertakings and related parties			
Siemens AG, Germany		6,156,782	74.65
NIT and ICP			
National Investment Trust		1,042,683	12.64
Banks		246,148	2.99
The Bank of Punjab	183,201		
Faysal Bank Ltd	39,018		
MCB Bank Ltd	11,280		
The Bank of Khyber	10,000		
Invest Capital Investment Bank Limited	1,600		
National Bank of Pakistan	529		
First Dawood Investment Bank Limited	270		
Habib Bank AG Zurich, Dubai	250		
Insurance Companies		243,312	2.95
Adamjee Insurance Co Ltd	148,131		
IGI Insurance Co Ltd	70,031		
EFU Life Assurance Ltd	25,150		
Modarabas and Mutual Funds		26,385	0.32
Acacia Conservation Fund-Offshore Ltd	13,500		
CDC-Trustee NIT-Equity Market Opportunity Fund	10,360		
B.R.R. Guardian Modaraba	1,420		
Crescent Standard Modaraba	1,100		
N. H. Capital Fund Ltd	5		
General Public		366,896	4.45
Others		164,331	1.99
Trustee National Bank of Pakistan Employees Pension Fund	86,308		
Acacia Partners LP	32,700		
Trustee Mohammed Amin Wakf Estate	11,790		
Pakistan National Shipping Corporation	6,930		
DJM Securities (Private) Limited	4,000		
Ever Fresh Farms (Pvt) Limited	3,520		
Shafi Lifestyle (Pvt) Limited	3,420		
Acacia Institutional Partners LP	3,400		
Trustee National Bank of Pakistan Employees Benevolent Fund Trust	3,029		
Pak Ping Carpets (Pvt) Ltd	1,600		
United Trading & Manufac. Pvt Ltd	1,500		
Ali Hussain Rajab Ali Ltd	1,000		
Akhai Securities (Pvt) Ltd	1,000		
GRO Banyan Partners LP	1,000		
Trustees Al-Bader Welfare Trust	864		
Ismail Iqbal Securities (Pvt) Ltd	800		
FDM Capital Securities (Pvt) Ltd	500		
Acacia II Partners LP	500		
Fikree's (SMC-Pvt) Ltd.	240		
Dossa Cotton & General Trading (Pvt) Ltd	200		
UHF Consulting (Private) Limited	27		
Maple Leaf Capital Ltd	1		
Stock Master Securities (Pvt.) Ltd	1		
IGI Finex Securities Ltd	1		
Total		8,247,037	100.00
Shareholders holding 5% or more voting interest			
Siemens AG, Germany	6,156,782		
National Investment Trust	1,042,683		
Trades in share carried out by directors, executives and their spouses and minor children			
Spouse of one of the executive hold 600 shares	600		

Registrar and Share Transfer Agent

In compliance with the requirements of section 204 (A) of Companies Ordinance 1984, THK Associates (Pvt.) Limited has been appointed as Share Registrar of the Company.

The address, Contact numbers and timings of THK Associates (Pvt.) Limited is given below:

THK Associates (Pvt.) Limited
2nd Floor, State Life Building No. 3,
Dr. Ziauddin Ahmed Road,
Karachi-75530.

Telephone No. : (021) 111-000-322
(021) 35693094-95

Fax : (021) 35655595

E-mail : secretariat@thk.com.pk

Timings : 9:30 am to 12:30 pm
2:30 pm to 4:30 pm
(Monday to Friday)

Share transfers, dividend payments and all other investor related matters are attended to and processed by our Registrar and Share Transfer Agent.

Notice of Annual General Meeting

Notice is hereby given that the sixty third (63rd) annual general meeting of the members of Siemens (Pakistan) Engineering Company Limited ("Company") will be held on January 26, 2016 at 10:00 a.m. at B-72, Estate Avenue, S.I.T.E., Karachi, to transact the following business:

Ordinary business

1. To confirm the minutes of the extra ordinary general meeting held on November 30, 2015.
2. To receive, consider and adopt the audited financial statements for the financial year ended September 30, 2015 and reports of the directors and auditors thereon.
3. To consider and declare cash dividend of Rs 10 per share (100%) for the financial year ended September 30, 2015.
4. To appoint auditors and to fix their remuneration for the financial year ending September 30, 2016. The present auditors Ernst & Young Ford Rhodes Sidat Hyder, Chartered Accountants, retire and being eligible, have offered themselves for reappointment.
5. To transact such other ordinary business as may be placed before the meeting with the permission of the Chair.

Special business

1. The members of the Company in the 62nd annual general meeting granted specific approval for the sale of the Company's interest in land and buildings situated at Sector I-9 at Islamabad, Pakistan, however, since transaction is not completed within one (1) year from the date of shareholders approval, hence the matter is brought to the members of the Company in accordance 1227/2005 dated December 12, 2005 issued by Securities & Exchange Commission of Pakistan, for re-approval/to obtain specific consent and to pass the, if deemed fit, with or without modification, the following resolutions as ordinary resolutions;

"RESOLVED THAT pursuant to section 196(3)(a) of the Companies Ordinance, 1984 the consent of the members of the Company is hereby accorded for the sale of the full leasehold interest in all that piece and parcel of land (with buildings, constructions and appurtenances thereof) bearing plots no. 142 to 148, 162 to 168, 189, 190, 208 and 209, measuring 53,111.11 square yards, situated in Industrial Area, Sector I-9/2, Islamabad; and bearing plots no. 74 to 76, measuring 4,577.77 square yards, situated in Industrial Area, Sector I-9/4, Islamabad; (hereinafter collectively referred to as the "Properties").

FURTHER RESOLVED that person nominated/authorized by the Board of Directors of the Company be and are hereby authorized and empowered on behalf of the Company, from time to time, to do all acts, deeds and things and take all necessary steps for the sale of the Properties including but not limited to obtaining applicable approvals, signing of the deeds, papers, agreements, amendment thereto, and all other documents as may be necessary in order to give effect to, implement and complete the sale of the Properties and all matters connected, necessary and incidental thereto."

FURTHER RESOLVED that the Board of Directors be and is hereby empowered to agree upon modification in these resolutions that may be directed / required by the SECP without the need for any other further approval of the shareholders."

2. To consider and if deem fit to pass with or without modification the following resolutions as ordinary resolutions:

RESOLVED THAT pursuant to section 196(3)(a) of the Companies Ordinance, 1984 the consent of the members of the Company is hereby accorded for the sale and transfer by the Company of its Healthcare Business as a going concern to Siemens Healthcare (Pvt.) Limited a subsidiary of Siemens Diagnostic Holding II B.V., Netherlands, for the monetary consideration of Rs.118.92 (Rupees one hundred and eighteen million and ninety two thousand only) which may be adjusted (positively or negatively) in accordance with the terms and conditions of the Local Assets Transfer Agreement.

FURTHER RESOLVED that person nominated/authorized by the Board of Directors of the Company be and are hereby authorized and empowered on behalf of the Company, from time to time, to do all acts, deeds and things and take all necessary steps for the sale and transfer of the Healthcare Business including but not limited to obtaining applicable approvals, signing of the deeds, papers, agreements and all other documents as may be necessary in order to give effect to, implement and complete the sale and transfer of the Healthcare Business and all matters connected, necessary and incidental thereto.

FURTHER RESOLVED that the Board of Directors be and is hereby empowered to agree upon modification in these resolutions that may be directed / required by the SECP without the need for any other further approval of the shareholders."

Notice of the AGM and Statement under section 160(1) (b) of the Companies Ordinance 1984 in respect of the special businesses to be considered at the meeting is being sent to the members with Annual Report of 2015.

By order of the Board of Directors

Abdul Mannan Majid
Company Secretary

Karachi: January 1, 2016

Notes:

1. The Share Transfer Books of the company will remain closed from January 19, 2016 to January 26, 2016 (both days inclusive). Transfers received at Company's Share Registrar by the close of business on January 18, 2016 will be considered in time.
2. A member entitled to attend and vote at this meeting will be required to present his/her original Computerised National Identity Card (CNIC) and a member may appoint another member only as his/her proxy to attend and vote on his/her behalf.
3. Duly completed Proxy forms in order to be valid must be received at the Registered Office of the Company not less than 48 hours before the time of meeting. A member shall not be entitled to appoint more than one proxy.
4. CDC account holders are also required to follow the guidelines as laid down in Circular No.1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan (SECP).

A. For Attending the Annual General Meeting:

- (i) In case of individuals, the account holder or sub-account holder and/or the person, whose securities are in group account and their registration details are uploaded as per the regulations, shall authenticate his/her identity by showing his/her original Computerised National Identity Card (CNIC) or original passport at the time of attending the meeting.
- (ii) The shareholders registered on Central Depository Company (CDC) are also requested to bring their particulars, I.D. numbers and account numbers in CDS.
- (iii) In case of a corporate entity the Board of Directors' resolution/Power of Attorney with specimen signature of the nominee shall be produced (unless it has been provided earlier) at the time of meeting.

B. For Appointment of Proxies:

- (i) In case of individual, the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the regulations, shall submit the proxy form as per requirement notified by the company.
 - (ii) The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
 - (iii) Attested copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
 - (iv) The proxy shall produce his/her original CNIC or original passport at the time of meeting.
 - (v) Corporate entities shall submit the Board of Directors resolution/Power of Attorney with specimen signature along with proxy form.
5. Annual accounts of the company for the financial year ended September 30, 2015 has been provided on the company's website- www.siemens.com.pk/annual_report.html
 6. The rates for deduction of withholding tax on the amount of dividend paid by the companies are @ 10% for filers of income tax returns and @ 15% for non-filers of income tax returns. All shareholders are advised to ensure their names are on Active Tax-payers list (ATL) provided on the website of Federal Board of Revenue (FBR) otherwise tax on cash dividend will be deducted @ 15% instead 10%.
 7. The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to our Share Registrar. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the company name and their respective folio numbers.
 8. As per the requirements of the SECP it has become mandatory to incorporate the CNIC No. on the dividend warrants of the individual shareholders. All those individual shareholders holding physical shares who have not yet recorded their CNIC No. are once again reminded to immediately submit the copy of their CNIC to the Share Registrar.
 9. Shareholders are hereby informed that in pursuant to SECP's S.R.O. 787(1)/2014 dated September 8, 2014 regarding electronic transmission of Annual Report and notice which falls in the ambit of sections 50, 158 and 233 of the Companies Ordinance 1984 we have attached the request form in the Annual Report and also uploaded on our company's website-www.siemens.com.pk/investor.html. Shareholders who want to avail this facility are requested to submit the request form duly filled to the Share Registrar.
 10. In pursuance to the directions given by SECP vide Circular No. 8(4)SM/CDC 2008 dated April 5, 2013 the members may authorize the Company to directly credit in their bank account the dividend declared in the annual general meeting. In view of that, you are hereby encouraged to provide a duly filled and signed dividend mandate for e-dividend facility. The dividend mandate form has been attached in the Annual Report and also uploaded on our Company's website - www.siemens.com.pk/investor.html
 11. The members who hold shares in physical form are requested to submit the dividend mandate form duly filled to the Share Registrar.

12. The members who hold shares in dematerialized form are requested to submit the dividend mandate form duly filled to their participant/investor account services in the CDC.

For any query/problem/information, members may contact our Share Registrar at the following address:

THK Associates (Pvt.) Limited
2nd Floor, State Life Building No. 3
Dr. Ziauddin Ahmed Road
Karachi-75530
Telephone No: 021-111-000-322
021-35682241
E-Mail: masood_ahmed@thk.com.pk
Contact Person: Mr Masood Ahmed

Statement under Section 160(1)(b) of the Companies Ordinance, 1984

This statement sets out the material facts concerning the special business to be transacted at the sixty third annual general meeting of the Members of Siemens (Pakistan) Engineering Company Limited to be held on January 26, 2016;

AGENDA ITEM NO. 1

SALE OF COMPANY'S INTEREST IN LAND AND BUILDINGS SITUATED AT SECTOR I-9 AT ISLAMABAD, PAKISTAN

The Company is the sole and absolute owner of the Properties, more particularly described herein below. The Board of Directors for the reasons and benefits mentioned herein below, in their meeting held on December 19, 2014 have approved/resolved to sell the full interest in the Properties for an aggregate monetary consideration of Rs.1,000,000,000, subject to members consent. Said members consent was obtained in the 62nd Annual General Meeting held on January 23, 2015.

Pursuant to the said members' consent, Company entered into binding Agreement to Sells for the sale of the Properties, however, approval for the sale of Properties from Capital Development Authority, Islamabad is outstanding.

Since the members' consent is valid only for a period of one (1) year, therefore, the matter is presented once again before the members, in accordance with SRO 1227/2005 dated December 12, 2005 issued by SECP, for re-approval/to obtain specific consent.

The detail of the Properties to be disposed off, as required by SRO 1227/2005 dated December 12, 2005 issued by SECP are as under:

Description and area of Properties	Plots no. 142 to 148, 162 to 168, 189, 190, 208 and 209, measuring 53,111.11 square yards, with built up area of 18,388 square yards Plots no. 74 to 76, measuring 4,577.77 square yards, with built up area of 4,608 square yards
Location	Industrial Area, Sector I-9/2 and I-9/4, Islamabad
Book Value	Rs. 630.392 million as of September 30, 2015
Initial Cost	Rs. 653.752 million
Current Market/Fair Value	Rs. 800 to 1,000 million

Reason and Benefit for Sale

The Company initiated the process of evaluating the option of divesting the Properties, inter alia, because of 80% of the Properties is unutilized and there is no foreseeable use of Properties to its fullest extent for the Company in future. The Company is not in business of real estate therefore capital employed is not yielding any return for the Company.

Furthermore, the sale of the Properties will impact positively the bottom line and generate positive cash flows for the Company. As a result, the Company has shifted its offices in Islamabad to customize/purpose built office in the heart of Islamabad City, which brings the Company closer to the market and its customers.

Manner of Sale

Properties are being sold at fair market value prevalent in the area. Consultant/Broker services were used for the identification of potential buyers of the Properties.

AGENDA ITEM NO. 2

SALE OF COMPANY'S HEALTHCARE BUSINESS

The detail of HealthCare Business to be disposed off, as required by SRO 1227/2005 dated December 12, 2005 issued by SECP are as under:

Description of Healthcare Business	Sale of medical devices, systems and solutions of various kinds manufactured / developed by Siemens AG and Installation, commissioning and operation maintenance services of said medical devices, systems and solutions
Location	The Business is conducted throughout Pakistan
Book Value of all assets therein book value of fixed assets	Rs 481.018 million Rs 4 million
Net assets value	Rs 67.750 million
Current Market/Fair Value	Rs 118.93 million

Reason and Benefit for Sale

Healthcare Business is not complimentary to any other business of the Company and is entirely dependent on equipments and machinery manufactured by Siemens AG and Siemens AG has transferred the business to its wholly owned subsidiary, hence services business of healthcare cannot survive on its own. Historically Health Care Business was incurring losses and the sale of healthcare business will help the changing paradigms being observed.

Manner of Sale

Through negotiation based on fair market value as determined by the external evaluators.

Disclosures

No Director of the Company has any interest of whatsoever nature, direct or indirect, in the Agenda Item 1 and 2 of Special Businesses.

All relevant documents pertaining to Agenda Item 1 and 2 of Special Businesses shall be open to inspection, in the Company's Registered Office, to all members during office hours on all business days prior to the annual general meeting date mentioned above.

Proxy Form

I/We _____
of _____ in the district of _____ being a member
of SIEMENS (PAKISTAN) ENGINEERING COMPANY LIMITED hereby appoint
_____ of _____
or failing him _____ of _____
as my/our proxy to vote for me/us and my/our behalf at the annual general meeting of the company to be held at Karachi on January 26, 2016
and at any adjournment thereof.
Dated this _____ day of _____

Signature of the shareholder _____

Folio No: _____

CDS Account No: _____



Witnesses:

1. Signature: _____
Name: _____
Address: _____
CNIC No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

2. Signature: _____
Name: _____
Address: _____
CNIC No.

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Notes:

1. This proxy form duly completed and signed across a five rupees revenue stamp must be deposited at the company's registered office not less than 48 hours before the time for holding the meeting.
2. Witnessed by two persons for CDC account holder only.
3. CDC account holder shall also submit attested copies of their CNIC/passport and that of the proxy.
4. The proxy of CDC account holder shall produce his/her original CNIC/passport at the time of the meeting.
5. In case of corporate entity, the Board's resolution/power of attorney with specimen signature of the proxy shall be submitted along with this form.

میں / ہم

ضلع

متعلقہ

سیمنس (پاکستان) انجینئرنگ کمپنی لمیٹڈ کے ممبر ہونے کی حیثیت سے

متعلقہ

متعلقہ

کویا

کو اپنا متبادل مقرر کرتا ہوں / کرتے ہیں جو کراچی میں مورخہ 26 جنوری 2016ء کو پاکستانی تہذیبی کے ساتھ منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں میری / ہماری جگہ ووٹ دیں گے۔

متعلقہ دن

آج بتاریخ

دستخط شیئر ہولڈرز

فولیو نمبر:

CDS اکاؤنٹ نمبر:

گواہان:

1- دستخط

نام:

پتہ:

قومی شناختی کارڈ نمبر:

ریونیو اسٹپ

2- دستخط

نام:

پتہ:

قومی شناختی کارڈ نمبر:

نوٹس:

- 1- یہ پراکسی فارم مکمل طور سے پُر کر کے پانچ روپے کی رسیدی ٹکٹ پر دستخط کے ساتھ کمپنی کے رجسٹرڈ دفتر میں اجلاس کے شروع ہونے کے وقت سے کم از کم 48 گھنٹے قبل لازمی طور پر جمع کرایا جائے۔
- 2- صرف CDS اکاؤنٹ ہولڈرز کے لئے دو افراد کے بحیثیت گواہ دستخط ہونا ضروری ہے۔
- 3- CDS اکاؤنٹ ہولڈرز کو اپنے اور اپنے پراکسی کے قومی شناختی کارڈ / پاسپورٹ کی فوٹو کاپی بھی جمع کرانی ہوگی۔
- 4- CDC اکاؤنٹ ہولڈر کے پراکسی کو اجلاس میں شرکت کے وقت اپنا اصل قومی شناختی کارڈ / پاسپورٹ پیش کرنا ہوگا۔
- 5- کارپوریٹ ادارے ہونے کی صورت میں بورڈ کی قرارداد / پاور آف اٹارنی مع پراکسی کے دستخط کا نمونہ اس فارم کے ہمراہ جمع کرانے ہوں گے۔

Dividend Mandate Form

THK Associates (Pvt.) Limited
2nd Floor, State Life Building No. 3
Dr. Ziauddin Ahmed Road
Karachi-75530.

I, Mr./Mrs./Ms. _____ S/O, W/O, D/O _____
hereby authorize **Siemens (Pakistan) Engineering Company Limited** to directly credit cash dividend declared by it, if any, in the below mentioned bank account:

i) Personal Information

Name of the shareholder: _____

Folio No./CDC Participant ID A/C No: _____

CNIC No.: _____

(Attested photocopy of the CNIC to be attached)

Passport No. in case of foreign shareholder: _____

(Attested photocopy of the passport to be attached)

Phone No.: _____

Mobile No.: _____

ii) Bank Details

Title of the Bank Account: _____

Bank Account No.: _____

Name of the Bank: _____

Branch Name and Address: _____

Signature of the Shareholder

Date: _____

Request Form for Annual Report and Notices through E-mail

THK Associates (Pvt.) Limited
2nd Floor, State Life Building No. 3
Dr. Ziauddin Ahmed Road
Karachi-75530.
E-Mail: secretariat@thk.com.pk

Date: _____

Dear Sirs

I hereby instruct you to send from now onwards the Annual Report of **Siemens (Pakistan) Engineering Company Ltd** and all notices under sections 50, 158 and 233 of the Companies Ordinance, 1984 at my E-mail address given below:

(E-mail address of the shareholder)

The above E-mail address will be recorded in the members register maintained under section 147 of the Companies Ordinance, 1984. I will inform the Company and the Registrar about any change in my E-mail address immediately. Henceforth, I will receive the Accounts and Notices only on the above E-mail address, unless a hard copy has been specifically requested by me.

(Signature)

Name of the shareholder:

Folio No: _____

(In case of physical shareholding)

CDC Account No.: _____

Note: Individual CDC Account holders should submit copy of their Computerised National Identity Card (CNIC) along with this request form.



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regulatory actions)
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mobile device
-  Online Quizzes

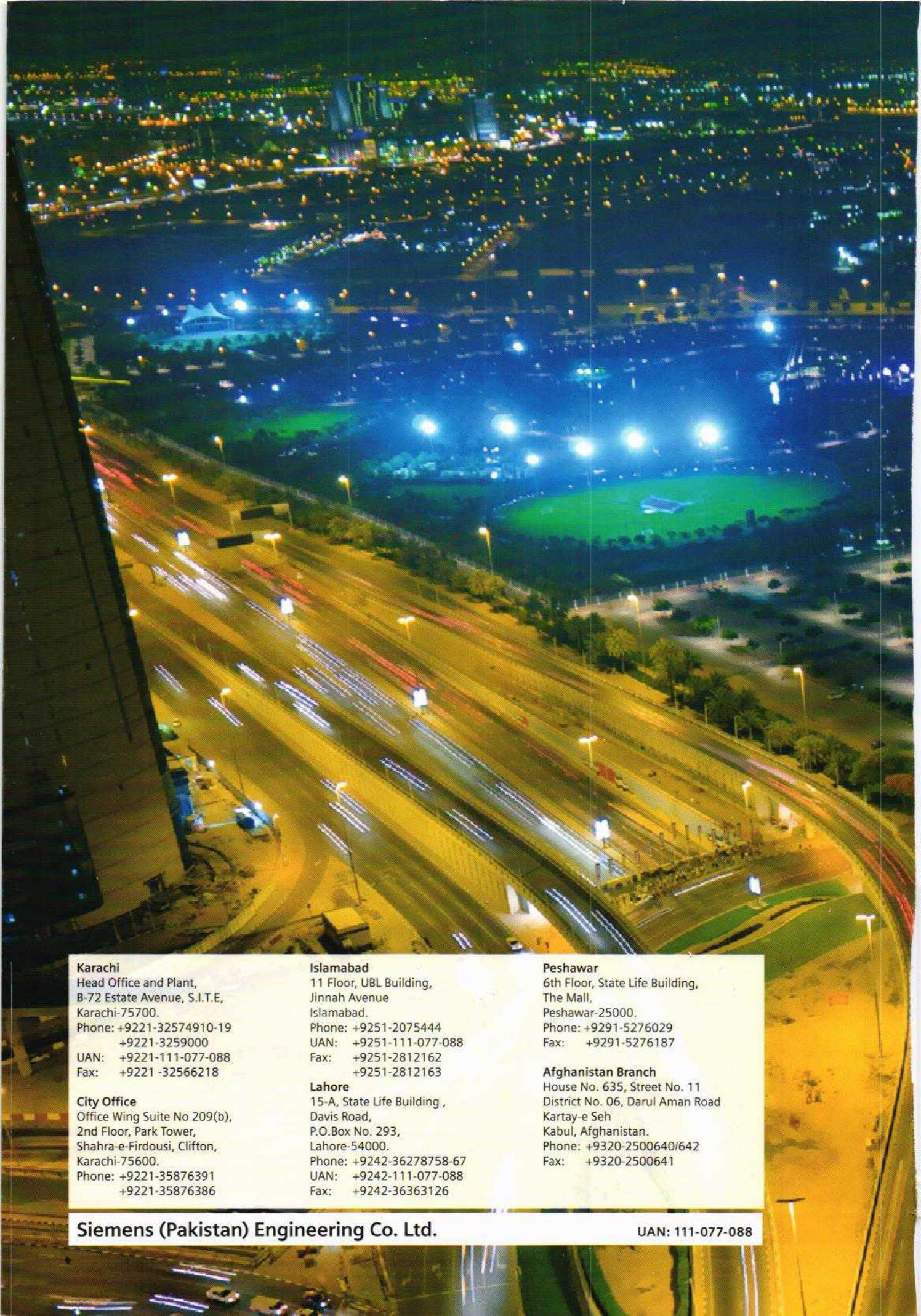


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**Karachi**

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Fax: +9242-36363126

Peshawar

6th Floor, State Life Building,
The Mall,
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Phone: +9291-5276029
Fax: +9291-5276187

Afghanistan Branch

House No. 635, Street No. 11
District No. 06, Darul Aman Road
Kartay-e Seh
Kabul, Afghanistan.

Phone: +9320-2500640/642
Fax: +9320-2500641