

SIEMENS LIMITED

67TH ANNUAL GENERAL MEETING

HELD ON WEDNESDAY, FEBRUARY 12, 2025 AT 3.00 P.M. (IST)

Moderator

Good Afternoon, dear shareholders and a very warm welcome to the 67th Annual General meeting of the Shareholders of Siemens Limited through video conferencing. As a reminder, for the smooth conduct of the meeting, the speaker shareholders will be on mute mode, and audio and video will only be enabled when they will speak at the meeting as per their pre-registration. I will now hand over the proceedings to Mr. Deepak Parekh, the Chairman of the Company.

Mr. Deepak Parekh, Chairman, Siemens Limited

I hope you and your family are safe and in good health. I extend a hearty welcome to all of you to the 67th Annual General Meeting of the Company conducted through video conferencing. Since the requisite quorum is present I call this meeting to order.

With me present here in Siemens' office in Mumbai are our Directors – Mr. Sunil Mathur, Mr. Wolfgang Wrumnig, Mr. Shyamak Tata, Mr. Anami Roy and the Company Secretary – Mr. Ketan Thaker. I welcome Mr. Matthias Rebellius, Ms. Sindhu Gangadharan, Mr. Tim Holt and Dr. Juergen Wagner Directors who are attending through video conference. Also, in attendance are the representatives of the statutory auditors, secretarial auditors and the scrutinizer.

On behalf of the Board and Members, I welcome Mr. Wrumnig to his first AGM of the Company.

The Company has received 5 letters of representation in respect of 75% of the paid-up equity share capital.

The registers and other documents as required under the Companies Act, 2013 are open for inspection, through electronic mode.

The Company had taken adequate steps and efforts to enable its Members to participate and vote on items being considered in this AGM.

I will now brief about changes in the Company's Board of Directors since the last AGM.

Dr. Daniel Spindler ceased to be a Director and Executive Director ('ED') of the Company with effect from 14th February, 2024 and as Chief Financial Officer ('CFO') of the Company with effect from 1st March, 2024 to pursue career opportunities in Siemens AG.

Mr. Wolfgang Wrumnig has been appointed as:

- a. Director of the Company from 14th February 2024; and
- b. Executive Director and Chief Financial Officer of the Company for a period of 5 years, from 1st March 2024

On behalf of the Company and the Board, I would like to place on record our gratitude to Dr. Spindler for his wise counsel, guidance and contribution that he has provided to all of us during his tenure.

In accordance with the circulars issued by MCA and SEBI, the Annual Report and the Notice of the 67th AGM were sent through email to those Members whose email addresses were registered.

Since there are no qualifications, observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Company in the statutory auditor's report and the secretarial auditor's report, the same are not required to be read.

Let me now update you on a few key topics:

I am sure you must have read the Annual Financial Statements of the Company for the last financial year. All the major events and developments of the Company during financial year 2024 are given in detail in the Annual Report 2024.

Let me share with you the highlights of the financial performance of financial year 2024.

Among the key highlights during the financial year 2024, the Company announced capex investments of approximately Rs. 1,000 crore. This included Rs. 360 crore for its Power Transformer factory in Kalwa, Rs. 190 crore to build a state-of-the-art Metro train manufacturing facility at Aurangabad and Rs. 330 crore for the Gas Insulated Switchgear factory and Rs. 56 crore for the Vacuum Interrupter factory, both located in Goa. These investments will enable the company to meet the growing demand both in India and globally.

The Company secured numerous orders during the financial year. Among the large orders, the Company received:

1. an order for the electrification of Bengaluru Metro Phase 2 with Siemens Limited's share as part of the consortium being approximately Rs. 560 crore.
2. an order for rail electrification for a 42-kilometer-long stretch on the Udampur-Srinagar-Baramulla Rail Link, including the longest rail tunnel on the Pir Panjal range at a height of approximately 1,700 meters above sea level. This is a matter of pride for the Company.
3. A project to power India's first underwater Metro Rail connecting the twin cities of Kolkata and Howrah.

The Company's positioning as a leading technology-focused company is exemplified by its strong end-to-end portfolio of technologies for digital and sustainable transformation and the rapid number of growing reference cases on Siemens Xcelerator, the Company's open, evolving digital business platform.

Siemens Xcelerator has over 200 reference cases many of these have already been implemented. During the financial year 2024, the Company received orders from several verticals such as renewables, metals, and food & beverage for cutting-edge solutions in Additive Manufacturing, Industrial Edge, Information Technology-Operational Technology integration, Cybersecurity, and Digital Twin.

For the financial year 2024, the Company received New Orders valued at Rs. 23,564 crore, compared to Rs. 46,383 crore in the previous financial year. Excluding the large 9,000 HP electric locomotive order from Indian Railways received in financial year 2023, New Orders rose by 14% in financial year 2024. The Order Backlog as of September 30, 2024 stood at Rs. 48,264 crore. Sales (excluding other operating revenues) were up by 14.4% to Rs. 20,250 crore, compared to Rs. 17,701 crore in the previous financial year.

Profit from Operations stood at Rs. 2,548 crore compared to Rs. 2,017 crore in the previous financial year, an increase of 26.3% over the previous financial year. The Company's Profit before Tax stood at Rs. 3,518 crore compared to Rs. 2,545 crore in the previous financial year, an increase of 38.2%. The Profit after Tax for the financial year was Rs. 2,665 crore, an increase by 39.4% compared to Rs. 1,911 crore in the previous financial year.

The Company is focused on completing the demerger of the Energy Business, announced during the financial year 2024.

Siemens Limited and Siemens Energy India Limited will both have a sharper business focus – creating two strong, independent companies, focusing on their core activities, portfolios, and capital allocation. They will also have a stronger market focus and as independent entities, they will be able to execute their strategy, with a tailored go-to-market and operational approach to leverage the full potential of the Indian market.

Finally, as two listed entities, Siemens Limited and Siemens Energy India Limited will unlock the value of the energy business for the shareholders through an independent, market-driven valuation. We expect the entire process of demerger and listing to be completed in the calendar year 2025. Siemens Limited would continue to be a leading technology company focused on industry, infrastructure, and mobility.

The global economy continues to navigate through complex and turbulent times, marked by persistent geopolitical tensions, varying paths of monetary policy normalization across major economies, and evolving trade dynamics.

Despite these external headwinds, India's economy demonstrates remarkable resilience and momentum. The scale of our digital public infrastructure and the strengthening of the financial sector provide a strong foundation for sustained growth. Manufacturing competitiveness is improving through focused initiatives like the Production Linked Incentive scheme, while the services sector continues to expand its global footprint. The country's macroeconomic fundamentals remained sound, supported by stable core inflation, healthy foreign exchange reserves and improving metrics such as fiscal deficit and goods and services tax collections.

Against this backdrop, the Company's businesses performed commendably, as is evident in the Company's strong performance in New Orders, Revenue and Net Profit in financial year 2024.

Let me now share the highlights of the first quarter ended 31st December 2024. The Company registered New Orders of Rs. 4,258 crore, an increase of 20% over the same quarter in the preceding year. The Company's Revenue was 3% lower at Rs. 3,587 crore while Profit after Tax was lower by 10% at Rs. 372 crore, over the same period last year.

Last, but not the least, I must thank all the Members of the Board for their excellent contribution and support. I wish to place on record our appreciation to all the Members of the Company, our employees, customers, suppliers and to other stakeholders.

Thank you.

Coming back to the businesses to be transacted at the AGM, the Company had provided the remote e-voting facility to all its Members to cast their vote on the resolutions forming part of 67th AGM notice, which are: adoption of standalone and consolidated financial statements for the financial year ended 30th September, 2024; declaration of Dividend of Rs. 12/- per Equity Share for FY 2023-24; my re-appointment upon rotation; and approval of remuneration to Messrs R. Nanabhoy & Co., Cost Auditors of the Company for the Financial Year 2024-25.

I would now like to invite questions from the Members who have registered themselves to speak at this meeting. May I request you to be brief and restrict your questions to the matters as set out in the notice of AGM and the operations of your Company for the last year. As we have many speakers I would request you to restrict your speech to three minutes each. I will answer your queries after all Members have asked their questions.

I shall now request the moderator to read out the names of the speaker members please. Thank you.

Moderator

Thank you, Chairman Sir. I will now invite our first speaker shareholder Mr. Manoj Kumar Gupta to go ahead and ask his question please.

Mr. Manoj Gupta

Good afternoon, sir. Yeah, I'm very thankful to you and I thanks to the company secretary and his team for excellent services to the shareholders. I support all the resolution. When you will split the share from 2 to 1 that will be mini bonus and when we will complete demerger and when we will get the demerger company shares. And I strongly support all the resolution and I wish to God for your healthy and prosperous, safe, long life. Thank you, sir.

Mr. Deepak Parekh, Chairman, Siemens Limited

Thank you, Manoj.

Moderator

Thank you, Mr. Gupta. Now I invite Ms. Surekha Sharad Kumar Shah.

Ms. Surekha Shah

Sir, my first speaker, what he said that reduce the share, divide the share into one rupee. I will say in a reverse way that please do reduction in share capital to rupees one. That is my first request. And I'm very happy, sir, that share price has gone up from 3572 to 7324 in this financial year and we are going to get energy share. So it is really good for a shareholder. And what is happening sir?

We refer page number 290 of AR. we buy aluminum in big quantity and the tariff on aluminum is increased by 25% by USA. So what will be the effect on cement? And budget of 1st February 2025, no provision for infrastructure. All infrastructure companies share fault. And explain your view. You see our price has come down by 2000 and our Q1 results are also not good. Page number 23 shows dividend amount same as 53, 54 and 22, 23. Whether it is correct or it is an error. Also, the page says that the order received is decreased by 49% in 2024. But your page says it is increased by 14%. So please clarify.

The chairman says that you are going to spend 4.6 billion rupees, that is 350 crores on transformer. But I could not find what is the profit or payback from the transformer industry, what we are issued with informed. Also informed transformer is made only in Kalwa. That I also like to know sir.

And the share prices of all transformer companies are very high. So request you to list transformer companies separately so that again you will benefit more. We refer page number 30 of AR for C&S PAT, PAT is rupees 1978 million and the dividend is 685 million and dividend is rupees 20. The Siemens dividend is only 12 and the ratio of PAT, ratio of PAT to dividends is not as same as C&S. So, why Siemens does not have a consistency in why dividend policy that I would like to know that. Another thing is page number 196, ratio analysis. Debt equity ratio is doubled and the net capital turnover ratio is reduced. So, please explain why this is happening and all these points are already made to you. So, we can readily refer and reply you. Thank you very much.

Moderator

Thank you, Mr. Shah. Chairman Sir, Mr. Bimal Kumar Agarwal is facing some technical issue and Ms. Poonam Vakil has not joined in yet. So we go on to Mr. Aspi Besania as our next speaker shareholder requesting Mr. Aspi Besania to please go ahead and ask the question.

Mr. Aspi Besania

Okay. So, I am ASPI from Bombay. The first query is, why no physical AGM? Now everybody has started or many people have started holding physical AGM including entire Bajaj group held a physical AGM in September 24. The orders received in 22-23 were 46,383 crore and in 23-24 it was 23,564 crore. Was there any abnormal order received in 22-23? How much are orders on hand now? The PBT to revenue ratio in 23-24 is 17.16% as against 14% last year. Is it sustainable? Coming to demerger, what is the intention of Siemens AG? Will they keep the energy business or sell it off to somebody else.

Today's quarterly results are quite disappointing, but I would like you to continue the same way you presented for the energy business. Till the listing of the shares because in ITC Hotels case even now, I don't know the results of ITC Hotels although the company was listed on 29th January, 25. And even the 31st December results, Hotels business figures were not shown, because the Hotel business was transferred after 31st December, 24. So I would request you to please show the same way as you've shown this time.

ITC has an internal RTA which gives very good service to shareholders. Whereas ITC hotels has appointed KfinTech and let's talk better about KfinTech. Now that we will have two listed companies, can we have internal RTA? Although Link is much better than KfinTech. So thank you very much and all the best for the future.

Moderator

Thank you, Mr. Besania. We now move on to our next speaker shareholder Mr. Yusuf Rangwala.

Mr. Yusuf Rangwala

Sir, how are you? Deepak, sir. After a long time, I am hearing your voice, sir, and seeing your face. Tomorrow's the first point respected chairman and my fellow shareholder. Very good share price today. This is 67 AGM. Our Company secretary is a very excellent company. Why we don't have physical AGM. What will be our ratio after merging? Company is caring for shareholders. So, lucky to be shareholder sir. I have not even visited your factory. I have a request sir. Please arrange visit to your factory. Please take care of your health. You are a company. You are an asset Sir. I pray for your good health and well being. Thank you very much. Jai Hind sir.

Mr. Deepak Parekh, Chairman, Siemens Limited

Thank you, Yusuf bhai. Thank you.

Moderator

Thank you, Mr. Rangwala. Chairman Sir, Mr. Dinesh Gopal Das Bhatia hasn't logged in yet. So we will go ahead with our next speaker shareholder, Mr. Hiranand Kotwani.

Mr. Hiranand Kotwani

Namaste, it is a great pleasure to join you in this meeting. Certainly, I congratulate all the people who are attending this meeting. It is a great pleasure for us. We are meeting virtually. Gentlemen, what is the reason? We are not giving bonus. It is high time to go for the bonus. Can we announce bonus or still the board has power to announce the AGM if any member propose or what are the criteria for that, please explain me and what is your view on that? Some of our subsidiaries, Siemens rail automation private limited, what are the equity of that company and how order position is that, why don't you demerge all these companies. These are big company and big potential. You are doing one thing is I congratulate for the Siemens Energy India Limited. Everybody asks the same question, same question in my mind also, what is the ratio, when it will be listed, how our equity will perform. Our, what are the reasons, this our quarter's result was not good. What are the reason? And how we perform the future outlook and expansion at various end. How the innovation will come to our organization. And how is our worker position, health insurance regard, safety measure. Will you elaborate that our working and particularly the health issues and safety issues and any harassment cases reported, human right violation, harassment to the employees, any accident has reported. Please let me know all these things. Thank you and good luck ahead. I hope the better reward will come in the future. Thank you.

Moderator

Requesting our next speaker shareholder V. Ravichandran to please go ahead and ask his question. Requesting our next speaker shareholder, V. Ravichandran.

Mr. V. Ravichandran

Good afternoon, Chairman and other Board of Directors and all those who are attending the AGM today. My name is V. Ravichandran from Chennai. I have been a shareholder for 13 years, more than 13 years, but this is the first time I'm joining the AGM. My voice will be a bit, I am suffering from throat infection, so my voice may be a bit you know racking in between. So my first question is, on page no. 34 you mentioned the foreign exchange earnings and outgo. The Siemens being a company which is in existence for 67 years, it is you know not earning foreign exchange, it is actually exporting foreign exchange to other countries. It's about 3060 crores.

Moderator

Mr. Ravichandra, we are not able to hear you actually. Can you please speak a bit closer to the mic?

Mr. V. Ravichandran

I'm very close to the mic. One minute, let me increase the audio. Is it okay?

Moderator

Yeah, please proceed. Okay. There seems to be some technical issues.

Mr. Deepak Parekh, Chairman, Siemens Limited

I am not able to hear you.

Mr. V. Ravichandran

I am sorry. I am closer to the microphone.

Moderator

I am sorry Mr. Ravichandran, we lost you again actually. There seems to be some technical issue. We are not able to hear you.

Mr. V. Ravichandran

Is it better now?

Moderator

We can't hear you Mr. Ravichandran.

Mr. V. Ravichandran

But I am not on mute and I'm closer to the laptop. I'm very close to the laptop.

Moderator

Your voice is fluctuating away, so please go ahead currently.

Mr. V. Ravichandran

Yeah, see, my first point was on the foreign exchange earnings and outgo. The company has reported a net outgo of 3060 crores. This is my first point.

And second point is on the CSR expenses. Why is it being incurred predominantly in Maharashtra? This is more for information purpose because companies like Siemens, which are operating in in all states should be spreading their CSR expenses to wherever they are operating. That is my view.

And on page number 104, you listed the statutes that are applicable. Are there no statutes applicable to the company relating to electricity or electrical products?

I will give you some examples. The static and mobile pressure vessels rules, e-waste management, plastic waste management rules, are they not applicable to Siemens? Why it is not listed in that page? I don't know.

Mr. Deepak Parekh, Chairman, Siemens Limited

We can't hear you at all Mr. Ravichandran.

Moderator

Mr. Ravichandran, we have again lost you. We are not able to hear you.

Mr. V. Ravichandran

Am I audible now? Yes. Can I join from my mobile instead of laptop? You can invite the next speaker.

Moderator

Chairman, may we go on to the next speaker shareholder and then Ravichandran we can join again join with your permission.

Mr. Deepak Parekh, Chairman, Siemens Limited

Okay.

Moderator

Our next speaker shareholder Mr. Narendra Jhaveri has not logged in yet. So we go on to Mr. Satish Shah and Ms. Lekha Shah requesting Mr. Satish Shah and Ms. Lekha Shah to please go ahead with your questions.

Mr. Satish Shah

So my name is Satish Shah. You explained very well about the company in your chairmanship. This year, the company's performance was good. We also got good dividends. I want to know what the dividend policy of the company is. Regarding dividend policy. And when the budget came, what was the effect of the budget on the company? Wish you all the budget. Thank you.

Mr. Deepak Parekh, Chairman, Siemens Limited

Thank you, sir.

Moderator

Thank you, Mr. Shah. We go on to our next speaker shareholder, Mr. Yash Pal Chopra.

Mr. Yash Pal Chopra

Myself, Yash Pal Chopra calling from Delhi. I'm a shareholder of the company for the last three decades. My client ID number is 10592558. Being a super senior citizen around 85, I can bless the management that they have done fantastic for the company. The company's performance is, I will say, is excellent because there has been all-round growth in the revenue, PBT, PAT, EPS, and even the dividend is also quite heartening. So all my compliments for our company because our company is a debt-free company.

Our company is just commanding a big name in the international market. Though I had requested for a physical copy of that because I cannot read through the digital, today I opened these on Google and there I found that our company is ranking one out of the first 10 companies of the global company. Our company is also one of them that this is a matter of prestige for us. So our company is just serving our country for the last 68 years. So this is a great thing. I know that the first 30-40 years you could not utilize it. But now our dynamic Prime Minister is there and dynamic government minister for the infrastructure is there. So I think those are a lot of opportunities for the company and that is why our company is just going ahead with a big, big winner and energy and all that. So I can just pray God for the positivity, let that continue. But only reading over there, two points came over there that presently there has been some decline in digital operation by around 46%, and there has been some weakness in automation sector, vertical. I just want to find out how long that will take to recoup that because we want all our verticals of the company should be just on the top and as a competitor you have got only one major group that is GE which has got so many new companies now, Alastorm, and these are S&M, Schender, and all these companies are out of this GE because I'm a shareholder of GE also for the last more than 40 years.

So, sir, I would like to have only one or two queries. The first my query that in the last 40 years, I have not seen the company declaring any kind of bonus at any stage. So I will ask the financial wizard Deepak sir that when we can get a bonus or a split or any right offer because the company is doing fantastic having so many projects in hand and though I know that companies are debt free, but still, we also want just to enhance our equity and all that.

And the second inquiry is that, what is the ratio of foreign exchange in our earning, in our revenue? Because I feel that there must be some answer. And then the last is just a request to our company secretary to please send me a physical copy of the annual report so that I may just go through deeply. Basically, I'm an advocate dealing with the corporate governance. And so I rather maintain a track record. So finally I will bless, I will pray God for the positivity for the entire team.

I would wish them, they must go with a big figure because now the chances of these, means the chances are great in the infrastructure sector, because our Prime Minister is very much dynamic and he wants our company to be on the as a number one or number two on the global scene. So, wish you best of luck for your contribution in raising the image of our company by providing so many big projects like that in Bangalore Metro project and on this Jammu Kashmir Railways and all that.

So many other projects which are just so that's the contribution for our company. So I wish you best of luck and pray God for the positivity. And thank you, thank you very much for getting me a chance to speak. I'm obliged to the company secretary and the, what do you call, moderator for getting me a chance to speak. And final request is, please continue with this VCM because the people sitting in Delhi or other remote parts of the country, they cannot attend your physical meeting because there is too much cumbersome.

At this age, when I am around 85, 86, if you ask me to come to Bombay to attend the meeting, definitely I would like to, but it won't be possible for me. So please continue with this. Thank you. Thank you. Best of luck to you.

Moderator

Thank you, Mr. Yashpal Chopra. Chairman, our next speaker shareholder, Mr. Ganesh K is having some technical issues. So we go ahead with our next speaker shareholder, Ms. Prakashini Shanoi, requesting Ms. Prakashini Shanoi to please go ahead and ask a question.

Ms. Prakashini Shenoy

I'm Prakashini Shenoy from Mangalore. First of all, I want to wish the chairman, board members and my colleagues, wish you all the best and happy, healthy, wealthy, and prosperous 2025. Respected honorable chairman, other dignitaries on the board, and my fellow shareholders, good afternoon to all of you. I received the annual report well in time, which is colorful, informative, transparent, and contains all the information as per the corporate governance. I thank the company secretary and his team for that same.

The Chairman has given a beautiful picture regarding the company and its working in all parameters. Thank you, Chairman Sir. At the outset, I'm thankful to the Board for recommending dividends for the financial year 2023-2024. I am also glad to note that the company is doing outstanding work in the field of CSR activities. I am also glad to note that the company has done better than the last year. Congratulations to all and in respect of all the parameters such as sales, PBT, PAT, etc. Sir, I had many questions to ask. It is covered by the Chairman's speech and by many predecessors. I just have one or two questions.

Sir, my first question is, what shall be the cost of the merger as on the whole? Please let me know.

And my second question is, what shall be the future plan of Siemens?

And my next question is, how are we planning for digital future? Sir, last but not the least, my earnest request to you, Chairman Sir, please continue with VC as my earlier predecessor had told so that people all over will have an opportunity to express their views.

I wish the company good luck for a bright future and pray God that the profit of the company shall reach the peak in due course. Sir I strongly and wholeheartedly support all the resolutions put forth in today's meeting. Chairman Sir, We should have a factory Visit. Thank you, sir.

Moderator

Thank you. Thank you, Ms. Prakashini Shenoy. We go on to our next speaker, Miss Smita Bharat Shah requesting Miss Smita Bharat Shah to please go ahead and ask a question.

Ms. Smita Shah

Respected chairman, the board of directors and the CS team to greetings from Smita Shah. I like to congratulate CS team for sending Annual report and sending link to join the meeting and for good investor service. Deepakbhai, wherever you are, you are always moving forward with the company's quadruple success and with the company's good top growth.

So, Deepakbhai, all this is your very good hard work, dedication, along with all the board of directors and all the employees and small and big workers, they have also been supporting you. I don't have any question as earlier shareholders already asked. My request is also same for Bonus and Factory visit sir. I agree that many people get the opportunity to visit after the pandemic. If people want to physically visit, then why not? This meeting has to be physical. We are a big company, so you can do it hybrid. We also want to meet you personally. Everyone can have opportunity to attend the AGM. Thank you.

Moderator

Thank you, Miss Shah. We go on to our next speaker shareholder, Mr. Bharat Mulchan Shah. Mr. Bharat Mulchan Shah, please go ahead and ask your question.

Bharat Shah

Thank you Deepakbhai, it's been so long since I saw you. I used to see you every year. I really want to see you again. Respected chairman, the board of directors. Sir, my name is Bharat Shah. I have been attending the AGM for the last 35 years. I have no query. First of all, why don't you do physical meetings? When the Aspi and my previous fellow said, I have a request to you, sir. And please give me a chance to meet you, sir. People from other states also want to attend the AGM. So you should do hybrid meetings. So they will also get a chance.

And I am very thankful to company Secretary Ketan Thakkar and his team. Ketan is a very hardworking guy. He is providing very good investor service. All his team members are providing good investor service. They respect me a lot. If there is any query, they will answer it. I am very thankful to the entire CS team for this.

I also thank the public for the fact music. I request you to do the factory visit this year. I also request you to do the bonus. The CSR activity is going well. I thank you for all the awards. I hope you will continue to do so. I hope your company will continue to grow. I have full faith in you and your leadership. I pray to God that your company will continue to grow. I have your full support in all the reservations. Thank you very much. Jai Hind.

Moderator

Thank you. We now go on to our next speaker shareholder, Mr. Jaydip Bakshi. Requesting Mr. JD Baksh to please go ahead and ask his question.

Jaydip Bakshi

Yes, very good afternoon, Chairman, Board of Directors and CFO, myself, Jaydip Bakshi, connecting from the city of Kolkata. Also convey my thanks to Ketanji for giving me an opportunity to express my view and also follow up calls from the Secretary Department.

Chairman, sir, the initial speech was very much informative. Sir, our turnover and profit for operations for the year ended on September 24 has been higher compared to last year. And thanks once again for the recommendation of dividend of rupees 12 per share. Sir, the new orders rose by 14% in FY24. So what is the present order book positions and how much have we met our target orders till date. And congrats for the involvement of the electrification of the 42-kilometer Udampur-Srinagar Link and also for this Kolkata underwater metro rail power supply system. And it's a unique one.

Sir, our products have made great inroads in different sectors and helping out different companies to grow improvement in their productivity. So how much follow-up and or repeat orders have we received and how much have we met with it? Sir 90% of our company's energy consumption is for renewable source. It's a very good achievement and how are we progressing in this line. And digitalization has improved our productivity by 30% in our Kalwa unit and also reusing of the plastic received as a packing product from suppliers and also resulted in the reduction of the plastic consumption.

So what is our thought process regarding Goa and the Aurangabad units on the same lines? CSR activities have been great as always, reaching out to the sustainable development of the society and also to helping out the education of the around 229 it is through general model vocational training, German model of vocational training. It's a good initiative. So what is the budget implementation on our daily business and future growth? How has been the nation of this budget and plans for capacity expansion in different units and new products to R&D to strengthen our product pipeline? Kindly share some thoughts and best wishes for the company's growth in the coming years. And sir, continue with this VC so that we can get connected from different parts of the nation. And if you are considering sub-factory visit, do consider ourselves also. And that's all from my side. Thanks once again for giving me an opportunity.

Moderator

Thank you, Mr. Jaydip Bakshi. We now go on to our next speaker shareholder requesting Mr. Harshad Savani. So please go ahead and ask his question. Mr. Harshad Savani. So please go ahead and ask his question. Mr. Harshad Savani.

Harshad Savani

Sir, Chairman, Board of Directors and my fellow shareholders. My name is HL Savani from Mumbai. Hello, sir. I received annual report in physical form. It is very nice to read this physical annual report. It contains everything which is required by the company act. Sir now coming to the annual report, our book value is Rs. 428. It is very nice, but we should declare this bonus either at some Rs. 400 or 500 rupees, we should, you should, board has to decide this. So second thing, our, on the page number, second, financial highlight. That it contains everything, but I'm suggesting that we should include number of shareholders, number of employees and earning per share. So it will be easier to understand. In financial highlight, order book is 23,564. Last year it was 46,382. So it is approximately 50% less. This may be one of the reasons why the share price is declining. And another reason is our 12 rupees dividend is very less. If you consider 5000 rupees share price,

the yield is only 0.24 paisa, sir. Is it justifiable, sir? Sir, now coming to this balance sheet, it is interest has been increased from 58. Last year it was 20 crores. It has gone to 58 crores. It has been more than double, sir. We should try to control this. It is nice to note that our net profit has gone up from 1,911 crores to 2,665 crores. It is almost 40% up. It is very nice. But in that comparison, our dividend also should be increased, sir. Sir, CapEx, you have mentioned that we are going to, we have invested in CAPEX 10 million rupees. Sir, I want to know when this project will be completed and how much revenue we are expecting from this. Sir, our revenue is 20,497. Sir, I want to know how much is local revenue and how much is the export and how much is from government. Thank you, sir.

Moderator

Thank you, Mr. Harshad Savani. Chairman Sir, our next speaker shareholder Ms. Elizabeth Mascarenhas hasn't logged in. However, we are rejoined by a couple of shareholders. With your permission, I now invite Mr. Dharmesh Vakil to go ahead and ask his question. Mr. Dharmesh Vakil. Mr. Vakil are you able to hear us?

Dharmesh Vakil

Very good evening to our entire board of directors and each and every member of the staff. Deepak bhai, Jai Shri Krishna. Jai Shri Krishna. Deepak bhai, I feel that what is the use of Covid and lockdown only for Siemens? Kindly please use your good offices to represent to the Honorable Government of India, MCA and SEBI and all other regulators. This was at least an online meeting is only an option. It is not at all a compulsion. So kindly, please, please, please hold a physical meeting, or you can have a hybrid meeting for the upcountry shareholders. And I congratulate our entire management, right from our watchman till our chairman for the excellent performance of our company year by year. And general, there is a general recession in the entire market worldwide economy. So our Siemens share also has come down, considering the market has also come down. So you kindly please consider of some rights or bonus or something so that we, the small and minority shareholders can be compensated. And I have been requesting since long, we want to visit all the plants, one after the other in India. So kindly consider that also.

And our company's Secretary Honorable Sri Ketan Bhai Thakur and Sri Raj Bhai Shah are very, very cooperative, reminding, follow up. And they are maintaining the best corporate governance rules, norms, regulations, and criteria. So all keep it up. I would like to understand from our entire board how we are associated and engaged with the railways, with these Amrit Bharat railway stations, and new and new metro trains, and Vande Bharat. And now, Deepakbhai, one day, Bharat, the sleeper. At the moment, Mumbai to Ahmedabad, Bhavnagar, but they're correct. And kindly please focus some more light on each and every division of our company and how we can be benefited by the demerger of our other entities. That's all. I will not take up much of the time. Thank you very much. And Jai Srikrishna and Jai Hind to all. Thank you.

Moderator

Thank you, Mr. Vakil. Chairman, sir, we are rejoined by B. Ravi Chandran, serial number nine. Mr. V. Ravichandran, could you please go ahead and ask your question?

Mr. V. Ravichandran

Good afternoon, Chairman and other board members and all those who are attending the AGM within and outside. My first point was this foreign earnings. See Siemens is in India for 67 years. It should be earning foreign exchange for India, not taking out the foreign exchange. Last year you reported 3060 crores of net outgo.

My second point is why CSR is predominantly incurred in Maharashtra. This is more for information, you may have reasons. You can clarify.

Third point is, in page number 104, you listed out the statutes applicable. Are there no statutes that are specific for the industry like electrical or electronics? I'll give you some examples, static and mobile pressure vessels rules, e-waste management rules, plastic waste management rules and all. Just these are all examples. I don't know whether they are applicable to you, but I feel the list is not comprehensive.

My fourth point is the disputes listed out in page 123. These are all standalone report. Many of them are more than two decades or three decades old. What are the reasons? Because in between, you know, government comes out with amnesty schemes and all. We did not enjoy those benefits or the problems are more serious that we cannot approach. I do not know.

And my fifth point is on the China factor. How much are we dependent on China for the company's products? Or is the company taking any initiative to replace imports from China? You can throw some light.

See, the company is holding 9,033 crores of cash and cash equivalent. This is listed out in page 126. Why is the company holding so much of cash? See, the dividend payout is very nominal. And there are outstanding to vendors to the extent of nearly 800 crores. I'm not saying not due or unbilled. Due, but they have not been paid. They have also not been paid. I don't know the reasons. You may like to explain and clarify. See the dividend under other income in page number 128 has doubled. Is it going to be double every year or is it going to be sustainable or it's a one time you know one of you know effect that also you may clarify.

My last point, not last but one, is on the bonus issue. See, the last bonus was issued in February 2008. After that, there was no bonus issue. So it's high time, you know, with India progressing so well and prosperity booming all around for the company, you should consider seriously an issuance of bonus shares.

And my last point is on the annual report doesn't contain any pictures of the factories or plant locations or products that you might like to include from next year onward. This is a request. So this will enable us to understand better about the company.

And before I conclude, just some more on the humorous side. I was watching the translation that was coming in my mobile. egg bar it is coming as egg bar I think you are using AI for this translation and many people referred to you as Deepak bhai sometimes it says Deepak bhai sometimes it says Deepak Bhai. So I don't know you, your people, IT people may take this into consideration before they translate. Thank you, sir, and all the very best for future better performance.

Mr. Deepak Parekh, Chairman, Siemens Limited

Thank you.

Moderator

Thank you, Mr. V. Ravichandran. Chairman, so with this, we now conclude the question session from all speaker shareholders.

Mr. Deepak Parekh, Chairman, Siemens Limited

Thank you. Let me begin with some general answers and these were common with number of shareholders.

First shareholder was of course Mr. Manoj Gupta. I just wanted to tell him about the demerger. The NCLT convened meetings of equity shareholders and unsecured creditors for scheme of arrangement and delayed the merger of energy business of Siemens Limited into Siemens Energy India Limited on December 2nd, 2024. 99.98% equity shareholders approved, 100% of unsecured creditors approved, requisite majority in number

representing three-fourths in value out of the voting participation. And we expect the merger to be complete in calendar year 2025.

Now you would ask for split. I thought we are already giving you a split. We are giving you one free share for a Siemens Energy share. And those shareholders who ask for bonus, when you have one Siemens share, you will have now two Siemens shares, Siemens Energy and Siemens Limited. So it is a split, it is a bonus, whichever way you look at it. And I think you should be satisfied with that and not ask for more bonus. I think the board and the Siemens Germany has been very liberal in giving this one share for one share. So you will have two listed companies of Siemens Germany.

So split and demerger and then I think the second person gave the question, you want to make the two rupee share as 1 rupee. I think the board has heard your concerns of the shareholders or requests of the shareholders. We will look at it at the right time when it justifies a split from 2 to 1. And you said no infrastructure. I thought that the infrastructure emphasis in the budget is there's a fair amount of increase in infrastructure spent by the government this year in the budget. In the budget, it has been increased. Aluminum tariff, I don't think it makes much difference, much difference to our business. Tariff on aluminum.

Aspi no physical meeting again this was the common request of different shareholder again the board had heard you and we will see what we can do.

Reduction in order, if you read the balance sheet, there is reduction in order value because we got a massive order from Indian railways. So if you remove that, there is a growth of about 15% in the order received. Large locomotive order was received at that time. So you remove that one time order and then you will see a growth. You will see a growth in the order book.

Demerger intention, Siemens limited and Siemens energy, as I said, will both have a sharper business focus, creating two strong independent companies, focusing on their core activities and core portfolios. They will also have a stronger market focus. And as independent entities, they'll be able to execute their strategy in a much better manner than being a combined company. So that is one of the reasons of the splitting of Siemens Limited and Siemens Energy.

Aspi, demerger, intentions continue. Yes, we will continue energy business until the final order which we hope to get sometime as I mentioned in 2025. Until than this quarter results improved the energy business. Which we just announced the quarter.

Rangwala again some of the shareholders are very appreciative of the efforts of our Company Secretary Ketan and his colleagues. So thank you for your compliments and you wanted a factory visit we look into it and share ratio for the demerger is 1 for 1 Yusuf you have two shares, you will get two extra shares of Siemens Energy.

Again, Kotwani, when will you give a bonus? What is equity of Siemens Limited in Siemens rail automation? What is the ratio of demerger I have said? Any harassment call? We had one complaint during the year and that's been closed and that's been closed and that's been investigated and closed.

Subsidiaries and bonus you talked about. Then Lekha Satish Shah, what is the dividend policy? If you see the dividend we've declared, we've declared a 600% dividend compared to 500% last year. So, it's a massive increase in dividend which the board has given to the shareholders.

Although the payout ratio was more or less the same as last year, last year was 18, this year, last year the payout ratio was 18, this time it is 16. I mentioned that the budget is no specific but the government spending has increased and we expect that the economy will turn around with more benefits given to individuals for tax reduction and there is no increase in tax.

Mr. Yash Chopra, thank you for your wishes. You were happy that the company has done well. You wanted rights, but we don't need extra money. We have enough resources. We don't borrow from the banks except for some short periods of time. That's why our interest has gone up. But we will look into that question someone gave, why has your interest cost gone down? And you also wanted bonus.

Then we have dividend policy impact of budget I've said. Ravi Chandran foreign exchange for 23 we had a foreign exchange gain of 21 crores 24, we have a loss of 9.3 crores. Foreign exchange earned in terms of actual inflows during the year was Rs. 3,413 crores. Foreign exchange outgo in terms of actual outflows was Rs. 6,473 crores. So Siemens is a net importer and foreign exchange outflow is more than inflow and you can see this in page 166 and page 34 of the annual report.

We hope the economy will pick up, Yashpal Chopra, we hope the economy will pick up with private capex which is not yet happened but it's in the process of happening and we hear and we see that private sector is going to increase spending after the budget. Foreign exchange I mentioned if you wanted to know about the import, our third party import was Rs. 576 crores and our Siemens import was Rs. 580 crores. No, last year. This year was Rs. 576 crores. Last year was Rs. 576 crores. I'm sorry. This year it is Rs. 580 crores. Import from third party and import from Siemens was Rs. 4,500 crores last year. It's Rs. 4,800 crores last year.

And export is a percentage of sales is 15.6% which gives you an ROE this year of 18.85 which is shown in page 196 of the Annual Report.

Then, Shenoy, what will be the cost of the merger? Current estimate, our cost is about 25 as on December 25. As on 2025, 31-12 December, when the merger we hope will finish during this calendar year. December 24. As of December 24, the cost is 25 crores. This is the cost for NCLT and legal charges and all. Factory visit, we've heard one or two other shareholders also. I think Sunil and his team have heard you. So we'll see what we can do.

Again, there is a decline in digital operations by 46% and weakness in the automation sector Yashpal Chopra. How long will it take to improve? Q1 25 is 46% due to the high, minus 46% due to high base in Q1 24 when large dispatches was carried out in 24 for stocks after martial availability the recovery of automation is link to higher private investments in sectors like metals, which currently the investments by private sector is muted. DI is impacted due to destocking and normalization of demand.

Smita Bharat Shah wanted bonus, I talked about it.

I think someone wanted to know about the CSR. CSR for the year is again shown in pages 79 and 80 of the balance sheet. The amount spent for the year was 37.6 crores and we spent it in education, in social and environment and we fund, we also fund ITIs which are not located in Maharashtra, they are located all over India. So, the CSR is not only in Maharashtra but across the country. Company registered new orders. I think Mr. Bakshi wanted new orders. Company registered new orders of 4,258 crores, which is an increase of 20% than last year. This is for the current period.

Again, Smita Shah, thank you for your good wishes to me and the company secretary. You are happy that the company is doing well. Bonus, dividend, physical, hybrid, everyone wanted hybrid.

Bahrat Shah, are you at 25 years, you've been on the AGM. You said Ketan hard working, I've already complimented Ketan and his team on behalf of the board. Mr. Bakshi also talked about the secretarial department. I gave the number of orders.

Mr. Savani, you asked for number of employees. Last year the number of employees were 8888. This year the number of employees are 9848. That's also given in the annual report. And the efficient level is only 7% for us.

Number of shareholders we will let you know I don't have that number and you said in the summary we should give number of employee's number of shareholders and earnings per share. We will see what we can do in that. Current number of shareholders on 30th September, 24 is 1,99,187. 1,99,000, almost 2 lakhs are the shareholders.

Savani, the yield is low, but most companies, the yield is low because the stock price is much higher and the dividend percentage, as I said, is 600%. Last year we have received the railway order. Therefore, there is a little bit of mismatch. You also mentioned about the interest. We look at it and see how we can manage it better.

What will be the capital expenditure? You said 1100 crores will be spent. The estimate is over next three, four years. Dharmesh, Dharmesh Vakil, you wanted a physical or hybrid. We talked about it. You gave us congratulations to the management for the excellent performance. Thank you. You complimented Ketan and his secretary department. Thank you. And you mentioned about Vande Bharat, Vande Bharat trains have improved, but we have not yet supplied the locomotive, the massive locomotive order we got. Hopefully next year or so we will have the first one and you will see how it is different.

Ravi Chandran again at the end you asked about why are we net outgo for foreign exchange because you know some of the raw materials are not available here. Why CSR is not in Maharashtra, I mentioned, it is ITIs across the country, and not only in Maharashtra.

The tax disputes, you know, most companies, they have five and 10 years tax disputes going on. It's a normal thing, and we have no major exposure to China.

I think Sunil, if you want to add anything, anything you want to add, otherwise I think I've tried to answer all the questions and I thank all the shareholders for the interest shown and thank you very much.

Now just give me one minute. Coming back to the business, To facilitate the Members who could not cast their vote through remote e-voting, the Company has offered the facility of e-voting during this meeting and it shall continue for 30 minutes from the conclusion of the meeting. The Company has appointed Mr. P. N. Parikh, Practising Company Secretary as Scrutinizer for scrutinizing the votes cast via e-voting, in a fair and transparent manner. I authorize Mr. Ketan Thaker, Company Secretary to receive and declare the voting results along with the Scrutinizer's Report, intimate the same to Stock Exchanges and place the same on the website of the Company. The resolutions as set forth in the Notice shall be deemed to be passed today subject to receipt of requisite number of votes. With your permission, I call this meeting to an end. Stay safe and stay healthy. Thank you.