

SIEMENS

ACCELERATE
Digital Transformation



Annual Report 2023
Pakistan

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

Contents

1

Our Company

1.1	Company Information	3
1.2	Our Four Strategic Priorities	4
1.3	Who we are	9
1.4	Chairman's / Directors' Profile	10
1.5	Management Profile	14
1.6	Chairman's Review Report	15
1.7	Directors' Report	16
1.8	Board Committees and Terms of Reference	23

2

Information for stakeholders

2.1	Key Operating and Financial Data	25
-----	----------------------------------	----

3

Sustainability at Siemens

3.1	Sustainability and Corporate Citizenship at Siemens	28
-----	---	----

4

Financial Report

4.1	Auditors' Review Report	32
4.2	Statement of Compliance	33
4.3	Auditors' Report	35
4.4	Statement of Financial Position	40
4.5	Statement of Profit or Loss	41
4.6	Statement of Comprehensive Income	42
4.7	Statement of Cash Flows	43
4.8	Statement of Changes in Equity	44
4.9	Notes to the Financial Statements	45

5

Shareholders' Information

5.1	Pattern of Shareholding	79
5.2	Categories of Shareholders	80
5.3	Notice of Annual General Meeting	81
5.4	ڈائریکٹرز رپورٹ	91
5.5	چیئرمین کی جائزہ رپورٹ	92
5.6	Proxy Form پراکسی فارم	
5.7	Dividend Mandate Form	
5.8	Request Form for Annual Report and Notices through E-mail	

Company Information

Registered & Head Office

Siemens (Pakistan) Engineering Company Limited
B-72, Estate Avenue, S.I.T.E., Karachi-75700
UAN: +9221 111-077-088
<http://www.siemens.com.pk>

Board of Directors

Chairman of the Board

Karl Stefan Werner

Non-Executive Directors

Oliver Spierling
Adnan Afridi
Harald Griem
M. Usman Ansari

Independent Directors

Qazi Sajid Ali
Ayla Majid (Female Director)

Executive Director

Syed Muhammad Daniyal

Committees of the Board

Audit Committee

Ayla Majid (Chairwoman)
Karl Stefan Werner
Adnan Afridi
Harald Griem

Human Resource and Remuneration Committee

Qazi Sajid Ali (Chairman)
Oliver Spierling

Management

Acting Managing Director

Syed Muhammad Daniyal

Chief Financial Officer

Syed Muhammad Ahsan Ghazali

Other Information

Company Secretary

Khurram Muhammad Siddique

Auditors

EY Ford Rhodes, Chartered Accountants
Progressive Plaza, Beaumont Road
P.O. Box 15541, Karachi 75530
Pakistan
Phone: +9221 35650007-11
UAN: +9221 111-113937 (EYFR)

Bankers

BNP Paribas (Dubai), UAE
Bank Alfalah, Afghanistan
Citibank N.A.
Deutsche Bank AG
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezan Bank Limited
Standard Chartered Bank, UAE
Standard Chartered Bank (Pakistan) Limited

Tax Advisor

KPMG Taseer Hadi & Co.

Legal Advisor

Mr. Umer Hayat
(Chaudhary Law Associates)

Registrar and Share Transfer Agent

THK Associates (Pvt.) Limited
Plot No. 32-C, Jami Commercial Street-2
D.H.A., Phase-VII, Karachi
Pakistan
UAN: +9221 111-000-322

Trading Symbol

SIEM



Customer impact

We are taking impact to the next level, aiming to anticipate what our customers need before they even know they need it.



Empowered people

Authority for decision making should be delegated to where it is needed, at the lowest possible level. Freedom to act is directed by guiding principles.



Technology with purpose

We shape and apply our technology to transform our customers' industries and solving the world's most pressing issues.



Growth mindset

We can shape what and who we want to become. The “hand we’ve been dealt” at birth is only our starting point. The rest is up to us.

t∞gether

transforming the everyday



Syed Muhammad Daniyal
Acting Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer



Who we are

We combine the real and digital worlds like no other.

The world is changing; in turn, the needs of our customers and markets are changing. They are looking for the technologies to address their challenges, grow their businesses, and become more sustainable. This is where Siemens makes an impact. We understand how the real world of building infrastructure, energy value chain, industrial manufacturing processes work.

Siemens is a global technology leader. And also as the leading industrial software company, we know how to leverage data and software in the digital world to make the real-world work better.

At Siemens, we create technology that transforms the everyday for billions of people, helping to shape a world we want to live in.

Chairman's / Directors' Profile



Stefan Werner

Chairman

Mr. Stefan Werner began his career with Siemens 38 years ago where he spent 28 years working at Siemens Global and then later have moved to the middle east region, where as the CFO of Siemens Qatar then later, Saudi Arabia. He is currently the CFO of Siemens Lead Country, UAE. He has held various leadership positions throughout his career, from lead to commercial department, to head of business segments, and a CFO to different departments and sectors within Siemens.

Mr. Werner is passionate about Siemens' innovative solutions that places customers at the center and transforms their everyday, from healthcare, smart cities, to sustainable solutions. He is known to bring his athletic sports spirit of healthy competition and teamwork to his work at Siemens.

Mr. Werner completed Studies of Economics with Diploma from University Erlangen, Nuremberg in 1992



Harald Griem

Director

Mr. Griem is currently head of Siemens Energy Assets, which mainly encompasses Siemens' Energy businesses in Algeria, India, Indonesia and Pakistan.

Mr. Griem has a Masters in Mechanical Engineering from Technische Universität, Munich, and a Doctorate in Thermodynamics. He started his career with the house of Siemens in 1992 at Siemens KWU, Erlangen, in the area of Boiler Technology and then worked extensively in the Generation Service business in various capacities until 2009. During the period, he held various roles in the Products and Service domain, handling Sales & Marketing, Strategic Planning, Business Development, and an expanded portfolio in environmental protection. He is credited with leading cross-functional and cross-cultural teams in Europe and USA during various stints. In 2009, he took over as General Manager, Generator Products (20-2,000 MW), leading a business with operating units in Germany, USA, China, and India.

From the Power generation space, he then moved to the High Voltage transmission products business and took over responsibility as Global Head for High Voltage Products.

In 2015, he moved to India as Head of the Energy Management Division. The Division was the largest in Siemens Ltd. covering Transmission and Distribution with 12 state-of-the-art factories, and enjoying market leadership in most products in the areas of Electrification, Automation and Digitalisation. During that time, Mr. Griem successfully brought his rich global experience to drive the Division's strategic growth programme in the country's large energy landscape.



Oliver Spierling

Director

Oliver Spierling has served as the Chief Executive Officer of Siemens in Kuwait since October 2021.

In addition to this role, Spierling also set up the Siemens Legal Department in the United Arab Emirates upon joining the company in 2007.

Since then, as the company's General Counsel for the Middle East, he has forged close links to customer across the region.

Spierling has more than 20 years of experience in the region, having worked for a German law firm before joining Siemens. He earned a Master's of Law degree at the University of Hamburg in Germany.



M. Usman Ansari

Director

Mr. Ansari is currently serving as Siemens General Counsel for Qatar and also oversees the legal functions of Kuwait and Pakistan. He brings with him over 16 years of international experience. As an attorney, he has managed topics ranging from strategy, commercial and corporate transactions, and regulatory compliance in complex industries including aerospace, chemicals and pharmaceuticals. Prior to the practice of law, Mr. Ansari utilized his finance background in the internal audit and risk management fields, including experience at a Big 4 accounting firm. He joined Siemens in 2018 as General Counsel & Company Secretary, Pakistan.

Mr. Ansari completed a Bachelor of Business Administration in Finance and Information Systems from the University of Cincinnati in 2002 and a Juris Doctor from the University of Toledo in 2010. He is a US-licensed attorney in the state of Ohio since 2011 and a certified Director in Pakistan since 2019. Mr. Ansari is an advocate for causes related to human and civil rights as well as disaster and humanitarian relief, and is also passionate about ensuring a culture of inclusion.



Adnan Afridi

Director

Mr. Afridi has over 28 years' international experience in change management, business transformation, innovation and profitability enhancement in blue chip companies, public-sector and high growth situations. His industry experience includes Capital Markets, Private Equity, Financial Services, Real-Estate, Health Care, Natural Resources, Logistics, Large-Scale Manufacturing, Technology and Food sectors, operating in CEO roles with Board level representations.

Mr Afridi currently serves as the Chairman and the Managing Director of National Investment Trust Limited, Pakistan's first and largest Asset Management Company. He has previously served as the Managing Director of the Karachi Stock Exchange Ltd and as the CEO of the Overseas Chamber of Commerce and Industry (OICCI) and Tethyan Copper Company as well as having served on the boards of Gul Ahmed Textile Mills, Trading Corporation of Pakistan, Central Depository Company (CDC) and National Clearing Company (NCCPL as Chairman of the Board). Mr. Afridi was also nominated by the Government of Pakistan as private sector nominee to the SECP Policy Board for a 4-year term that concluded in November 2022.

Mr. Afridi's contribution to social causes is well known. He is a key member of the Kidney Center Board (former Chairman and current Vice Chairman) and was previously the President of the Old Grammarians Society focusing on fund raising for education scholarships and a former board member of YPO Pakistan and is currently a Board member of YPO-Gold Pakistan.

In addition to NITL, Mr. Afridi serves as an independent director of the following companies:

Other Directorships and offices:

- Bank Al Habib Limited
- Mari Petroleum Limited
- International Industries Limited
- Dynea Pakistan Limited
- Lucky Core Industries Limited
- Biafo Industries Limited
- Bulk Transport Company (Pvt) Limited

Member Board of Governors

- The Kidney Centre Institute
- Shaukat Khanum Memorial Trust



Ayla Majid

Independent Director

Ms. Majid is the Founder & CEO of Planetive. She has over 20 years of experience in financial advisory, mergers & acquisitions, energy transition, infrastructure development and corporate governance. She is an internationally acclaimed speaker and often speaks at global platforms on: Energy Transition/Future of Energy, Emerging Market Project Funding, Sustainable & Climate Finance, Digital Transformation, Future of Work, Clean Tech, Governance, and Diversity & Inclusion.

Ms. Majid is a member of the *Global Future Council of Energy Transition of the World Economic Forum*; and *World Economic Forum's Global Taskforce on Mobilizing Investment for Clean Energy in Emerging Economies* where she is contributing to the sustainable energy transition policy, creating tools and frameworks, and advocacy realms. In addition, she is an Eisenhower Global Fellow 2021, and was selected as a Young Global Leader of the World Economic Forum in 2015.

Academically, Ms. Majid holds MBA from Lahore University of Management Sciences, LLB from University of London, and ACCA qualification. She is also alumnus of Princeton University, Harvard Kennedy School; University of Oxford, Nanyang Technological University (Singapore) and National Defence University, Pakistan. She has attended the "Enhancing Board Effectiveness, Directors Training Programme" at the Lahore University of Management Sciences.

Ms. Majid is at the forefront of creating agile governance platforms while serving as board member for local and international organizations.

Other Directorships and offices:

- Director of Abbott Laboratories (Pakistan) Limited
- Director of TPL Insurance Limited
- Global Council Member of Association of Chartered Certified Accountants – UK
- Member Board of Governors of The Helpcare Society (a non-profit running "Teach a Child Schools" for under privileged children)



Qazi Sajid Ali

Independent Director

Mr. 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., LLB. He joined Dadex Eternit Limited as Chief Executive Officer in May 2014 and has served on the Board of Dadex for 15 years, including 8 years as Chairman Audit Committee of Dadex. He left Dadex in June 2021.

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, M-21 (Management-21st Century) from Michigan Business School, Michigan, USA, BMP (Basic Management Program) from Singapore, AMP (Advance Management Program) from Singapore Executive Development Centre, USA and Hong Kong, LS Seminars, Germany. He has represented Pakistan at the I.L.O. & United Nation's Conferences at New Delhi and Manila, International Personnel Management Conference, Washington D.C. USA & Bangkok, American Society for Training & Development (ASTD), Boston, USA, International Eye Bank Conference, Colombo, International Eye Bank Association, Washington and 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 and General Hospital in North Karachi. He was elected twice as President of Pak German Business Forum. He also held the position of President IMPA (International Personnel Management Association, Pakistan Chapter). He was founder President of German Pakistan Chamber of Commerce and Industry and remained President for 4 years.

Other Directorships and offices:

- Chairman, SWAN International Pakistan (Private) Limited
- Director, Pakistan Eye Bank Society
- PEBS Hospital

Management's Profile



Syed Muhammad Daniyal
Acting Managing Director

Syed Muhammad Daniyal is currently serving as the Acting Managing Director / CEO at Siemens Pakistan Engineering Company Limited effective 25th May 2023, in addition to his role as Director & Head of Business Generation Services.

Daniyal holds 23 years of industry experience wherein his association with Siemens is now for 20 years. During his tenure in Siemens, he has worked in various corporate functions and business segments of industry, oil & gas, power generation and services. He brings extensive experience of business excellence, strategy, business development, sales, and operational management. He has been part of several growth initiatives within Siemens and represented Pakistan in Cross-Country project/assignment in Germany, China, Malaysia, Thailand, South Korea, Japan, and USA.

Prior to Siemens, his experience is in the field of quality & safety management consultancy and had a brief stint in automotive and lubricants industry.

Daniyal has an engineering degree in Mechanical Engineering from the NED University of Engineering & Technology, Karachi and MBA from the Institute of Business Administration, Karachi. He has attended extensive international management and leadership training programs by Siemens Learning Centre in Germany, Portugal, and China.



Syed Muhammad Ahsan Ghazali
Chief Financial Officer

Syed Muhammad Ahsan Ghazali is the Chief Financial Officer of Siemens Pakistan Engineering Company Limited.

Ghazali Joined Siemens Pakistan in 2009 and since then has held various positions in Siemens in Pakistan & Germany. He brings in rich Management Experience in Corporate Finance, Business Administration, Finance & Business Strategy and various other Commercial Functions in diverse Business Segments and Corporate Sections in the Region including his exposure in Corporate Accounting & Controlling, Energy Management, Industrial Automation and Software Businesses. He has also worked in Siemens Germany as part of talent / potential development, contributing to key governance and controlling functions of Medium Voltage & Systems Head Quarters.

He has been part of multiple Siemens Talent programs and has gone through various management trainings locally and internationally in UAE, Portugal, Netherlands and Germany. Ghazali has successfully participated in and completed two Global Certified Potential Development Programs in Siemens.

Before being appointed as the CFO, he served as the Head of Finance & Commercial Director of the Operating Company Digital Industries in Siemens Pakistan.

He completed his qualifications from ACCA(UK), CIMA(UK) and is also a graduate from the Oxford Brookes University (UK).

Chairman's Review Report



I am pleased to present the Annual Report for Financial Year 2023 to the stakeholders of Siemens Pakistan Engineering Co. Limited.

The country's business environment remained difficult due to import impediments and other economic challenges prevailing during major part of the year. The situation started to ease towards the end of the financial year. The outgoing year was marked by significant global challenges manifesting in the form of higher commodity prices, rising inflation and interest rates. The team remained resilient and agile to honor their commitments towards its stakeholders.

I can confirm that the current members of the Board have extensive expertise in the areas of business management, strategy, finance, corporate governance, legal and administration. Further, all members of the Board are cognizant of their fiduciary duty to the Company and its shareholders and have ensured that this obligation is always kept top of mind.

During the year under review, the Board performed its duties diligently to uphold the best interests of the shareholders of the Company. The Board continued to guide the affairs of the Company in an effective and efficient manner.

As Chairman of the Board, I affirm that all directors are encouraged to contribute and deliberate on strategic and governance-related topics, and that inputs from the independent directors, the director representing minority shareholders, and the directors having relevant expertise on such topics are consulted and given due consideration before taking any decision. The Board and its Committees' have ensured the evaluation and compensation of the Chief Executive, Chief Financial Officer and Company Secretary as well as the evaluation of the Head of Internal Audit.

The Board has clearly defined the terms of reference of its committees and the members are appointed after considering their requisite skills and experience. Further, the Board and its committees met regularly during the year and exercised their governance roles after due deliberation on each matter placed before them. The Board and its committees have in place a formal process for annual self-evaluation to ensure that the performance of the directors, collectively and individually, remains highly satisfactory.

On behalf of the Board, I take this opportunity to thank our employees, shareholders, customers, and other stakeholders for their utmost dedication, sustained support, and trust in the Company.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Karl Werner', written in a cursive style.

Karl Stefan Werner
Chairman of the Board

Directors' Report

Dear Shareholders,

We, the undersigned, for and on behalf of the Board of Directors are pleased to present the Siemens (Pakistan) Engineering Co. Ltd. ("Company") annual report and the audited financial statements for the financial year ended September 30, 2023 ("FY 2023"), together with auditors' report thereon.

Despite the difficult economic situation the Company managed to grow the topline. From business environment perspective, the outgoing year was characterized by uncertain geo-political and economic situation resulting in significant devaluation of PKR, high energy prices, unprecedented inflation and interest rates. Further, restrictive import scenario impeded Company's ability to execute orders on time. Some key performance trends are mentioned below:

- New orders of Rs 38 billion were recorded which is mainly contributed by the Energy Transmission business with orders secured valuing Rs 28.7 billion. A major portion of this win was contributed by Energy Transmission contract with National Transmission and Despatch Company of approximately Rs 12.3 billion for construction of 500/132kV Grid Station at Allama Iqbal Industrial City/M-3 Faisalabad to meet the energy demand of upcoming Allama Iqbal Industrial City, Faisalabad.
- On account of healthy order backlog from last year, the Sales for the year increased by Rs 9.8 billion as compared to FY 2022 despite multiple challenges stated above. The sales revenue was led by Energy Transmission business, which recorded an increase of Rs 11 billion as compared to FY 2022.
- For the year, the Company posted an overall profit before tax of Rs 1.9 billion. This was heavily impacted by unrealized gain recorded on measurement of foreign currency embedded derivatives amounting to Rs 3.1 billion. The value of unrealized gain is highly sensitive to the movement of Pakistan Rupee in subsequent periods.

In view of business growth and upcoming execution of orders, the Company has increased its utilization of short-term borrowings.

An overview of the key indicators is presented here:

Key Performance Indicators	FY 2023	FY 2022
	(Rupees in millions)	
New Orders	38,027	38,747
Net sales and services (continuing and discontinued operations)	30,747	20,911
Profit before income tax from continuing operations	2,269	2,580
Net loss from discontinued operations	(446)	(45)
Net profit for the period (continuing and discontinued operations)	971	1,681
Earnings per share (Rupees)	117.72	203.81
Earnings per share from continuing operations (Rupees)	171.78	209.28

Appropriations

Following is the summary of appropriations made during FY 2023:

	(Rupees in millions)
Accumulated profit as at October 1, 2022	2,158
Net profit after taxation for FY 2023	971
Final dividend of Rs. 46 per share for FY 2022	(379)
Accumulated profit as at September 30, 2023	2,750

For details of movement in other reserves please refer to Statement of Changes in Equity in the financial statements.

Dividend

Keeping in view the current and future cash flow situation of the Company, the Board has in the best interest of the Company and Shareholders, decided not to pay any dividend for FY 2023, however, the board shall monitor the situation in next quarters to consider the possibility of payouts, if any.

Company Principle Activities and Business Segments

The Company operates through the business portfolios Smart Infrastructure, Digital Industries and Energy focusing on the areas of power generation and distribution, smart grids and smart buildings, and automation and digitalization in the process and manufacturing landscape.

Smart Infrastructure intelligently connects energy systems, buildings and industries to enhance the way we live and work through greater efficiency and sustainability. Digital Industries helps its customers unlock their full potential as a partner providing cutting-edge technologies for the automation and digitalization of discrete and process industries. The Energy value chain includes generation, transmission, new energy business, industrial applications and renewables.

In accordance with the Board's in principle approval accorded on October 4, 2022, the sale of the Company's ERP value added reselling solution and service business (the business) to TMC (Private) Limited has been completed on April 1, 2023. Consequently, the business was economically transferred to TMC (Private) Limited. However, in case of certain contracts where legal transfer is pending (pending contracts), the Company will continue to manage such contracts including the ancillary activities.

The Board has in its meeting held on March 10, 2023, approved in principle, that the Company assesses the viability of a sale of the Company's energy portfolio to a separate non-affiliated Siement Energy Group entity (Proposed Transaction) following the Spin-off of the Energy Business by Siemens AG in 2020. As per decision of the board in the said meeting the proposed transaction shall remain subject to finalization of definitive agreement between the parties and the receipt of further internal, corporate and applicable regulatory approvals. At present, the assessment as referred above is in progress.

Risks, Uncertainties and Mitigations

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

A) Operational risks

The operational risks are related to project management (such as timely completion of the projects and change in estimates/plan costs), EHS, and supply chain management.

The Company addresses these risks in the course of its business by dedicating resources with requisite skills and expertise. The management determines risk response strategies for such risks, which include an "avoid, transfer, reduce, or accept" strategy.

B) Financial risks

Financial risk has been described in detail in note 53 of the attached financial statements that include market, credit, and liquidity risks.

C) Compliance risk

The Company has a zero-tolerance policy for non-compliant activities and behaviors. The Company further understands that non-compliance with laws and regulations may result in imposition of penalties, debarment, black-listing, license cancellation, etc. To mitigate such risks, the Company has implemented a very comprehensive and effective compliance function.

Further, the Business Conduct Guidelines (BCG) clearly define the Company's expectations from all directors, executives and employees of the Company and from those with whom it conducts 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 doing so. To facilitate the process, various reporting channels, such as the compliance helpdesk "Tell Us", have been established on the Company's website.

Environment, Health, and Safety (EHS)

Protecting the environment, conserving our natural resources, fostering the health and performance of our employees, as well as safeguarding their working conditions are core to our social and business commitment at Siemens. The challenges posed by the pandemic has led the Company to adopt the 'New Normal' to answer the challenges of our time and to improve the quality of life for generations to come.

At Siemens, we prioritize the mental well-being of our employees as an integral part of our commitment to their overall welfare. We deeply understand the pivotal role a healthy mental state plays in ensuring our employees' success and satisfaction. To facilitate this, we have established a partnership with Saaya Health for our Employee Assistance Program. Through this collaboration, we have taken proactive steps to actively engage with our employees by conducting various training and awareness sessions specifically focused on promoting mental health within the workplace. These sessions aim to equip our workforce with the knowledge and tools necessary to manage stress, maintain a positive work-life balance, and seek support when needed. Our ongoing efforts reflect our dedication to fostering a supportive and mentally healthy work environment for all our employees.

In this regard, beginning this fiscal year, we have focused on the importance of the Degree Framework and Siemens EHS Essentials such as electrical safety, well-being of our employees and road safety. It constitutes a 360-degree approach for all stakeholders – our customers, our suppliers, our investors, our people, the societies we serve, and our planet. These topics remain crucial in our effort to achieve Zero Harm Culture and "Healthy and Safe@Siemens", which remain crucial EHS aspects. We firmly believe that ensuring and behaving in a safe manner demonstrates discipline, which in turn leads to sustainable development.

Corporate Social Responsibility

Good corporate citizenship has been an integral component of the Company philosophy since Werner von Siemens founded the company in 1847. We have three focus areas for our corporate citizenship- work: Access to Technology, Access to Education and Sustaining Communities. They emerged from our business strategy, core competencies, global targets for the betterment of society, global megatrends (Demographics, urbanization, climate change, globalization, and digitalization), and stakeholder dialogue. Our activities in Corporate Citizenship also contribute to advances in the SDGs across the board. Siemens attaches great importance on environmental and climate protection undertaking an ongoing program to encourage its employees to be more responsible in using resources.

As in previous years, in FY 2023 the Company has continued to work closely on initiative for fulfilling its social responsibility.

Throughout the year, the Company has actively participated in various social initiatives, such as engaging in relief efforts for individuals affected by floods and making donations to the Sindh Flood Relief Fund.

Furthermore, the Company is committed to addressing gender disparity in vocational training through its Shana Bashana initiative. This initiative, conducted in collaboration with the Build4Skills global project and funded by the German Federal Ministry for Economic Cooperation and Development, aims to promote equality in the workforce. Commencing in FY 2020, Siemens provided work-based training to 9 girls during the initial phase. The third phase of Shana Bashana, which concluded in FY 2023, witnessed the participation of 44 young girls who underwent workplace-based training (WBT) at Siemens Pakistan for a duration of 6 weeks.

For comprehensive information, kindly refer to the Sustainability and Corporate Citizenship section of the Annual Report.

Adherence to best practices of Corporate Governance

The Company is determined to meet and, wherever possible, exceed all legal and ethical requirements and to conduct all business according to the highest standards and practices. The Board defines a path of continuous improvement by constantly challenging existing processes. It also requires the Company to embrace change so that the Company is well-positioned when new opportunities arise. This also means attracting the best talent in the marketplace and providing them with the skills and opportunities required to excel.

For the purpose of clause 5.6.4. of the Rulebook of PSX, the Board has defined the expression "executives" to mean Managing Director, Chief Financial Officer, Company Secretary, all direct reports of MD, CFO, and Company Secretary, relevant CFR staff involved in closing and reporting activities, and all employees whose basic salary exceeds PKR 3.6 million in a financial year.

Composition of the Board and its Committees and number of Meetings and attendance during the Financial Year 2023

Composition of the Board and its committees, number of meetings of the Board and its committees, and attendance therein, is as follows:

Composition		Board Meeting held/ Attended	Audit Meeting held/ Attended	Human Resource and Remuneration Meeting held/ Attended	Nomination Meeting held/ Attended
Syed Muhammad Daniyal*	MD/CEO Executive Director	7/2	N/A	N/A	N/A
Mr. Markus-Erich Strohmeier**	MD - Executive Director	7/5	N/A	6/4	0/0
Mr. Qazi Sajid Ali	Independent Director	7/7	N/A	6/6 (Chairman)	N/A
Ms. Ayla Majid	Independent Director	7/7	4/4 (Chairwoman)	N/A	N/A
Mr. Oliver Spierling	Non-Executive Director	7/7	N/A	6/6	0/0
Mr. Harald Griem	Non-Executive Director	7/7	4/4	N/A	N/A
Mr. Karl Stefan Werner	Non-Executive Director	7/7	4/4	N/A	N/A
Mr. Adnan Afridi	Non-Executive Director	7/7	4/4	N/A	N/A
Mr. M. Usman Ansari***	Non-Executive Director	7/0	N/A	N/A	N/A

* Syed Muhammad Daniyal was appointed as MD/CEO to the Board of Directors w.e.f. May 25, 2023 in place of Mr. Markus-Erich Strohmeier.

** Mr. Markus-Erich Strohmeier - served as MD/CEO up to May 24, 2023 and served as Director up to July 24, 2023.

*** Mr. M. Usman Ansari appointed as Director in place of Mr. Markus-Erich Strohmeier w.e.f. October 23, 2023.

Directors' Statements

We are pleased to state that:

- The financial statements, prepared by the management of the Company, fairly represent its state of affairs, including the result of its operations, cash flows and changes in equity;
- Proper books of account have been maintained by the Company;
- Appropriate accounting policies have been consistently applied in preparation of financial statements;
- The accounting estimates are based on reasonable and prudent judgment.
- International Accounting Standards (IAS) and International Financial Reporting Standards (IFRSs), as applicable in Pakistan, have been followed in preparation of financial statements.
- The system of internal control, including internal controls over financial reporting, is sound in design and has been effectively implemented and monitored.
- There are no significant doubts upon the Company's ability to continue as a going concern; and
- There has been no material departure from the best practices of corporate governance, as detailed in the Listed Companies (Code of Corporate Governance) Regulations, 2019.

Statement of Compliance

The Company strictly adheres to the principles of corporate governance and has implemented all prescribed stipulations. The same have been summarized in the enclosed statement of compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 duly reviewed by the external auditors.

Directors' Remuneration Policy

The Board has approved a Directors' Remuneration Policy, which describes in detail the policy's objectives and a transparent procedure for determination of the remuneration packages of individual directors for attending meetings of the board and its committees. Salient features, amongst others, of the Directors' Remuneration Policy are as follows:

- Level of remuneration shall be commensurate with the needs of the business, strategic alignment and the best interests of the Company and its shareholders.
- Level of remuneration shall be as per market practice of comparable companies/industry.
- While determining remuneration, no discrimination shall be made based on gender.
- Remuneration shall be sufficient to attract and retain qualified and skilled individuals on the board to govern the Company successfully.
- Remuneration shall justify the time and expertise that is required to be spent by the directors to fulfil their responsibilities.
- Remuneration shall be sufficient to encourage value addition.
- Remuneration shall not be at a level that could be perceived to compromise the independence of the directors.
- Managing Director/Chief Executive Officer, Executive Director and Directors representing the majority shareholder will not be entitled to any remuneration in accordance with the Articles of Association of the Company.
- Remuneration will be fixed for the entire term of the Board prior to each election of the directors (once every three years).
- Recommendation from Independent Consultant on level of remuneration to be fixed should be obtained for benchmarking.

Directors' Remuneration

Details of aggregate amount of remuneration separately of executive and non-executive directors are disclosed in note 49 to the financial statements.

Evaluation of the Board's Performance

The Board has approved a formal policy and a process has been put in place for conducting annual performance evaluation of the Board and its committees. The purpose of the evaluation is to ensure that the Board's performance is measured with reference to overall corporate objectives, governance structure of the Company, statutory and regulatory compliance, effectiveness, collaboration and value addition. Performance evaluation for FY 2023 was conducted as per the process approved by the Board, and overall performance and effectiveness of the Board is categorized as "strong". All members of the Board participated in performance evaluation and provided their feedback.

Composition of Board of Directors

The total number of elected directors is seven (7) as per the following:

- Male: Six (6)
- Female: One (1)

The composition of the Board is as follows:

Category	Names
Independent Directors	Mr. Qazi Sajid Ali Ms. Ayla Majid
Non-Executive Directors	Mr. Adnan Afridi Mr. Oliver Spierling Mr. Karl Stefan Werner Mr. Harald Griem Mr. M. Usman Ansari*
Executive Director	Syed Muhammad Daniyal (Acting Managing Director w.e.f May 25, 2023)

* Further, Mr. Muhammad Usman Ansari has been appointed as director with effect from October 23, 2023 in place of Mr. Marks Erich Strohmeier in accordance with section 155(3) of the Companies Act, 2017.

External Auditors

At the start of the current fiscal year, Siemens AG worldwide changed its external auditors and appointed PwC for the financial year 2024 in place of Ernst & Young (EY). Pursuant to such global change, M/s. EY Ford Rhodes, Chartered Accountants (a member firm of Ernst & Young Global Limited, EY), who were appointed as auditors of the Company in the last AGM, retire at the conclusion of the upcoming Annual General Meeting. The Board records their appreciation for the valuable services rendered by EY during their tenure. For financial year 2024 the Board of Directors, on the recommendation of audit committee, approved the appointment of M/s. A. F. Ferguson & Co. (A member firm of PwC network), Chartered Accountants, as external auditors of the Company.

Corporate Status

The Company is a subsidiary of Siemens Aktiengesellschaft, Germany (Siemens AG), which is incorporated under the laws of the Republic of Germany and holds 74.65% shares of the Company as at September 30, 2023.

Pattern of Shareholding

The Company is listed on Pakistan Stock Exchange Limited. The detailed pattern and categories of its shareholding including shares held by directors and executives, if any, are annexed to the Annual Report.

Investments 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:

Rupees in millions			
	June 30, 2022	June 30, 2021	June 30, 2020
Provident Fund	6.378	669.301	574.432
	September 30, 2022	September 30, 2021	September 30, 2020
Gratuity Fund	-	217.215	209.278

Post Balance Sheet Non-Adjusting Events and Significant Developments during FY 2023

There have been no material changes or events from September 30, 2023, to the date of this report, which have an impact on the financial statements, except for the declaration of final dividend, which is subject to the approval of the Members of the Company at the forthcoming Annual General Meeting, the effect of which will be reflected in the FY 2024 financial statements.

The Company's Future Outlook

The Company closely monitors its risks, including the political and economic situation of the country that can impact its progress. Challenges in execution of import transactions remain, hence, there remains a risk that this situation may impact the Company's ability to timely procure the machinery and equipment required for execution of its orders.

The Company continues to focus on its core business involving Smart Infrastructure, Industrial Automation and Energy portfolio. With the available talent pool, required competencies and technology-driven portfolio, the Company is striving to expand its footprint in the market and continue to contribute to the community.

Acknowledgement

We take this opportunity to thank our valued customers who have continued to place trust in our products and services and have provided sustained support in ensuring the progress of the Company. The Company is very proud of its employees for their committed and passionate efforts, loyalty and dedication. We also greatly value the support and cooperation of all stakeholders who are contributing towards the growth of our Company.

We would also like to extend our sincerest gratitude to our shareholders for the confidence and trust they have placed in on us, and for their unwavering support.

On behalf of the Board



Qazi Sajid Ali
Director



Syed Muhammad Daniyal
Acting Managing Director

Karachi, November 30, 2023

Notes and Forward Looking Statement

This document contains statements related to our future business and financial performance and future events or developments that may constitute forward-looking statements. These statements may be identified by words such as "expect," "look forward to," "anticipate," "intend," "plan," "believe," "seek," "estimate," "will," "project" or words of similar meaning. We may also make forward-looking statements in other reports, in presentations, in material delivered to shareholders. Such statements are based on the current expectations and certain assumptions of management, of which many are beyond Siemens' control. These are subject to a number of risks, uncertainties and factors, including, but not limited to those described in this report. Should one or more of these risks or uncertainties materialize, or should underlying expectations not occur or assumptions prove incorrect, actual results, performance or achievements may (negatively or positively) vary materially from those described explicitly or implicitly in the relevant forward-looking statement. Siemens' neither intends, nor assumes any obligation, to update or revise these forward-looking statements in light of developments which differ from those anticipated.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Board Committees

Terms of Reference of Audit Committee

The Terms of Reference for the Audit Committee shall be as follows:

1. Determination of appropriate measures to safeguard the company's assets;
2. Review of annual and interim financial statements of the company, prior to their approval by the Board of Directors, focusing on:
 - (i) major judgmental areas;
 - (ii) significant adjustments resulting from the audit;
 - (iii) going concern assumption;
 - (iv) any changes in accounting policies and practices;
 - (v) compliance with applicable accounting standards;
 - (vi) compliance with these regulations and other statutory and regulatory requirements; and
 - (vii) all related party transactions.
3. Review of preliminary announcements of results prior to external communication and publication;
4. Facilitating the external audit and discussion with external auditors of major observations arising from interim and final audits and any matter that the auditors may wish to highlight (in the absence of management, where necessary);
5. Review of management letter issued by external auditors and management's response thereto;
6. Ensuring coordination between the internal and external auditors of the company;
7. Review of the scope and extent of internal audit, audit plan, reporting framework and procedures and ensuring that the internal audit function has adequate resources and is appropriately placed within the company;
8. Consideration of major findings of internal investigations of activities characterized by fraud, corruption and abuse of power and management's response thereto;
9. Ascertaining that the internal control systems including financial and operational controls, accounting systems for timely and appropriate recording of purchases and sales, receipts and payments, assets and liabilities and the reporting structure are adequate and effective;
10. Review of the company's statement on internal control systems prior to endorsement by the board of directors and internal audit reports;
11. Instituting special projects, value for money studies or other investigations on any matter specified by the board of directors, in consultation with the chief executive officer and to consider remittance of any matter to the external auditors or to any other external body;
12. Determination of compliance with relevant statutory requirements;
13. Monitoring compliance with these regulations and identification of significant violations thereof;
14. Review of arrangement for staff and management to report to audit committee in confidence, concerns, if any, about actual or potential improprieties in financial and other matters and recommend instituting remedial and mitigating measures;
15. Recommend to the board of directors the appointment of external auditors, their removal, audit fees, the provision of any service permissible to be rendered to the company by the external auditors in addition to audit of its financial statements. The board of directors shall give due consideration to the recommendations of the audit committee and where it acts otherwise it shall record the reasons thereof; and
16. Consideration of any other issue or matter as may be assigned by the board of directors.

Terms of Reference of Human Resources and Remuneration Committee

The Terms of Reference for the Human Resource and Remuneration Committee shall be as follows:

1. Recommend to the board for consideration and approval of a policy framework for determining remuneration of directors (both executive and non-executive directors and members of senior management). The definition of senior management will be determined by the board which shall normally include the first layer of management below the chief executive officer level;
2. Undertaking annually a formal process of evaluation of performance of the board as a whole and its committees either directly or by engaging external independent consultant and if so appointed, a statement to that effect shall be made in the directors' report disclosing name, qualifications and major terms of appointment;
3. Recommending human resource management policies to the board;
4. Recommending to the board the selection, evaluation, development, compensation (including retirement benefits) of chief operating officer, chief financial officer, company secretary and head of internal audit;
5. Consideration and approval on recommendations of chief executive officer on such matters for key management positions who report directly to chief executive officer or chief operating officer; and
6. Where human resource and remuneration consultants are appointed, their credentials shall be known by the committee and a statement shall be made by them as to whether they have any other connection with the company.

Terms of Reference of the Nomination Committee

The Terms of Reference for the Nomination Committee shall be as follows:

1. Responsible for considering and making recommendations to the Board in respect of the Board committees and the chairmanship of the Board committees.
2. Responsible for keeping the structure, size and composition of the Board under regular review and for making recommendations to the Board with regard to any changes necessary.
3. Any other matter which is ancillary to the TOR mentioned above.

In case of any conflict in the Terms of Reference of the Nomination Committee with the terms of the Human Resource and Remuneration Committee, the matter shall be referred to the Board of Directors for decision.

Key Operating and Financial data

Six Years Summary	2023	2022	2021	2020	2019	2018
	(Rupees in '000)					
Trading Results						
New orders	38,027,016	38,747,023	22,251,029	12,508,542	15,849,831	23,612,363
Net turnover	30,746,663	20,910,705	14,348,950	12,805,375	16,672,924	19,522,120
Export of goods and services	782,009	467,389	412,742	243,602	301,025	277,070
Contracts executed outside Pakistan	85,549	30,331	189,842	794,936	1,360,682	3,415,066
Gross profit	4,967,802	4,989,358	2,424,641	890,448	2,502,658	3,301,949
Operating profit / (loss)	2,073,635	2,612,529	1,112,280	(55,437)	1,431,148	2,276,409
Profit / (loss) before tax from continuing operations	2,269,418	2,580,292	1,142,204	(226,684)	1,198,487	2,233,661
(Loss) / profit before tax from discontinued operations	(481,066)	9,270	-	-	-	-
Gain on sale of business / sale of assets classified as held for sale - before tax	114,933	-	247,851	-	-	-
Profit / (loss) before tax	1,903,285	2,589,562	1,390,055	(226,684)	1,198,487	2,233,661
Profit / (loss) after tax	970,844	1,680,849	850,005	(496,015)	709,468	1,159,220
Earnings before interest, taxes, depreciation and amortisation (excluding one time gain on sale of business / sale of assets classified as held for sale)	2,253,105	2,805,342	1,324,293	146,895	1,600,862	2,473,235
Final dividend	-	379,364	379,364	82,470	379,364	618,528
Financial Position						
Share capital	82,470	82,470	82,470	82,470	82,470	82,470
Reserves and Retained Earnings	7,706,977	7,109,059	5,723,827	4,886,187	5,904,974	5,695,699
Property, plant and equipment	258,299	326,151	300,355	279,935	378,120	388,095
Net current assets	6,759,061	6,321,240	5,068,831	4,125,236	4,232,193	4,329,885
Long-term / deferred liabilities	584,488	491,672	642,437	858,151	90,033	170,904
Investors Information						
Gross profit ratio	16.16%	23.86%	16.90%	6.95%	15.01%	16.91%
EBITDA Margin to sales	7.33%	13.42%	9.23%	1.15%	9.60%	12.67%
Return on equity / capital employed	12.46%	23.37%	14.64%	-9.98%	11.85%	20.06%
Inventory turnover ratio (in times)	2.88	4.25	4.03	3.49	2.95	3.53
Inventory turnover ratio (no. of days)	127	86	91	105	124	104
Debtor turnover ratio (in times)	2.44	1.90	1.56	1.49	1.97	3.04
Debtor turnover ratio (no. of days)	150	192	235	244	186	120
Creditor turnover ratio (in times)	1.99	2.32	1.94	2.00	2.09	2.20
Creditor turnover ratio (no. of days)	184	158	188	183	175	166
Operating cycle (no. of days)	93	120	137	166	135	57
Total assets turnover ratio (in times)	0.99	1.02	0.90	0.85	0.97	1.20
Fixed assets turnover ratio (in times)	105.22	66.75	49.45	38.92	43.52	55.72
Current ratio	1.22	1.41	1.45	1.51	1.41	1.36
Quick / acid test ratio	1.06	1.27	1.33	1.41	1.29	1.25
Cash dividend per share (Rs)	-	46	46	10	46	75
Dividend yield ratio	-	0.07	0.08	0.02	0.07	0.08
Interest cover ratio	6.78	44.66	42.25	(0.27)	6.01	28.98
Breakup value per share (Rs)	944.51	872.01	704.05	602.48	726.01	700.64
Market value per share (Rs)	636	700	582	585	645	902
Share price during the year						
High (Rs)	950	819	710	865	992	1,154
Low (Rs)	544	547	476	455	515	708
Earnings / (loss) per share (Rs)	117.72	203.81	103.07	(60.14)	86.03	140.56
Profit / (loss) before tax in percent to sales	6.19%	12.38%	9.69%	-1.77%	7.19%	11.44%
Profit / (loss) after tax in percent of sales	3.16%	8.04%	5.92%	-3.87%	4.26%	5.94%
Cash Flows						
Net cash flow from operating activities	(4,610,970)	(249,366)	2,017,041	890,897	942,633	(3,195,999)
Net cash flow from investing activities	258,565	(113,844)	176,507	(68,550)	(140,220)	(197,888)
Net cash flow from financing activities	(202,915)	(564,521)	(227,405)	(145,741)	(616,239)	(613,325)
Net change in cash and cash equivalents	(4,555,320)	(927,731)	1,966,143	676,606	186,174	(4,007,212)

An aerial photograph of a terraced rice field. The terraces are arranged in a complex, winding pattern, creating a maze-like appearance. The rice plants are a vibrant green, and the terraces are separated by narrow, dark paths. In the middle-right section of the image, there is a small, simple structure with a corrugated metal roof, likely a hut or a small farm building. The overall scene is lush and green, with a strong sense of agricultural productivity and traditional farming practices.

Sustainability and Corporate Citizenship at Siemens



Sustainability

As a sustainable company, we aim to ensure profitable, long-term growth, lasting value for all our stakeholders, and a positive impact on the economy, society, and the environment. We are convinced that sustainability, with its various challenges throughout the world, creates many new business opportunities for Siemens. Managing sustainability within Siemens includes both the sustainable development of Siemens and of the countries and societies in which we operate, as well as the environment. It comes down to do business in a responsible manner by evaluating business decisions at an early stage so that possible risks can be mitigated responsibly, and potential opportunities can be supported. This is a company-wide endeavor that is embedded in our business purpose, our corporate culture, our code of business conduct (Business Conduct Guidelines). Our decisions and activities are designed to create long-term value for present and future generations.

Our **DEGREE** framework sets clear and measurable ambitions

Decarbonization

support the 1.5°C target to fight global warming

Ethics

foster a culture of trust, adhere to ethical standards, and handle data with care

Governance

apply state-of-the-art systems for effective and responsible business conduct

Resource efficiency

achieve circularity and dematerialization

Equity

foster diversity, inclusion, and community development to create a sense of belonging

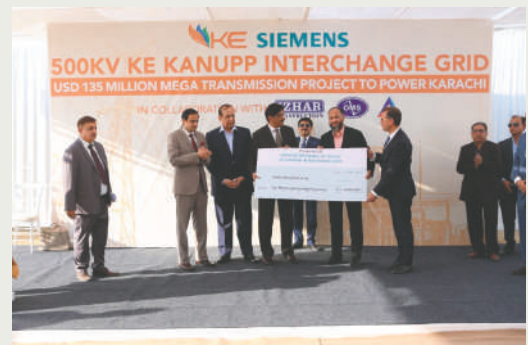
Employability

enable our people to stay resilient and relevant in a permanently changing environment

Corporate Citizenship

Sindh Flood Relief

As part of our Corporate Citizenship approach to disaster relief during the torrential monsoon rains and widespread floods in Pakistan in 2022, Siemens Pakistan made a significant donation directly to the Sindh government. This contribution aimed to support the ongoing flood relief efforts and assist the victims in their journey towards recovery. In solidarity with the millions affected, Siemens reaffirms its dedication to playing a vital role in alleviating the suffering caused by this natural disaster and stands united with the people of Pakistan during these challenging times.



Corporate Citizenship

Shana Bashana

"Shana Bashana" – side by side is an integrated development partnership between the German Agency for International Cooperation (GIZ) and Siemens Pakistan, aimed at promoting gender equality in the country and addressing prevalent gender bias in vocational trainings.

The aim of the partnership is to promote women in the infrastructure landscape of Pakistan by integrating them into the work stream through TVET (Technical and Vocational Education and Training) and provide them WBT (Workplace Based Training). This is one of a kind program seeks to promote sustainable efforts for empowerment and employability of women through STEM education in the male dominated landscape of Pakistan.

Exacerbating to the obsolete methods of training and education there is wide skill set mismatch between to labor market and industry requirements, as the offered program are not aligned to the industry demands. Additionally challenges for women, in technical fields related to culture, exposure and perception provide fewer opportunities of women based on superficial assessment of women.

The collaboration between Siemens and GIZ plays a pivotal role to create a significant impact through country-level implementation by addressing the above challenges.

Supporting the objective, Siemens Pakistan has so far provided industry exposure through WBT to 57 remarkable women selected from TVET sector running curated curriculum through institutions like NUTECH and Hunar Foundation. Siemens recognizes their efforts through a certificate distribution ceremony highlighting stories of determination, resilience, and persistence.

We aspire to promote this ongoing partnership by inviting further collaboration with our industry partners for long-term sustainability and alignment to promote the long term vision of a more gender neutral industry by providing gender-sensitive teaching and learning material (TLM) through WBT.



| Financial Report 2023





INDEPENDENT AUDITORS' REVIEW REPORT

To the members of Siemens (Pakistan) Engineering Co. Ltd.

Review Report on the Statement of Compliance contained in the Listed Companies (Code of Corporate Governance) Regulations, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of **Siemens (Pakistan) Engineering Co. Ltd.** (the Company) for the year ended **30 September 2023** in accordance with the requirements of Regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. 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 Regulations.

As a part of our audit of the 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 Regulations require 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. 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.

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 requirements contained in the Regulation as applicable to the Company for the year ended 30 September 2023.



Chartered Accountants

Place: Karachi

UDIN: CR202310120uDpr4csy6

Date: 18 December 2023

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019 Siemens (Pakistan) Engineering Co. Ltd.

For the year ended September 30, 2023

The Company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (here-in-after referred as 'Regulations') in the following manner:

1. The total number of directors as at September 30, 2023 is seven (07) as per the following:
 - Male: Six (06)
 - Female: One (01)
2. The composition of the Board during the year ended September 30, 2023 remained as follows:

Category	Name
Independent Directors	Mr. Qazi Sajid Ali Ms. Ayla Majid (Female Director)
Non-Executive Directors	Mr. Adnan Afridi Mr. Oliver Spierling Mr. Stefan Werner Mr. Harald Griem
Executive Director	Syed Muhammad Daniyal (Acting Managing Director w.e.f May 25, 2023) Mr. Markus Erich Strohmeier (Director up to July 24, 2023)

Further, Mr. Muhammad Usman Ansari has been appointed as director with effect from October 23, 2023 in accordance with section 155(3) of the Companies Act, 2017.

NOTE: For the purpose of the rounding up of the fraction in connection with compliance with clause 6 of the Regulations, the Company has not rounded up the fraction as one since as it currently stands, the Board has adequate skill set.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
4. The Company has prepared a Code of Conduct named as "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.
5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company.
6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by Board / shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and the Regulations.
7. The meetings of the Board were presided over by the Chairman. The Board has complied with the requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.
9. Six directors are duly certified from approved institutions as per the Directors' Training requirements.
10. The appointment of Head of internal audit and Company Secretary including their remuneration and terms and conditions are approved by the Board. Further, during the year the Board has approved the appointment and remuneration of Chief Financial Officer. The Board has complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed following Committees, as at September 30, 2023, comprising of members given below:

Members of Audit Committee	Designation
Ms. Ayla Majid	Chairwoman (Independent Director)
Mr. Adnan Afridi	Non-Executive Director
Mr. Stefan Werner	Non-Executive Director
Mr. Harald Griem	Non-Executive Director

Members of Human Resource and Remuneration Committee	Designation
Mr. Qazi Sajid Ali	Chairman (Independent Director)
Mr. Oliver Spierling	Non-Executive Director

Members of Nomination Committee	Designation
Mr. Oliver Spierling	Chairman (Non-Executive Director)

As a result of relinquishment of Mr. Strohmeier from the position of Director, there arose a vacancy in the Human Resource and Remuneration Committee and Nomination Committee which shall be filled in due course.

13. The terms of reference of the aforesaid Committees have been formed, documented and advised to the Committees for compliance.
14. The frequency of meetings of the Committees during the year ended September 30, 2023 were as per following:
- Audit Committee: Four
 - Human Resource and Remuneration Committee: Six
 - Nomination Committee: None
15. The Board has set up an effective internal audit function which is managed by the employees of Siemens AG who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. 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 and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the Chief Executive Officer, Chief Financial Officer, Head of Internal Audit, Company Secretary or Directors of the Company.
17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Companies Act, 2017, the Codes or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard; and
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.



Karl Stefan Werner
Chairman

INDEPENDENT AUDITORS' REPORT

To the members of Siemens (Pakistan) Engineering Co. Ltd.

Report on the Audit of Financial Statements

Opinion

We have audited the annexed financial statements of **Siemens (Pakistan) Engineering Co. Ltd.** (the Company), which comprise the statement of financial position as at **30 September 2023**, and the statement of profit or loss, the statement of comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, 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 the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), 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 2023 and of the profit, other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for *Accountants' Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the key audit matters:

Key audit matter	How our audit addressed the key audit matter
Accounting for construction and engineering contracts	
<p>The Company earns a significant portion of its revenue from construction and engineering contracts which is recognized in accordance with IFRS 15 'Revenue from Contracts with Customers', generally over the time under the percentage-of-completion method.</p> <p>The recognition of revenue on construction and engineering contracts, therefore, involves significant estimate with respect to stage of completion of contracts and measurement of the amount of revenue considering the scope of deliveries, total estimated contract costs, remaining costs to completion and total estimated contract revenues etc. and its allocation to various components of performance obligation. In addition, revenues, total estimated contract costs and profit recognition may deviate significantly from original estimates based on new knowledge about the cost overruns and changes in project scope over the term of a contract.</p> <p>We have identified this as a key audit matter due to involvement of significant management's estimate and judgments in the determination of percentage-of-completion and related revenue recognition.</p> <p>Refer notes 2.4, 3.15, 11, 22, 25, 26 and 32 to the financial statements.</p>	<p>Our key audit procedures amongst others included the following:</p> <p>We obtained an understanding of the Company's processes and tested the design and operating effectiveness of controls for project management in the bid and execution phase of construction and engineering contracts including project reviews and controls addressing the timely assessment of changes in cost estimates and complete / timely recognition of such changes in project calculation.</p> <p>We evaluated management's estimates and assumptions of a sample of contracts by inspecting the terms and conditions of the contracts selected including contractually agreed milestones. Further, we also carried out inquiries of project management with respect to the development and amendments of the projects, reasons for deviations between planned and actual costs, and the current estimated costs to complete the contracts.</p> <p>We checked whether revenue was recognized in the correct accounting period for the sample of projects selected for testing. We analyzed billable revenues and corresponding cost of sales to be recognized considering the extent of progress towards completion and examined the accounting for the associated items in the statement of financial position.</p> <p>We considered the adequacy of the Company's disclosures in accordance with applicable financial reporting framework in Pakistan.</p>
Accounting for derivative financial instruments	
<p>The Company accounts for derivatives embedded in host contracts (mainly sales contracts) as separate derivatives, under the requirements of IFRS 9 'Financial Instruments.'</p> <p>As of 30 September 2023, the carrying value of derivative financial asset and derivative financial liability amounted to Rs. 5,532.51 million and Rs. 26.34 million respectively.</p> <p>We have identified this as a key audit matter since the fair value of the derivative financial instruments is significant to the overall financial statements.</p> <p>Refer notes 2.4, 3.17 and 29 to the financial statements.</p>	<p>Our key audit procedures amongst others included the following:</p> <p>We obtained an understanding of the valuation models used by management to determine the fair value of the derivative financial instruments.</p> <p>We tested the valuation of a sample of contracts to assess whether the valuations performed by the Company were within a pre-defined tolerable differences threshold determined by us.</p> <p>We assessed the accuracy of key inputs used by management in the valuations including forward foreign currency rates.</p>

Key audit matter	How our audit addressed the key audit matter
	We considered the adequacy of the Company's disclosures in accordance with applicable financial reporting framework in Pakistan.
Sale of ERP Value Added Reselling Solution and Service Business	
<p>The Company has disposed off its ERP Value Added Reselling Solution and Service Business (the business) during the year. The net loss from discontinued operations before gain on sale of the business amounted to Rs. 523.99 million. The net gain on sale of the business amounted to Rs. 78.15 million.</p> <p>Due to the significance of the transaction and its impact on the statement of profit or loss of the Company, we identified the same as a key audit matter for our audit.</p> <p>Refer notes 1.2, 3.4, 4 and 42 to the financial statements.</p>	<p>Our key audit procedures amongst others included the following:</p> <p>We obtained an understanding of the transaction by reading the Assets Sales and Purchase Agreement (the Agreement) between the Company and TMC (Private) Limited and reading relevant minutes of the meetings of those charged with governance for discussion in relation to the transaction.</p> <p>We assessed the appropriateness of accounting treatment of the transaction applied in the financial statements and checked the calculation of the gain in accordance with the applicable financial reporting standards.</p> <p>We considered the adequacy of the disclosures in accordance with the applicable financial reporting standards.</p>

Information Other than the Financial Statements and Auditors' Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) 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.

The engagement partner on the audit resulting in this independent auditors' report is **Omer Chughtai**.



Chartered Accountants

Place: Karachi

UDIN: AR202310120ADsKnH7zk

Date: 18 December 2023

Statement of Financial Position

As at September 30, 2023

	Note	2023 (Rupees in '000)	2022
Equity and liabilities			
Share capital and reserves			
Share capital			
- Authorised 20,000,000 (2022: 20,000,000) Ordinary shares of Rs 10 each		200,000	200,000
- Issued, subscribed and paid-up	6	82,470	82,470
Reserves			
Capital	7	624,192	624,192
Revenue	7	7,082,785	6,484,867
		7,706,977	7,109,059
Total equity		7,789,447	7,191,529
Non-current liabilities			
Lease liabilities	8	21,856	48,307
Deferred liabilities	9	496,219	440,103
Retention money		66,413	3,262
		584,488	491,672
Current liabilities			
Trade and other payables	10	20,002,471	8,970,865
Contract liabilities	11	4,270,483	5,205,139
Current portion of non-current liabilities	12	23,212	66,240
Short-term running finances	13	4,048,937	-
Provisions	14	1,208,441	649,152
Taxation - net	15	642,834	574,729
Unpaid dividend	16	250,752	-
Unclaimed dividend		29,911	28,892
		30,477,041	15,495,017
Total liabilities		31,061,529	15,986,689
Contingencies and commitments			
	17		
Total equity and liabilities		38,850,976	23,178,218
Assets			
Non-current assets			
Property, plant and equipment	18	258,299	326,151
Right-of-use assets	19	36,742	68,339
Long-term loans and trade receivables	22	952,109	609,767
Long-term prepayments		-	830
Deferred tax asset - net	23	367,724	356,874
		1,614,874	1,361,961
Current assets			
Inventories	24	4,923,408	2,165,764
Trade receivables	25	13,588,379	11,641,930
Contract assets	26	9,446,457	3,424,503
Loans and advances	27	130,301	490,183
Deposits and short-term prepayments	28	434,323	522,588
Derivative financial instruments	29	5,532,505	1,780,775
Other receivables	30	2,212,532	315,934
Cash and bank balances	31	968,197	1,474,580
		37,236,102	21,816,257
Total assets		38,850,976	23,178,218

The annexed notes 1 to 59 form an integral part of these financial statements.



Syed Muhammad Daniyal
Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer



Qazi Sajid Ali
Director

Statement of Profit or Loss

For the year ended September 30, 2023

		2023	2022
	Note	(Rupees in '000)	
Continuing operations			
Net sales and services	32	29,351,725	18,707,057
Cost of sales and services	33	(27,059,417)	(15,830,928)
Gain on derivatives - net	29.3	3,093,691	2,000,724
Gross profit		5,385,999	4,876,853
Marketing and selling expenses	34	(1,109,631)	(898,820)
Allowance for expected credit losses	35	(1,289,942)	(874,109)
General administrative expenses	36	(408,443)	(340,533)
		(2,808,016)	(2,113,462)
Other income	37	14,048	32,238
Other operating expenses	38	(37,330)	(192,370)
Net other operating expenses		(23,282)	(160,132)
Operating profit		2,554,701	2,603,259
Financial income	39	43,977	36,351
Financial expenses	40	(329,260)	(59,318)
Net financial expenses		(285,283)	(22,967)
Profit before income tax from continuing operations		2,269,418	2,580,292
Income tax	41	(852,742)	(854,308)
Net profit for the year from continuing operations		1,416,676	1,725,984
Discontinued operations			
Net loss for the year from discontinued operations	4	(445,832)	(45,135)
Net profit for the year		970,844	1,680,849
Basic and diluted earnings per share (Rupees)	43	117.72	203.81
Basic and diluted earnings per share for continuing operations (Rupees)	43	171.78	209.28

The annexed notes 1 to 59 form an integral part of these financial statements.



Syed Muhammad Daniyal
Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer



Qazi Sajid Ali
Director

Statement of Comprehensive Income

For the year ended September 30, 2023

	2023	2022
	(Rupees in '000)	
Net profit for the year	970,844	1,680,849
Other comprehensive income for the year that will not be reclassified to statement of profit or loss in subsequent periods:		
Recognition of remeasurement (loss) / gain on defined benefit plan	(10,251)	107,405
Deferred tax thereon	16,689	(23,658)
Other comprehensive income for the year - net of tax	6,438	83,747
Total comprehensive income for the year	<u>977,282</u>	<u>1,764,596</u>

The annexed notes 1 to 59 form an integral part of these financial statements.



Syed Muhammad Daniyal
Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer



Qazi Sajid Ali
Director

Statement of Cash Flows

For the year ended September 30, 2023

	2023	2022
Note	(Rupees in '000)	
Cash flows from operating activities		
Cash (used in) / generated from operations	44	(3,390,613)
Payment to gratuity fund	9.1.1	(61,156)
Payment to Workers' Profit Participation Fund (WPPF)		(9,112)
Payment to Workers' Welfare Fund (WWF)		(24,040)
Financial expenses paid		(267,552)
Income tax paid		(858,497)
Net cash used in operating activities		(4,610,970)
Cash flows from investing activities		
Capital expenditure incurred		(49,068)
Proceeds from sale of property, plant and equipment		10,408
Proceeds from sale of business	42	266,431
Financial income received		30,794
Net cash generated from / (used in) investing activities		258,565
Cash flows from financing activities		
Dividends paid		(127,593)
Repayment of long-term financing		(34,222)
Repayment of lease liabilities	8	(41,100)
Net cash used in financing activities		(202,915)
Net decrease in cash and cash equivalents		(4,555,320)
Cash and cash equivalents at beginning of the year		1,474,580
Cash and cash equivalents at end of the year	45	(3,080,740)

The annexed notes 1 to 59 form an integral part of these financial statements.



Syed Muhammad Daniyal
Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer



Qazi Sajid Ali
Director

Statement of Changes in Equity

For the year ended September 30, 2023

	Issued, subscribed and paid-up share capital	Capital reserves			General reserves	Revenue reserves		Total
		Share premium	Treasury shares reserve	Other capital reserve		General reserves	Remeasurement loss on defined benefit plan - net of tax	
(Rupees in '000)								
Balance as at September 30, 2021	82,470	619,325	567	4,300	4,523,026	(279,895)	856,504	5,806,297
Final dividend @ Rs 46/- per Ordinary share of Rs 10/- each for the year ended September 30, 2021	-	-	-	-	-	-	(379,364)	(379,364)
Net profit for the year ended September 30, 2022	-	-	-	-	-	-	1,680,849	1,680,849
Other comprehensive income for the year	-	-	-	-	-	83,747	-	83,747
Total comprehensive income for the year	-	-	-	-	-	83,747	1,680,849	1,764,596
Balance as at September 30, 2022	82,470	619,325	567	4,300	4,523,026	(196,148)	2,157,989	7,191,529
Final dividend @ Rs 46/- per Ordinary share of Rs 10/- each for the year ended September 30, 2022	-	-	-	-	-	-	(379,364)	(379,364)
Net profit for the year ended September 30, 2023	-	-	-	-	-	-	970,844	970,844
Other comprehensive income for the year	-	-	-	-	-	6,438	-	6,438
Total comprehensive income for the year	-	-	-	-	-	6,438	970,844	977,282
Balance as at September 30, 2023	82,470	619,325	567	4,300	4,523,026	(189,710)	2,749,469	7,789,447

The annexed notes 1 to 59 form an integral part of these financial statements.



Syed Muhammad Daniyal
Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer



Qazi Sajid Ali
Director

Notes to the Financial Statements

For the year ended September 30, 2023

1. LEGAL STATUS AND OPERATIONS

Siemens (Pakistan) Engineering Co. Ltd. (the Company) was incorporated in Pakistan in the year 1953 under the Companies Act, 1913 (now Companies Act, 2017). The Company is a public limited company and its shares are quoted on Pakistan Stock Exchange Limited. 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. The geographical location of other offices and plant is given in note 57 to these financial statements.

1.1 Energy Portfolio of the Company

The Board of Directors of the Company in their meeting held on March 10, 2023, has approved, in principle, that the Company assesses the viability of a sale of the Company's energy portfolio to a separate entity of Siemens Energy Group following the Spin-off of the Energy Business by Siemens AG in 2020.

The proposed sale transaction shall remain subject to finalization of definitive agreement between the parties and the receipt of further internal, corporate and applicable regulatory approvals. The criteria stated in IFRS-5 'Non-current Assets Held for Sale and Discontinued Operations' has not been fully met as at the reporting date, accordingly, the afore-mentioned business has not been classified and presented as 'Held for Sale and Discontinued Operation' in these financial statements.

1.2 Discontinued operations

The Board of Directors of the Company in their meeting held on October 4, 2022, approved, in principle, the sale of the Company's ERP value added reselling solution and service business (the business) to TMC (Private) Limited. The requisite regulatory approvals were obtained and the sale of the business stood complete on April 1, 2023. Consequently, the business was economically transferred to TMC (Private) Limited. However, in case of certain contracts where legal transfer is pending (pending contracts), the Company will continue to manage such contracts and the related receivable and payable balances on behalf of TMC (Private) Limited.

The afore-mentioned business is presented as discontinued operations in note 4 to these financial statements as per the Company's policy disclosed in note 3.4 to these financial statements. Further, the comparative figures of the statement of profit or loss and respective notes have been re-presented accordingly. The related gain on sale of the business is disclosed in note 42 to these financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act); and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from IFRS, the provisions of and directives issued under the Act have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the 'historical cost' convention except as mentioned in the respective notes to these 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 judgments

The preparation of financial statements in conformity with accounting standards as applicable in Pakistan requires management to make estimates, assumptions and judgments that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

These estimates 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 judgments made by the management in applying accounting policies include:

- Refund liabilities (note 3.2)
- Provision for warranty obligations and losses on sales contracts (note 3.3)
- Contingent liabilities (note 3.3)
- Method of depreciation and amortisation, residual values, useful lives and impairment on property, plant and equipment, right-of-use assets and intangible assets (notes 3.5 to 3.7)
- Allowance for expected credit losses (loss allowance) on doubtful contract assets, deposits, trade and other receivables (note 3.8.1)
- Provision for taxation and deferred taxation (note 3.9.1 and 3.9.2)
- Provisions against inventories (note 3.10)
- Actuarial assumptions for the gratuity scheme and provision thereagainst (note 9.1)
- Costs of completion of contracts in progress (notes 3.15 and 32.1); and
- Derivative financial instruments (note 3.17)
- Share based payment transactions (note 3.19)
- Determining the lease term of contracts and estimating the incremental borrowing rate (note 3.20)

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 defined benefit plans and a defined contribution plan.

3.1.1 Defined Benefit Plans

The Company operates an approved funded and unfunded 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 and are recognised in the statement of profit or loss. Remeasurement gains / losses are recognised directly to equity through other comprehensive income (OCI) and are not reclassified to profit or loss in subsequent periods.

All past service costs are recognised at the earlier of when the amendments or curtailment occurs and when the Company has recognised related retirement or termination benefits. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements and net interest expense or income in the statement of profit or loss.

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 Contract liabilities

A contract liability is the obligation of the Company to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation under the contract.

It also includes refund liabilities arising out of customers' right to claim amounts that the Company ultimately expects it will have to return to the customer on account of contractual delays in delivery of performance obligations and incentive on target achievements for dealers. The Company updates its estimates of refund liabilities at the end of each reporting period.

3.3 Provisions and contingent liabilities

A provision is recognised in the statement of financial position when the Company has a present (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. The expense relating to a provision is presented in the statement of profit or loss.

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

The Company recognises the provision for losses on sales contracts when the unavoidable costs (directly attributable costs of fulfilling the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A contingent liability is disclosed when there is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

3.4 Non-current assets (or disposal group) classified as held for sale and Discontinued operations

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.

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 re-presented as if the operation had been discontinued from the start of the comparative period.

3.5 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any, except for capital-work-in-progress which are stated at cost less accumulated impairment losses, if any. 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.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposal of assets are taken to profit or loss.

Capital-work-in-progress consist of expenditure incurred in respect of operating fixed assets in the course of their acquisition, construction and installation and advances made thereagainst. These are transferred to respective items of property, plant and equipment on becoming available for use.

Repairs and maintenance are charged to profit or loss as and when incurred. Major renewals and improvements which increase the asset's remaining useful economic life or the performance beyond the current estimated levels are capitalized and the assets so replaced, if any, are retired.

Depreciation is charged to profit or loss 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, if not already fully depreciated. The residual value, depreciation method and the useful lives of each class of property, plant and equipment are reviewed, and adjusted if appropriate, at each reporting date.

3.6 Right-of-use assets

The Company recognises right-of-use assets (ROU assets) at the commencement date of the lease (i.e., the date the underlying asset is available for use). ROU assets are measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of lease liabilities, if any. The cost of ROU assets includes the amount of lease liabilities recognised, initial direct costs incurred, if any, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

3.7 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. Amortisation on additions is charged from the month in which the asset is available for use and on disposals upto the month of deletion, if not already fully amortised.

3.8 Impairment

3.8.1 Financial assets

The Company recognises an impairment for lifetime expected credit losses (loss allowance) for all financial assets, other than those held at fair value through profit or loss. The Company applies a simplified approach to assess the loss allowance from trade receivables, contract assets and other receivables by applying their lifetime expected credit losses. Loss allowances are set up representing a forward-looking estimate of future credit losses involving significant judgment. Loss allowance is the gross carrying amount less collateral, multiplied by the probability of default derived from internal rating grades and a factor reflecting the loss in the event of default. Loss allowances are not recognized when the gross carrying amount is sufficiently collateralized. However, in certain cases, the Company has also considered a financial asset to be in default when there is an objective evidence of impairment including internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

For other assets such as bank balances, deposits, etc., the Company also applies a low credit risk simplification and evaluates whether these assets consider to have low credit risk using all reasonable and supportable information that is available without undue cost and efforts including external credit ratings assesses by reputable agencies, etc.

3.8.2 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 profit or loss, for the amount by which an asset's carrying amount exceeds its recoverable amount. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, if no impairment loss had been recognised.

3.9 Taxation

3.9.1 Current

The charge for current taxation is based on taxable income at the current rates of taxation in accordance with Income Tax Ordinance, 2001. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

3.9.2 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 date of statement of financial position.

Deferred tax liability is recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and unused tax credits. 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 charged is recognised in profit or loss, however deferred tax relating to items recognised in OCI / Equity is recognised directly in OCI / Equity.

3.9.3 Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.10 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. Inventories in transit are stated at invoice price plus directly attributable charges incurred thereon up to the reporting date.

The Company reviews the carrying amount of inventories on an on-going basis and as appropriate, inventory is written down to its net realisable value or provision is made for obsolescence if there is any change in usage pattern and / or physical form of related inventory.

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.

3.11 Contract assets

Contract assets arise on long term construction contracts when the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due. It is measured at cost plus profit recognised to date less progress billing and recognised losses; and any related loss allowance thereagainst. Cost includes all expenditures related directly to specific projects and an allocation of fixed and variable overheads incurred.

The Company generally becomes entitled to invoice customers for execution of construction contract based on achieving a series of performance-related milestones as per the respective contracts.

3.12 Cash and cash equivalents

Cash and cash equivalents are stated at cost and comprise of cash in hand, cheques in hand and deposits held with banks subject to an insignificant risk of changes in value 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 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 loans and borrowings and related expenses, cash and bank balances and related income, corporate assets 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 reporting date. Exchange gains and losses are included in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

3.15 Revenue recognition

(a) Revenue from contract with customers

Revenue from sale of goods is recognised at a point in time when the customer obtains control of the goods or services.

Service revenue is recognised over the contractual period or as and when services are rendered to customers.

The Contract revenue generated from execution of long term construction-type contracts is accounted for under the percentage-of-completion method as the customer obtains control of the goods or services over the time. Contract revenue and contract costs relating to such contracts are recognised as revenue and expenses respectively by reference to stage of completion of contract activity at the reporting 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.

On contract inception and at each reporting date, the variable consideration element in a contract arising from penalty on account of contractual delays (liquidated damages) is assessed. The resultant variable consideration, being below a particular threshold of the total contract value, is charged to cost of sales and services. Correspondingly, a refund liability is recognised against the expected liquidated damages up to the contract completion.

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.

Contract modifications which may be a change in the scope or price (or both) are included in contract revenue to the extent that they have been agreed with the customer and create enforceable rights and obligations.

(b) Other revenues

- Financial income is recognised as it accrues, using the effective mark-up rates.
- All other incomes are recognised on an accrual basis.

3.16 Financial assets and liabilities

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through OCI or fair value through profit or loss. This classification depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables, the Company initially measures all financial assets at cost, which is the fair value of consideration given. Trade receivables are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost, the financial asset gives rise on specified dates to cash flows that are 'solely payments of principal and interest' (SPPI) on the principal amount outstanding and the Company holds such financial assets with an objective to collect contractual cash flows. Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in statement of profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through profit or loss (FVTPL) include financial assets held for trading (including derivatives unless they are designated as effective hedging instruments), financial assets designated upon initial recognition at FVTPL, or financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at FVTPL, irrespective of the business model. These are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. These are subsequently measured at fair value or amortised cost as the case may be. Gains or losses are recognised in profit or loss.

The Company derecognises the financial assets and financial liabilities when it ceases to be a party to contractual provisions of such instruments.

Financial assets and liabilities are offset and the net amount is reported in the financial statements only when there is legally enforceable right to set-off the recognised amounts and the Company intends either to settle on a net basis, or to realise the assets and to settle the liabilities simultaneously.

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 unrealised gain or loss from re-measuring the derivative financial instrument at fair value is recognised in statement of profit or loss.

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 used as economic hedges and are not designated as hedging instruments in hedge relationships as defined by IFRS 9. These are recognised in the statement of financial position at estimated fair value with corresponding effect to the statement of profit or loss. Derivative financial instruments are carried as assets when fair value is positive and liabilities when fair value is negative.

3.18 Dividends

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

3.19 Share based payment transactions

The fair value of the amount payable in cash to employees in respect of share based schemes 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 profit or loss.

3.20 Lease liabilities

The Company assess at contract inception whether a contract is, or contain a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company acts as a lessee and applies a single recognition and measurement approach for all the leases except for short-term leases and leases of low value assets. The Company recognises lease liability to make lease payments and right-of-use assets representing the right to use the underlying assets. At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of fixed lease payments to be made over the lease term. The Company applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company determines the lease term as the non-cancellable term of the lease, together with any periods affected by an option to extend or terminate the lease. After the commencement date, the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew the lease. Any change is accounted for as a change in estimate and applied prospectively with corresponding change in ROU assets and lease liabilities.

3.21 Amendments and improvements to approved accounting standards effective during the year

The company has adopted the following amendments and improvements to IFRSs for financial reporting which became effective for the current year:

Amendments to approved accounting standards

IFRS 3	Reference to the Conceptual Framework (Amendments)
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

IFRS 9	Financial Instruments - Fees in the '10 percent' test for derecognition of financial liabilities
IAS 41	Agriculture - Taxation in fair value measurements
IFRS 16	Leases: Lease incentives

The adoption of the above amendments and improvements to the approved accounting standards did not have any material effect on the Company's financial statements.

3.22 Amendments to approved accounting standards that are not yet effective

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

Amendments		Effective date (annual periods beginning on or after)
IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies (Amendments)	January 01, 2023
IAS 8	Definition of Accounting Estimates (Amendments)	January 01, 2023
IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments)	January 01, 2023
IAS 12	International Tax Reform – Pillar Two Model Rules (Amendments)	January 01, 2023
IAS 1	Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments)	January 01, 2024
IAS 7 / IFRS 7	Disclosures: Supplier Finance Arrangements (Amendments)	January 01, 2024
IFRS 16	Lease Liability in a Sale and Leaseback (Amendments)	January 01, 2024
IAS 21	Lack of exchangeability (Amendments)	January 01, 2025
IFRS 10 / IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)	Not yet finalised

Further, the following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan and are not expected to have any material impact on the Company's financial statements in the period of initial application.

Standard		IASB Effective date (annual periods beginning on or after)
IFRS 1	First time adoption of IFRSs	January 01, 2004
IFRS 17	Insurance Contracts	January 01, 2023

The above amendments are not expected to have any material impact on the Company's financial statements in the period of initial application.

4. DISCONTINUED OPERATIONS

4.1 As stated in note 1.2 to these financial statements, the results of the disposal group are presented below:

Discontinued operations	Note	2023 (Rupees in '000)	2022
Net sales and services		1,394,938	2,203,648
Cost of sales and services		(1,722,657)	(2,219,429)
(Loss) / gain on derivatives		(90,478)	128,286
Gross (loss) / profit		(418,197)	112,505
Marketing and selling expenses		(72,060)	(105,879)
Reversal of allowance for expected credit losses		4,711	2,630
		(67,349)	(103,249)
Other income		4,502	14
Other operating expenses		(22)	-
Net other operating income		4,480	14
(Loss) / profit before income tax and gain on sale of business		(481,066)	9,270
Income tax		(42,920)	(54,405)
Loss before gain on sale of business		(523,986)	(45,135)
Gain on sale of business - net of income tax	42	78,154	-
Net loss for the year		(445,832)	(45,135)
Basic and diluted loss per share (Rupees)	43	(54.06)	(5.47)

4.2	The net cash flows from the disposal group are, as follows:	2023	2022
		(Rupees in '000)	
	Cash flows from discontinued operations		
	Net cash flows from operating activities	(853,588)	325,811
	Net cash flows from investing activities	148,938	(5,493)
	Net cash flows from discontinued operations	(704,650)	320,318

5. OPERATIONS IN AFGHANISTAN

Effective December 31, 2015, the Company ceased to participate in further business in Afghanistan due to withdrawal of sales rights by Siemens AG for the Afghanistan territory. However, the Company will continue to execute the orders in hand as at September 30, 2023 amounting to Rs 51.315 million (2022: Rs 52.737 million). The execution of the orders in hand is subject to removal of global sanctions and revocation of suspension due to force majeure event.

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

	Ordinary shares of Rs 10/- each				
	2023	2022		2023	2022
	(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)	Treasury shares	(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

6.1 Siemens Aktiengesellschaft (Siemens AG, the parent company) held 6,156,782 Ordinary shares (2022: 6,156,782 Ordinary shares) of Rs 10/- each, constituting 74.65% of the issued share capital of the Company as at September 30, 2023.

6.2 Voting rights, board selection, right of first refusal and block voting are in proportion to the respective shareholding.

6.3 Dividends and other appropriations

The Board of Directors have, in their meeting held on November 30, 2023 proposed a final cash dividend of Rs nil per Ordinary share of Rs 10/- each (2022: Rs 46/- per share), amounting to Rs nil (2022: Rs 379.364 million). This is subject to the approval of the Members of the Company at the forthcoming Annual General Meeting.

7.	RESERVES	Note	2023	2022
			(Rupees in '000)	
	Capital			
	Share premium	7.1	619,325	619,325
	Treasury shares reserve	7.2	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 - net of tax		(189,710)	(196,148)
	Accumulated profits		2,749,469	2,157,989
			7,082,785	6,484,867

7.1 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.

7.2 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 treasury shares during the year ended September 30, 2003. This reserve was created to comply with the requirements of Section 95A of the repealed Companies Ordinance, 1984.

8. LEASE LIABILITIES	Note	2023	2022
		(Rupees in '000)	
Balance at beginning of the year		80,325	111,654
New leases during the year		17,876	-
Accretion of interest during the year	40	7,258	9,945
Payments during the year		(41,100)	(41,274)
Terminations during the year		(19,291)	-
Balance at end of the year		45,068	80,325
Less: Current maturity of lease liabilities	12	(23,212)	(32,018)
		21,856	48,307
9. DEFERRED LIABILITIES			
Defined benefit plan - gratuity fund	9.1	453,209	397,966
Share based benefits	50	27,144	26,004
Others		15,866	16,133
		496,219	440,103

9.1 Defined benefit plan - gratuity fund

As stated in note 3.1.1 to these financial statements, the Company operates two retirement benefit plans (the plans) namely approved funded gratuity scheme for all its permanent employees in Pakistan and an unfunded gratuity scheme for all its permanent employees in Afghanistan.

Plan assets held in trust are governed by local regulations which mainly includes Trust Act, 1882, Companies Act, 2017, Income Tax Rules, 2002 and Rules under the Trust deed of the Plan. Responsibility for governance of the Plans, including investment and funding decisions and contribution schedules lies with the Board of Trustees. The Company appoints the trustees and all trustees are employees of the Company.

The latest actuarial valuation was carried out on September 30, 2023 using the Projected Unit Credit Method, using the following significant financial assumptions:

- Discount rate of 17.35% per annum compound (2022: 13.00%).
- Expected rate of increase in salaries 15% per annum (2022: 11.5%).
- For Pakistan SLIC (2001-05) mortality table was considered.

The amounts recognised in the statement of financial position are as follows:

Note	2023			2022		
	Pakistan	Afghanistan	Total	Pakistan	Afghanistan	Total
	Funded	Unfunded		Funded	Unfunded	
	(Rupees in '000)					
Fair value of plan assets	291,706	-	291,706	326,041	-	326,041
Present value of defined benefit obligation	(725,856)	(19,059)	(744,915)	(708,472)	(15,535)	(724,007)
Deficit - recognised as liability in the statement of financial position	(434,150)	(19,059)	(453,209)	(382,431)	(15,535)	(397,966)

9.1.1 Movement in the fair value of plan assets

Opening balance	326,041	-	326,041	278,196	-	278,196
Interest income	41,572	-	41,572	29,328	-	29,328
Contributions made by the Company	61,156	-	61,156	69,176	-	69,176
Benefits paid	(144,711)	-	(144,711)	(40,408)	-	(40,408)
Remeasurement gain / (loss)	7,648	-	7,648	(10,251)	-	(10,251)
	291,706	-	291,706	326,041	-	326,041

	2023			2022		
	Pakistan	Afghanistan	Total	Pakistan	Afghanistan	Total
	Funded	Unfunded		Funded	Unfunded	
Note	(Rupees in '000)					
9.1.2 Movement in the present value of defined benefit obligation						
Opening balance	708,472	15,535	724,007	724,910	13,076	737,986
Current service cost	61,156	1,595	62,751	69,176	1,491	70,667
Settlement loss	3,300	-	3,300	-	-	-
Interest expense	79,740	1,929	81,669	72,106	1,312	73,418
Benefits paid	(144,711)	-	(144,711)	(40,408)	-	(40,408)
Remeasurement loss / (gain)	17,899	-	17,899	(117,312)	(344)	(117,656)
	<u>725,856</u>	<u>19,059</u>	<u>744,915</u>	<u>708,472</u>	<u>15,535</u>	<u>724,007</u>
9.1.3 Movement in net liability in the statement of financial position is as follows:						
Opening balance of liability	382,431	15,535	397,966	446,714	13,076	459,790
Expense recognised for the year	102,624	3,524	106,148	111,954	2,803	114,757
Contributions made by the Company	(61,156)	-	(61,156)	(69,176)	-	(69,176)
Net remeasurement loss / (gain) for the year recognised in OCI	10,251	-	10,251	(107,061)	(344)	(107,405)
	<u>434,150</u>	<u>19,059</u>	<u>453,209</u>	<u>382,431</u>	<u>15,535</u>	<u>397,966</u>
9.1.4 Remeasurement loss / (gain) recognised in statement of other comprehensive income:						
Remeasurement of present value of defined benefit obligation	(35,063)	-	(35,063)	(132,759)	(2,990)	(135,749)
Financial assumptions	52,962	-	52,962	15,447	(1,125)	14,322
Experience adjustments	-	-	-	-	3,771	3,771
Effect of changes in foreign exchange rates	17,899	-	17,899	(117,312)	(344)	(117,656)
Remeasurement of fair value of plan assets	(7,648)	-	(7,648)	10,251	-	10,251
	<u>10,251</u>	<u>-</u>	<u>10,251</u>	<u>(107,061)</u>	<u>(344)</u>	<u>(107,405)</u>
9.1.5 The following amounts have been charged in the statement of profit or loss in respect of these benefits:						
Current service cost	61,156	1,595	62,751	69,176	1,491	70,667
Settlement loss	3,300	-	3,300	-	-	-
Interest expense	79,740	1,929	81,669	72,106	1,312	73,418
Interest income on plan assets	(41,572)	-	(41,572)	(29,328)	-	(29,328)
	<u>102,624</u>	<u>3,524</u>	<u>106,148</u>	<u>111,954</u>	<u>2,803</u>	<u>114,757</u>
9.1.6 Major categories / composition of plan assets are as follows:						
				Pakistan - Funded	Afghanistan - Unfunded	
				2023	2022	2023
				-----%		2022
Cash and cash equivalents				<u>100</u>	<u>100</u>	<u>-</u>
				<u>-</u>	<u>-</u>	<u>-</u>

9.1.7 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			
	Pakistan		Afghanistan	
	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
	(Rupees in '000)			
Effect of change in discount rate	(20,377)	21,480	-	-
Effect of change in future salary increases	21,833	(20,871)	-	-

The sensitivity analyses above have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

9.1.8 Expected maturity analysis of undiscounted cashflows	2023	2022
	(Rupees in '000)	
Less than one year	68,412	70,271
Between one to two years	76,171	67,855
Between two to five years	376,650	302,125
Between five to ten years	1,038,388	830,823
	1,559,621	1,271,074

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

9.1.10 During the year ending September 30, 2024, the Company plans to contribute to the defined benefit plan of Pakistan as per the recommendation of the actuary amounting to Rs 64.882 million.

9.1.11 The defined benefit plans expose the Company to the actuarial risks such as:

Withdrawal and mortality risks - Withdrawal risk is the risk of higher or lower withdrawal experience than assumed. Mortality risk is the risk that the actual mortality experience is different. Both risks depend on the beneficiaries' service / age distribution and the benefit.

Investment risk - The risk of the investment underperforming and not being sufficient to meet the liabilities. The risk is mitigated by closely monitoring the performance of investments.

Longevity risk - The risk arises when the actual lifetime of retirees is longer than expectation. The risk is measured at the plan level over the entire retiree population.

9.1.12 The weighted average duration of the defined benefit obligations is 6 years.

10. TRADE AND OTHER PAYABLES	Note	2023	2022
		(Rupees in '000)	
Trade creditors [including retention money of Rs 413.159 million (2022: Rs 581.729 million)]	10.1	17,857,230	6,907,944
Accrued liabilities		1,529,180	1,384,543
Accrued interest		245,919	191,469
Workers' Profit Participation Fund (WPPF)		-	9,112
Workers' Welfare Fund (WWF)		244,985	229,349
Derivative financial instruments	29.1	26,336	-
Withholding tax payable		50,147	27,244
Sales tax payable		-	121,534
Other liabilities		48,674	99,670
		20,002,471	8,970,865

10.1 These include sums aggregating to Rs 3,870.036 million (2022: Rs 1,518.889 million) due to related parties.

11. CONTRACT LIABILITIES	Note	2023 (Rupees in '000)	2022
Advances from customers			
- for goods		937,129	1,355,811
- for projects and services	11.1	2,761,298	3,275,911
	11.2	3,698,427	4,631,722
Unearned portion of revenue		-	185,861
Refund liabilities		572,056	387,556
		<u>4,270,483</u>	<u>5,205,139</u>

11.1 This includes advance from a related party, Rousch (Pakistan) Power Limited having aggregate amount due of Rs 166.006 million (2022: Rs 264.223 million) as per the contractual payment terms.

11.2 This includes billings in excess of Rs 2,678.760 million (2022: Rs 1,279.149 million) as per the contractual milestones.

12. CURRENT PORTION OF NON-CURRENT LIABILITIES	Note	2023 (Rupees in '000)	2022
Current maturity of long-term financing		-	34,222
Current maturity of lease liabilities	8	23,212	32,018
		<u>23,212</u>	<u>66,240</u>

13. SHORT-TERM RUNNING FINANCES

- Secured
- | 13.1 | Note | 2023 | 2022 |
|---|------|-----------|------|
| Facilities for secured bank overdraft arranged with commercial banks in Pakistan aggregated to Rs 12,618 million (2022: Rs 3,695 million) at interest rate ranging between 15.71% to 23.41% per annum (2022: 8.00% to 16.01% per annum). These are secured against joint hypothecation charges over inventories and trade receivables of the Company and a stand-by letter of credit provided by Siemens AG (parent company) to the bank. | 13.1 | 4,048,937 | - |
- 13.2 Facility for unsecured bank overdraft arranged with a commercial bank in the United Arab Emirates (UAE) aggregated to Rs 196.535 million (2022: Rs 155.283 million) at interest rate ranging between 7.95% to 9.08% per annum (2022: 3.70% to 7.89% per annum). As of reporting date, this remained fully unutilized by the Company.
- 13.3 Facility is available from Siemens Financial Services (SFS) of Siemens AG, in respect of the projects in the United Arab Emirates (UAE). The mark-up on this facility ranging between 2.93% and 6.20% per annum (2022: 4.53% and 5.06% per annum). As of reporting date, this remained fully unutilized by the Company.

14. PROVISIONS	Warranties	Losses on sales contracts	Total
	(Rupees in '000)		
2023			
Balance at beginning of the year	502,960	146,192	649,152
Additional provision	349,429	556,711	906,140
Cost incurred	(41,509)	(103,813)	(145,322)
Reversal of unutilised amounts	(169,606)	(31,923)	(201,529)
Balance at end of the year	<u>641,274</u>	<u>567,167</u>	<u>1,208,441</u>
2022			
Balance at beginning of the year	504,477	37,251	541,728
Additional provision	132,000	132,708	264,708
Cost incurred	(47,113)	(14,443)	(61,556)
Reversal of unutilised amounts	(86,404)	(9,324)	(95,728)
Balance at end of the year	<u>502,960</u>	<u>146,192</u>	<u>649,152</u>

	2023	2022
	(Rupees in '000)	
15. TAXATION - NET		
Provision for taxation	2,949,370	2,189,776
Advance tax	(2,306,536)	(1,615,047)
	<u>642,834</u>	<u>574,729</u>

16. UNPAID DIVIDEND

Represents amount payable to Siemens AG (Parent Company) on account of final dividend for the year ended September 30, 2022. Subsequent to the reporting date, the regulatory approval was obtained and accordingly, the remittance of dividend has been made.

17. CONTINGENCIES AND COMMITMENTS

17.1 Contingencies

The Company is defending various suits filed against it in various courts in Pakistan for sums aggregating to Rs 105.210 million (2022: Rs 103.635 million) related to claims by parties in respect of the Company's projects. 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.

17.2 Commitments

17.2.1 As at September 30, 2023, capital expenditure contracted for but not incurred amounted to Rs 67.517 million (2022: Rs 38.140 million).

	2023	2022
	(Rupees in '000)	
17.2.2 Guarantees		
- limit		
- utilised portion	21,288,688	18,916,372
- unutilised portion	20,084,784	16,580,399
	<u>1,203,904</u>	<u>2,335,973</u>
17.2.3 Letters of credit		
- limit		
- utilised portion	7,810,886	5,200,000
- unutilised portion	5,239,492	4,444,805
	<u>2,571,394</u>	<u>755,195</u>

17.2.4 The aggregate amount of commitments against various lease arrangements for rental premises arrangements are as follows:

	2023	2022
	(Rupees in '000)	
	Note	
- Not later than one year	<u>10,806</u>	<u>10,958</u>

18. PROPERTY, PLANT AND EQUIPMENT

Operating assets	18.1	258,016	296,280
Capital-work-in-progress		283	29,871
		<u>258,299</u>	<u>326,151</u>

18.1 Operating assets

	As at October 1, 2022		During the year ended September 30, 2023		As at September 30, 2023		Depreciation rates	
	Cost	Accumulated depreciation value	Net book value	Additions / (deletions) (on deletions) of disposals	Cost	Accumulated depreciation value		
	----- (Rupees in '000) -----							
							%	
Leasehold improvements	73,225	36,716	36,509	24,237 (15,693)	16,440 (14,707)	986	43,320	20, 25 & 50
Plant and machinery	336,617	240,844	95,773	2,175 (2,778)	16,609 (2,637)	141	81,198	10
Furniture and fixtures	186,282	143,410	42,872	17,727 (16,580)	17,179 (15,446)	1,134	42,286	20 & 25
Office equipment	177,094	127,502	49,592	30,373 (60,160)	24,605 (49,023)	11,137	44,223	20 & 33.33
Vehicles	218,112	163,970	54,142	- (6,430)	19,448 (6,430)	-	34,694	25
Tools and patterns	401,634	384,242	17,392	4,144 (7,749)	9,241 (7,749)	-	12,295	20 & 50
2023	1,392,964	1,096,684	296,280	78,656 (109,390)	103,522 (95,992)	13,398	1,104,214	258,016

18.2 The details of operating assets having net book value of Rs 500,000 and above sold during the year are as follows:

	Original cost	Accumulated depreciation	Net book value	Sale proceeds	(Loss) / gain on disposal	Mode of disposal	Name of purchaser	Relationship with purchaser
----- (Rupees in '000) -----								
Leasehold improvements	9,853	8,868	985	533	(452)	Negotiation	Ms. Farkhanda Sattar	Third party
Office equipment	1,268	317	951	951	-	Negotiation	Mr. Umer Jalil Anwer	Ex-employee
Office equipment	12,297	11,477	820	820	-	Negotiation	TMC (Private) Limited	Third party
Office equipment	1,829	884	945	945	-	Negotiation	TMC (Private) Limited	Third party
Office equipment	1,829	884	945	945	-	Negotiation	TMC (Private) Limited	Third party
Office equipment	1,434	159	1,275	1,275	-	Negotiation	TMC (Private) Limited	Third party
Office equipment	1,434	159	1,275	1,275	-	Negotiation	TMC (Private) Limited	Third party
2023	29,944	22,748	7,196	6,744	(452)			
2022	2,185	1,602	583	1,068	485			

	Note	2023 (Rupees in '000)	2022
19. RIGHT-OF-USE ASSETS			
Opening net book value		68,339	99,958
Right-of-use assets recognised during the year		17,876	-
Depreciation for the year		(31,971)	(31,619)
Right-of-use assets disposed off during the year		(17,502)	-
Closing net book value	19.2	36,742	68,339
19.1 Gross carrying value basis			
Cost		131,951	131,577
Accumulated depreciation		(95,209)	(63,238)
Net book value		36,742	68,339
Depreciation rates per annum		16% - 20%	16% - 31%

19.2 The right-of-use assets held by the Company comprise of properties on rental arrangement basis for its operations.

20. INTANGIBLE ASSETS

Intangible assets represents items having an aggregate cost of Rs 58.897 million (2022: Rs 61.682 million) which have been fully amortised and are still in active use of the Company.

	Note	2023 (Rupees in '000)	2022
21. Depreciation has been allocated as follows:			
Cost of sales and services	33.1	104,559	115,448
Marketing and selling expenses	34	24,944	28,924
General administrative expenses	36	5,990	6,107
		135,493	150,479

22. LONG-TERM LOANS AND TRADE RECEIVABLES

Loans

Due from employees	22.1	3,247	4,585
Less: Due within one year shown under current assets	27	(1,655)	(1,775)
Long term portion		1,592	2,810
Discounting to present value		(244)	(489)
		1,348	2,321

Trade receivables

Considered good		950,761	607,446
Considered doubtful		493,994	222,154
Loss allowance	25.2	1,444,755	829,600
		(493,994)	(222,154)
		950,761	607,446
		952,109	609,767

- 22.1 These represent interest free loans as per Company's policy, payable over a period of one to four years. Any outstanding amount due from an employee at the time of leaving the service of the Company is adjustable against the final dues including the retirement benefits.

	2023	2022
	(Rupees in '000)	
23. DEFERRED TAX ASSET - NET		
Debit / (credit) balance arising in respect of:		
Unused tax credits	225,836	-
Provisions	446,405	189,044
Loss allowance	767,505	370,364
Remeasurement loss on defined benefit plan	51,481	34,792
Decelerated tax depreciation and amortisation	34,992	25,595
Lease liabilities	9,497	11,940
	<u>1,535,716</u>	<u>631,735</u>
Derivative financial instruments	(1,160,250)	(264,703)
Right-of-use assets	(7,742)	(10,158)
	<u>(1,167,992)</u>	<u>(274,861)</u>
	<u>367,724</u>	<u>356,874</u>

- 23.1 Deferred tax income of Rs 16.689 million (2022: Deferred tax expense of Rs 23.658 million) routed through other comprehensive income relates to actuarial (loss) / gain on post-employment benefits. All other movements for deferred tax income / expense have been routed through profit or loss.

	Note	2023	2022
		(Rupees in '000)	
24. INVENTORIES			
Raw materials and components		1,203,005	520,569
Work-in-process		2,937,071	1,191,025
Finished goods		465,781	211,621
		<u>4,605,857</u>	<u>1,923,215</u>
Provision for slow moving and obsolete items		(243,483)	(171,462)
		<u>4,362,374</u>	<u>1,751,753</u>
Goods-in-transit		561,034	414,011
		<u>4,923,408</u>	<u>2,165,764</u>

25. TRADE RECEIVABLES

Considered good

Due from related parties	25.1	992,484	209,870
Due from others		12,595,895	11,432,060
		<u>13,588,379</u>	<u>11,641,930</u>
Considered doubtful		2,333,293	1,458,266
	25.2	15,921,672	13,100,196
Loss allowance		(2,333,293)	(1,458,266)
		<u>13,588,379</u>	<u>11,641,930</u>

- 25.1 Represents amounts due from Rousch (Pakistan) Power Limited and Siemens Energy affiliates having aggregate amounts of Rs 1.256 million (2022: Rs 38.888 million) and Rs 991.228 million (2022: Rs 170.982 million) respectively. Further, the maximum aggregate amounts due at the end of any month during the year from Rousch (Pakistan) Power Limited and Siemens Energy affiliates were Rs 40.070 million (2022: Rs 39.004 million) and Rs 991.228 million (2022: Rs 171.025 million) respectively.

- 25.2 Information relating to trade receivable ageing is presented in note 53.2 to these financial statements.

	2023	2022
	(Rupees in '000)	
26. CONTRACT ASSETS		
Considered good	9,446,457	3,424,503
Considered doubtful	652,128	534,852
	<u>10,098,585</u>	<u>3,959,355</u>
Loss allowance	(652,128)	(534,852)
	<u>9,446,457</u>	<u>3,424,503</u>

27. LOANS AND ADVANCES	Note	2023 (Rupees in '000)	2022
Current portion of loans due from employees	22	1,655	1,775
Advances to:			
Suppliers		122,809	470,861
Employees		5,837	17,547
		128,646	488,408
		130,301	490,183

28. DEPOSITS AND SHORT-TERM PREPAYMENTS

Deposits

Considered good		428,874	520,208
Considered doubtful		35,110	38,992
		463,984	559,200
Loss allowance		(35,110)	(38,992)
		428,874	520,208
Prepayments		5,449	2,380
		434,323	522,588

29. DERIVATIVE FINANCIAL INSTRUMENTS

This represents the derivative contracts embedded in foreign currency host construction contracts entered into by the Company with its customers and suppliers which are used as economic hedges and are not designated as hedging instruments in hedge relationships. The economic characteristics and risks of such embedded contracts are not closely related to those of the host contracts and therefore are accounted for as separate derivatives and are carried at fair value though profit or loss. Fair values of embedded foreign currency derivatives are based on forward exchange rates for the due dates of the respective embedded derivatives.

29.1 Fair value of embedded foreign currency derivatives	Note	2023 (Rupees in '000)	2022
Embedded foreign currency derivatives asset		5,532,505	1,780,775
Embedded foreign currency derivatives liability	10	(26,336)	-
	29.2	5,506,169	1,780,775

29.2 Below is the reconciliation for change in fair value measurement of embedded derivatives net asset position:

	Note	2023 (Rupees in '000)	2022
Fair value of embedded foreign currency derivatives - at the beginning of the year (net)		1,780,775	225,269
Net gain / (loss) in fair value during the year - net of reversal on realisation			
Continuing operations	29.3	3,815,872	1,465,028
Discontinued operations		(90,478)	90,478
		3,725,394	1,555,506
Fair value of embedded foreign currency derivatives - at the end of the year (net)		5,506,169	1,780,775

29.3 This includes net unrealised gain on sales contracts of Rs 4,227.784 million (2022: Rs 2,566.567 million) and unrealised loss on purchase contracts of Rs 1,134.093 million (2022: Rs 565.843 million) recognised in respect of change in fair value of embedded foreign currency derivatives due to sharp devaluation of Pak Rupee during the year against relevant currencies of US Dollar and Euro.

30. OTHER RECEIVABLES	Note	2023 (Rupees in '000)	2022
Considered good			
Due from related parties	30.1	1,836	1,912
Costs reimbursable from customers		614,662	243,482
Sales tax refundable		1,381,063	-
Interest accrued		68,579	55,396
Receivable against pending contracts	30.2	122,697	-
Others		23,695	15,144
		<u>2,212,532</u>	<u>315,934</u>
Considered doubtful			
Costs reimbursable from customers		38,361	30,087
Sales tax refundable		-	116,361
Others		86,816	88,262
		<u>125,177</u>	<u>234,710</u>
		<u>2,337,709</u>	<u>550,644</u>
Loss allowance		<u>(125,177)</u>	<u>(234,710)</u>
		<u>2,212,532</u>	<u>315,934</u>

30.1 Represents amount due from Siemens Industry Software (Private) Limited having an aggregate amount due of Rs 1.836 million (2022: Rs 1.912 million). Further, the maximum aggregate amount due at the end of any month during the year from Siemens Industry Software (Private) Limited was Rs 12.667 million (2022: Rs 1.912million)

30.2 This represents the net balance receivable from TMC (Private) Limited on account of pending contracts as mentioned in note 1.2 to these financial statements.

31. CASH AND BANK BALANCES	Note	2023 (Rupees in '000)	2022
With banks in			
Current accounts		567,544	451,193
Deposit accounts	31.1	400,475	1,023,201
		<u>968,019</u>	<u>1,474,394</u>
Cash in hand		178	186
		<u>968,197</u>	<u>1,474,580</u>

31.1 Include amounts in deposit accounts having effective interest rates as disclosed in note 53.1 to the financial statements.

32. NET SALES AND SERVICES	Note	2023 (Rupees in '000)	2022
Sales disaggregation by type of contracts			
Execution of contracts		19,993,059	10,603,559
Sale of goods		5,791,407	6,715,443
Rendering of services		3,567,259	1,388,055
	32.1	<u>29,351,725</u>	<u>18,707,057</u>
Sales tax		3,633,698	2,604,605
Gross sales and services		32,985,423	21,311,662
Sales tax		<u>(3,633,698)</u>	<u>(2,604,605)</u>
		<u>29,351,725</u>	<u>18,707,057</u>

32.1 The transaction price is generally fixed as per the contract with customers. Any variable consideration is estimated by using the most likely amount which is the single most likely amount in a range of possible consideration amounts.

In some cases, the transaction price needs to be allocated on the basis of relative stand-alone selling prices among the distinct performance obligations. The best evidence of a stand-alone selling price is the observable price of goods or services when the Company sells those goods or services separately in similar circumstances and to similar customers.

The revenue generated from execution of contracts is accounted for under the percentage-of-completion method wherein, 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.

The payment terms are governed by the contractual rights and obligations as defined in the contracts with customers. Generally, in case of sales of goods and rendering of services, the Company has the present right to payment when the same has been delivered, rendered or accepted. Whereas, in case of execution of contracts, the right to payment is established on achieving performance-related contractual milestones.

- 32.2** Revenue recognised during the year from the contract liability balance at the beginning of the year is Rs 2,536.684 million (2022: Rs 1,714.994 million).
- 32.3** The following shows the most appropriate maturity time bands of transaction price allocated to performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting year:

	Note	2023 (Rupees in '000)	2022
Subsequent 1st year		26,148,480	23,074,658
Subsequent 2nd year		13,563,504	11,285,626
Beyond 2nd year		10,022,316	11,874,613
		<u>49,734,300</u>	<u>46,234,897</u>

33. COST OF SALES AND SERVICES

Opening inventory of finished goods	24	211,621	186,323
Cost of goods manufactured and services rendered	33.1	23,826,312	13,613,586
Finished goods purchased		3,487,265	2,242,640
		<u>27,525,198</u>	<u>16,042,549</u>
Closing inventory of finished goods	24	(465,781)	(211,621)
		<u>27,059,417</u>	<u>15,830,928</u>

33.1 Cost of goods manufactured and services rendered

Opening inventories			
Raw materials and components		520,569	522,555
Work-in-process		1,168,531	607,525
Goods-in-transit		414,011	210,947
		<u>2,103,111</u>	<u>1,341,027</u>
Purchase of goods and services		21,579,657	11,263,917
Salaries, wages and employees welfare		1,675,219	1,415,062
Gratuity		62,331	62,320
Provident fund contribution		45,223	34,615
Royalty	33.1.1	13,475	28,339
Research and development		3,814	3,891
Commission		47,515	14,523
Fuel, power and water		146,139	100,582
Repairs and maintenance		74,649	92,335
Rent, rates and taxes		99,043	144,284
Liquidated damages on contracts		205,399	67,112
Provision for warranty - net		178,428	46,991
Provision for losses on sales contracts - net		524,788	127,074
Insurance		26,367	12,711
Provision / (reversal of provision) for slow moving and obsolete items of inventories - net		72,021	(18,051)
Inventories written off		42,631	43,913
IT, networking and data communication		333,730	220,570
Depreciation	21	104,559	115,448
Travelling and conveyance		298,957	207,293
Transportation		739,100	403,125
Stationery, telex and telephone		32,253	27,910
Security		76,185	40,329
Exchange gain - net		(41,954)	(119,467)
Legal and professional		5,103	15,229
Bank charges		158,412	93,176
Others		2,814	2,780
		<u>28,608,969</u>	<u>15,787,038</u>
Closing inventories			
Raw materials and components		(1,203,005)	(520,569)
Work-in-process		(2,937,071)	(1,168,531)
Goods-in-transit		(561,034)	(414,011)
		<u>(4,701,110)</u>	<u>(2,103,111)</u>
		<u>23,907,859</u>	<u>13,683,927</u>
Sale of scrap		(81,547)	(70,341)
		<u>23,826,312</u>	<u>13,613,586</u>

33.1.1 Represents royalty payable to the parent company, Siemens AG, having registered office in Wittlesbacherplatz 2, 80333 Munich, Germany.

34. MARKETING AND SELLING EXPENSES	Note	2023 (Rupees in '000)	2022
Salaries and employees welfare		595,779	509,389
Gratuity		38,598	44,082
Provident fund contribution		25,156	23,962
Business support services		70,504	60,629
Fuel, power and water		23,444	17,662
Repairs and maintenance		18,022	16,307
Rent, rates and taxes		11,110	9,106
Advertising and sales promotion		13,569	25,076
Insurance		5,855	3,040
Trade, other receivables and deposits written off		2,240	42,266
Discounting of long-term loans - net		(245)	334
IT, networking and data communication		175,553	90,128
Depreciation	21	24,944	28,924
Travelling and conveyance		34,458	28,652
Transportation		6,884	4,331
Stationery, telex and telephone		11,144	11,398
Security		21,276	6,521
Legal and professional		4,778	2,360
Bank charges		9,756	13,572
Fees and purchased services		23,597	22,796
		1,116,422	960,535
Commission income		(6,791)	(33,866)
Sale of scrap		-	(27,849)
		1,109,631	898,820
35. ALLOWANCE FOR EXPECTED CREDIT LOSSES			
Loss allowance on trade receivables - net		1,157,048	581,215
Loss allowance on contract assets - net		120,538	278,908
Loss allowance on deposits and other receivables - net		12,356	13,986
		1,289,942	874,109
36. GENERAL ADMINISTRATIVE EXPENSES			
Salaries and employees welfare		293,753	235,332
Gratuity		1,632	3,551
Provident fund contribution		1,563	811
Fuel, power and water		8,813	10,255
Repairs and maintenance		4,924	4,667
Rent, rates and taxes		4,136	10,445
Insurance		2,429	2,552
IT, networking and data communication		2,737	6,040
Depreciation	21	5,990	6,107
Donations	36.1	2,500	7,000
Auditors' remuneration	46	9,454	8,663
Travelling and conveyance		26,407	14,865
Stationery, telex and telephone		2,654	5,071
Security		5,103	8,906
Legal and professional		19,056	226
Fees and purchased services		17,292	16,042
		408,443	340,533
36.1 Recipients of donations do not include any donee in which a director or their spouse had any interest. Donations include the following donees to whom donation exceeds 10% of total donation or Rs. 1 million, whichever is higher.			
		2023 (Rupees in '000)	2022
Sindh Flood Relief Fund		2,500	-
Khubaib Foundation		-	1,000
The Citizens Foundation		-	2,500
The Indus Hospital & Health Network		-	3,500
		2,500	7,000

	Note	2023	2022
		(Rupees in '000)	
37. OTHER INCOME			
Gain on sale of property, plant and equipment - net		6,709	7,754
Gain on termination of leases		1,789	-
Insurance and other claims		67	300
Liabilities no longer payable written back		5,483	24,184
		<u>14,048</u>	<u>32,238</u>
38. OTHER OPERATING EXPENSES			
Workers' Profit Participation Fund (WPPF)		-	139,113
Workers' Welfare Fund (WWF)		37,330	53,257
		<u>37,330</u>	<u>192,370</u>
39. FINANCIAL INCOME			
Interest on other receivables		13,183	7,324
Income on amounts placed with banks under deposit accounts		30,794	29,027
		<u>43,977</u>	<u>36,351</u>
40. FINANCIAL EXPENSES			
Interest on short-term running finances		307,210	32,747
Interest on long-term financing		-	2,548
Interest on lease liabilities	8	7,258	9,945
Interest on other payables		14,792	14,078
		<u>329,260</u>	<u>59,318</u>
41. INCOME TAX			
Current			
For the year		719,390	598,853
For prior year		127,513	56,075
		<u>846,903</u>	654,928
Deferred		5,839	199,380
		<u>852,742</u>	<u>854,308</u>
41.1	During the year, provision for current tax is based on minimum tax. Accordingly, tax reconciliation is not presented in these financial statements.		
42. GAIN ON SALE OF BUSINESS		2023	2022
		(Rupees in '000)	
Sales price		266,431	-
Identifiable (assets) / liabilities disposed off:			
Property, plant and equipment		(9,677)	-
Inventories		(128,478)	-
Trade receivables		(479,104)	-
Contract assets		(69,942)	-
Trade and other payables		368,828	-
Contract liabilities		171,091	-
Provisions		30,651	-
Net assets disposed off		<u>(116,631)</u>	-
Gain on sale of business before expenses and income tax		149,800	-
Expenses in relation to disposal transaction		(32,521)	-
Workers' Welfare Fund (WWF)		(2,346)	-
Gain on sale of business before income tax		114,933	-
Income tax		(36,779)	-
Gain on sale of business - net of income tax		<u>78,154</u>	-

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

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

	2023	2022
	(Rupees in '000)	
Net profit for the year from continuing operations	1,416,676	1,725,984
Net loss for the year from discontinued operations	(445,832)	(45,135)
Net profit for the year	<u>970,844</u>	<u>1,680,849</u>
	(No. of shares)	
Weighted average number of Ordinary shares	<u>8,247,037</u>	<u>8,247,037</u>
	(Rupees)	
Continuing operations	171.78	209.28
Discontinued operations	(54.06)	(5.47)
Basic and diluted earnings per share	<u>117.72</u>	<u>203.81</u>

44. CASH (USED IN) / GENERATED FROM OPERATIONS

Note	2023	2022
	(Rupees in '000)	
Profit before tax	1,903,285	2,589,562
Adjustment for non-cash items:		
Depreciation	135,493	156,462
Provision / (reversal of provision) for slow moving and obsolete items of inventories - net	33.1 72,021	(18,051)
Loss allowance on trade receivables - net	53.2 1,154,709	580,039
Trade, other receivables and deposits written off	3,680	42,266
Inventories written off	33.1 42,631	43,913
Loss allowance on contract assets - net	53.2 117,276	277,403
Loss allowance on deposits and other receivables - net	53.2 13,246	14,037
Provision for warranty - net	179,823	45,596
Provision for losses on sales contracts - net	524,788	123,384
Discounting of long-term loans - net	34 (245)	334
Provision for Workers' Welfare Fund (WWF)	39,676	53,257
Provision for Workers' Profit Participation Fund (WPPF)	-	139,113
Liabilities no longer payable written back	(9,985)	(24,184)
Gain on derivative financial instruments - net	29.2 (3,725,394)	(1,555,506)
Gratuity	9.1.5 106,148	114,757
Financial expenses	40 329,260	59,318
Financial income	39 (43,977)	(36,351)
Adjustment for other items:		
Gain on sale of property, plant and equipment - net	(6,687)	(7,768)
Gain on termination of leases	37 (1,789)	-
Gain on sale of business	42 (149,800)	-
Long-term loans and trade receivables	(613,937)	(359,768)
Long-term deposits and prepayments	830	2,212
Retention money payable	63,151	227
Other non-current liabilities	873	(25,710)
Working capital changes	44.1 (3,525,689)	(1,755,941)
	<u>(3,390,613)</u>	<u>458,601</u>

44.1 Working capital changes**(Increase) / decrease in current assets**

Inventories	(3,000,775)	(839,324)
Trade receivables	(2,955,516)	(1,763,227)
Contract assets	(6,209,172)	(2,148,684)
Loans and advances	359,882	(360,395)
Deposits and short-term prepayments	92,138	(417,907)
Other receivables	(1,900,533)	(40,229)
	<u>(13,613,976)</u>	<u>(5,569,766)</u>

Increase / (decrease) in current liabilities

Trade and other payables	10,966,523	2,336,848
Contract liabilities	(763,565)	1,538,533
Provisions	(114,671)	(61,556)
	<u>10,088,287</u>	<u>3,813,825</u>
	<u>(3,525,689)</u>	<u>(1,755,941)</u>

		2023	2022
	Note	(Rupees in '000)	
45. CASH AND CASH EQUIVALENTS			
Cash and bank balances	31	968,197	1,474,580
Short-term running finances	13	(4,048,937)	-
		<u>(3,080,740)</u>	<u>1,474,580</u>
46. AUDITORS' REMUNERATION			
Audit fee		6,154	5,751
Fee for certifications, review of half yearly interim financial information, code of corporate governance and audits of retirement funds		2,300	1,912
Out of pocket expenses		1,000	1,000
		<u>9,454</u>	<u>8,663</u>
47. PROVIDENT FUND			
Investments out of provident fund have been made in accordance with the provisions of the Section 218 of the Act and the rules formulated for this purpose.			
48. EMPLOYEES		2023	2022
Total number of employees as of reporting date		<u>498</u>	<u>576</u>
Average during the year		<u>527</u>	<u>547</u>

49. REMUNERATION OF THE CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

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

	Chief Executive		Executives	
	2023 (note 49.1)	2022	2023	2022
----- (Rupees in '000) -----				
Salaries and allowances - fixed	103,065	95,758	1,462,033	1,283,662
Salaries and allowances - bonus	46,323	35,124	396,273	355,661
Retirement benefits and Company's contribution to provident fund	959	339	104,347	105,121
Perquisites and benefits:				
- Medical / social security	9	-	21,972	18,256
- Share based benefits	14,416	827	26,529	3,267
- Education fees (children)	-	-	-	3,328
- Club membership	-	-	28	144
	<u>164,772</u>	<u>132,048</u>	<u>2,011,182</u>	<u>1,769,439</u>
	<u>2</u>	<u>1</u>	<u>285</u>	<u>254</u>

- 49.1** This includes remuneration and benefits of ex-Chief Executive amounting to Rs 155.166 million and those pertaining to acting Chief Executive appointed during the year effective May 25, 2023 amounting to Rs 9.606 million.
- 49.2** In addition to the above, the ex-Chief Executive was provided with cars along with security in accordance with the entitlements.
- 49.3** The aggregate amount charged in these financial statements in respect of directors' fee paid to three non-executive directors (2022: three) was Rs 6.725 million (2022: Rs 4.450 million).
- 49.4** An amount of Rs 208.969 million (2022: Rs 224.288 million) was incurred on account of compensation to key management personnel, the details of which are as follows:

	2023	2022
	(Rupees in '000)	
Short-term benefits	183,282	221,569
Post-employment benefits	1,327	1,892
Share based benefits	24,360	827
	<u>208,969</u>	<u>224,288</u>

50. SHARE BASED BENEFITS

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%.

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:

	2023	2022
	Number of Awards	
Balance as at beginning of the year	7,251	8,921
Granted during the year	4,425	828
Expired / paid during the year	(4,061)	(2,498)
Balance as at end of the year	<u>7,615</u>	<u>7,251</u>

Total expenses for share based benefits during the year ended September 30, 2023 was Rs 98.688 million (2022: Rs 11.283 million). The liabilities as of September 30, 2023 aggregated to Rs 86.391 million (2022: Rs 56.894 million) and is reported under accrued and deferred liabilities.

51. 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 are carried at agreed terms as approved by the Board of Directors of the Company. Transactions with related parties can be summarised as follows:

	Note	2023	2022
		(Rupees in '000)	
Parent company			
Sales of goods and rendering of services		5,833	5,984
Purchases of goods and receipt of services		4,184,873	2,331,208
Dividends payable / paid		283,212	283,212
Associated companies			
Sales of goods and rendering of services		1,756,392	607,457
Purchases of goods and receipt of services		5,431,476	3,971,271
Commission and allowances earned		6,791	33,866
Costs reimbursements		19,038	11,737
Financial income - net		2,041	150
Key management personnel			
Dividends paid		649	481
Compensation to key management personnel	49.4	208,969	224,288
Sale of office equipments		1,084	-
Others			
Contribution to employees' retirement benefit funds		137,662	135,002

51.1 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.

- 51.2 During the year, the Company entered into various transactions, arrangements or agreements with related parties, including those incorporated outside Pakistan. The Company has no shareholdings in any of the below mentioned companies.

Name and Country of Incorporation

Parent Company

Siemens AG, Germany

Affiliated Companies

Dresser Rand Arabia LLC, Saudi Arabia

Dresser Rand Company, USA

Dresser Rand SAS, France

Rousch (Pakistan) Power Limited, Pakistan

Siemens Aktiengesellschaft, Austria

Siemens Canada Limited, Canada

Siemens Capital Middle East Limited, UAE

Siemens Circuit Protection System, China

Siemens Electrical Drives Limited, China

Siemens Energy AB, Sweden

Siemens Energy Compressors GmbH, Germany

Siemens Energy Demag Delaval, USA

Siemens Energy Global & Co. KG, Germany

Siemens Energy High Voltage, China

Siemens Energy INC, USA

Siemens Energy Industrial, United Kingdom

Siemens Energy Limited, Nigeria

Siemens Energy Limited, Saudi Arabia

Siemens Energy Limited, United Kingdom

Siemens Energy LLC, Oman

Siemens Energy LLC, UAE

Siemens Energy SAE, Egypt

Siemens Energy Sp. z.o.o, Poland

Siemens Energy Transformer (Wuhan), China

Siemens Energy Unipessoal Lda, Portugal

Siemens Healthcare (Private) Limited, Pakistan

Siemens High Voltage Switchgear, China

Siemens Industrial LLC, UAE

Siemens Industry INC., USA

Siemens Industry Software (Private) Limited, Pakistan

Siemens International Trading Limited, China

Siemens Limited, Saudi Arabia

Siemens Limited, Vietnam

Siemens Malaysia Sdn. Bnd, Malaysia

Siemens Middle East Limited, UAE

Siemens Numerical Control Limited, China

Siemens Power Automation Limited, Canada

Siemens Pte. Limited, Singapore

Siemens s.r.o., Czech Republic

Siemens SA, Portugal

Siemens Sanayi VE Ticaret AS, Turkey

Siemens Standard Motors Limited, China

Siemens Transformer (Guangzhou), China

Siemens WLL, Bahrain

Siemens WLL, Qatar

Trench Austria GmbH, Austria

Trench Italia SRL, Italy

	Capacity	Actual Production 2023	Actual Production 2022
52. PLANT CAPACITY AND ACTUAL PRODUCTION			
Switchgears (in numbers)	2,200	811	917

52.1 The under utilisation is mainly attributed to import impediments during the year.

53. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities mainly comprise of long-term financing, lease liabilities, trade and other payables and short-term running finances. The main purpose of financial liabilities is to raise finance for the Company's operations. The Company's financial assets comprise deposits, loans, trade and other receivables, contract assets and cash and bank balances. The Company is exposed to market risk, credit risk and liquidity risk. No changes were made to policies, procedures and objectives of the Company during the year ended September 30, 2023.

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.

53.1 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. However, as of reporting date there were no such contracts.

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

	2023	2022
	(AED in '000)	
Trade and other receivables	6,260	6,966
Cash and bank balances	2,477	3,307
Trade and other payables	(668)	(474)
	<u>8,069</u>	<u>9,799</u>
	2023	2022
	(EUR in '000)	
Trade and other receivables	9,489	11,049
Trade and other payables	(13,427)	(10,083)
	<u>(3,938)</u>	<u>966</u>
	2023	2022
	(USD in '000)	
Trade and other receivables	12,241	10,641
Cash and bank balances	2,044	1,879
Trade and other payables	(13,010)	(5,281)
	<u>1,275</u>	<u>7,239</u>

Sensitivity of the Company's profit before tax to a reasonably possible change in exchange rate of currencies applied to foreign currency assets and liabilities as at September 30, 2023 keeping all other variables constant is as follows:

	2023	2022
Change in exchange rate	± 1%	1%
Effect on profit before tax (Rs '000)	± 5,969	23,857

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 and / or bank deposits, where possible.

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

	2023 Effective rates (%)	2022	2023 (Rupees in '000)	2022 (Rupees in '000)
Financial Assets				
Bank balances (PKR)	17.17	9.40	146,685	822,679
Financial Liabilities				
Long-term financing (PKR)	-	3.00	-	34,222
Short-term running finances (PKR)	19.81	-	4,048,937	-

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

	2023	2022
Effect on profit before tax (Rs '000)	± 15,982	2,803

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.

53.2 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 and other receivables, contract assets, trade deposits and bank balances. The Company's maximum exposure to credit risk at the reporting date is as follows:

	2023 (Rupees in '000)	2022 (Rupees in '000)
Category - at amortised costs		
Trade deposits	428,874	520,208
Trade receivables	14,539,140	12,249,376
Contract assets	9,446,457	3,424,503
Other receivables	831,469	315,934
Bank balances	968,019	1,474,394
	<u>26,213,959</u>	<u>17,984,415</u>

Concentration of credit risk

The sector wise analysis of receivables including trade receivables, contract assets, trade deposits and other receivables based on their gross values is given below:

	2023 (Rupees in '000)		2022 (Rupees in '000)	
		%		%
Government sector				
Energy	8,826,514	30	4,065,903	22
Housing	417,601	2	508,790	3
Aviation	413,657	2	413,657	2
Petroleum	392,959	1	198,290	1
Engineering	389,210	1	314,771	2
Civil works	129,248	1	282,397	1
Finance	50,417	0	7,238	0
Health and Education	4,180	0	1,215	0
Others	116,818	0	53,878	0
Sub-total	<u>10,740,604</u>	<u>37</u>	<u>5,846,139</u>	<u>31</u>

	2023		2022	
	(Rupees in '000)	%	(Rupees in '000)	%
Private sector				
Energy	15,694,472	55	10,708,569	58
Fertilizer	499,408	2	223,380	1
Civil works	440,990	2	391,533	2
Finance	393,318	1	462,299	3
Petroleum	86,188	0	118,547	1
Housing	78,607	0	72,046	0
Sugar	72,787	0	70,340	0
Cement	51,339	0	50,609	0
Engineering	42,762	0	41,105	0
Dealers and agents	25,817	0	46,601	0
Steel	2,374	0	69,933	0
Others	756,976	3	781,533	4
Sub-total	18,145,038	63	13,036,495	69
Total	28,885,642	100	18,882,634	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, 2023, trade receivables amounting to Rs 1,769.495 million (2022: Rs 337.143 million) were secured through letters of credit and bank guarantees.

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

	2023	2022
	(Rupees in '000)	
Related parties		
Not yet due	350,081	109,816
Past due 1-180 days	160,440	94,316
Past due 181-360 days	479,774	5,573
Past due 361-720 days	4,047	324
Past due 721-1080 days	445	-
	994,787	210,029
Others		
Not yet due	11,064,952	9,426,708
Past due 1-180 days	2,207,928	1,876,947
Past due 181-360 days	1,115,389	508,340
Past due 361-720 days	333,992	582,411
Past due 721-1080 days	256,424	82,712
Over 1080 days	1,392,955	1,242,649
	16,371,640	13,719,767
Less: Loss allowance	(2,827,287)	(1,680,420)
	14,539,140	12,249,376

The movement in the loss allowance in respect of trade receivables during the year was as follows:

	2023	2022
	(Rupees in '000)	
Balance at beginning of the year	1,680,420	1,143,621
Loss allowance during the year - net	1,154,709	580,039
Write offs	(7,842)	(43,240)
Balance at end of the year	2,827,287	1,680,420

The loss allowance in respect of trade receivables include Rs 2.303 million (2022: 0.159 million) held against trade receivables due from related parties.

As per Company's policy disclosed in note 3.8.1 to the financial statements, the general allowance rate in relation to different internal rating grades ranges from 0.01% to 17.51% (2022: 0.02% to 14.63%).

Contract assets

	2023	2022
	(Rupees in '000)	
The movement in the loss allowance in respect of contract assets during the year was as follows:		
Balance at beginning of the year	534,852	257,449
Loss allowance during the year - net	117,276	277,403
Balance at end of the year	<u>652,128</u>	<u>534,852</u>

Trade deposits and other receivables

	2023	2022
	(Rupees in '000)	
The movement in the loss allowance in respect of trade deposits and other receivables during the year was as follows:		
Balance at beginning of the year	276,326	262,582
Loss allowance during the year - net	13,246	14,037
Write offs	(126,660)	(293)
Balance at end of the year	<u>162,912</u>	<u>276,326</u>

Bank balances

The Company keeps its surplus funds with the banks having credit ratings of A1+ and P-1 as assigned by PACRA / Moody's.

53.3 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 13.1 to 13.3 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				
2023				
Lease liabilities	45,068	23,212	21,856	-
Retention money	66,413	-	66,413	-
Trade and other payables	19,707,339	19,707,339	-	-
	<u>19,818,820</u>	<u>19,730,551</u>	<u>88,269</u>	<u>-</u>
Financial liabilities				
2022				
Long-term financing	34,222	34,222	-	-
Lease liabilities	80,325	32,018	28,226	20,081
Retention money	3,262	-	3,262	-
Trade and other payables	8,583,626	8,583,626	-	-
	<u>8,701,435</u>	<u>8,649,866</u>	<u>31,488</u>	<u>20,081</u>

54. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

The carrying values of all financial assets and liabilities are estimated to approximate their fair values. As at September 30, 2023, the Company's derivative financial instruments have been valued under level 2 of fair valuation hierarchy which requires inputs other than quoted prices that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

55. 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 the date of statement of financial position, the Company does not have any long-term interest bearing loan.

56. INFORMATION ABOUT OPERATING BUSINESS SEGMENTS

The Company is operating through three business portfolios, namely Smart Infrastructure, Digital Industries and Energy focusing on the areas of intelligent infrastructure for buildings and distributed energy systems, automation and digitalization in the process and manufacturing and power generation and distribution.

56.1 The details of information about operating business segments is as follows:

Segment	(Rupees in '000)					Company as a whole
	Smart Infrastructure	Digital Industries (note 56.2)	Energy	Others	Eliminations	
2023						
REVENUE						
Sales to external customers	3,169,272	3,071,354	24,506,037	-	-	30,746,663
Inter-segment sales	1,117,124	144,261	6,646	-	(1,268,031)	-
Total revenue	4,286,396	3,215,615	24,512,683	-	(1,268,031)	30,746,663
RESULT						
Segment result	(1,388,070)	(373,769)	4,131,766	(296,867)	-	2,073,060
Financial expenses						(315,502)
Financial income						30,794
Gain on sale of business						78,154
- net of income tax (note 42)						(895,662)
Income tax						970,844
Net profit for the year						970,844
OTHER INFORMATION						
Capital expenditure	10,841	5,539	11,645	-		
Depreciation	24,462	12,778	27,130	189		
Non-cash items other than depreciation	487	(7,632)	2,492	8		
ASSETS AND LIABILITIES						
Segment assets	6,554,917	1,676,192	27,696,573	59,592	-	35,987,274
Segment liabilities	4,852,114	2,244,510	17,032,996	147,630	-	24,277,250
2022						
REVENUE						
Sales to external customers	3,920,710	3,544,942	13,442,159	2,894	-	20,910,705
Inter-segment sales	603,537	11,663	-	-	(615,200)	-
Total revenue	4,524,247	3,556,605	13,442,159	2,894	(615,200)	20,910,705
RESULT						
Segment result	(270,996)	(888)	2,859,922	18,057	-	2,606,095
Financial expenses						(45,560)
Financial income						29,027
Income tax						(908,713)
Net profit for the year						1,680,849
OTHER INFORMATION						
Capital expenditure	15,104	42,805	45,243	-		
Depreciation	26,137	17,660	40,710	452		
Non-cash items other than depreciation	(497)	2,559	514	(352)		
ASSETS AND LIABILITIES						
Segment assets	3,629,402	1,373,029	15,634,072	374,080	-	21,010,583
Segment liabilities	2,972,061	1,811,446	9,074,833	266,300	-	14,124,640

56.2 This includes discontinued operations as mentioned in note 4 to these financial statements.

56.3 Geographical information

Revenues	2023	2022
	(Rupees in '000)	
Pakistan	29,879,105	20,412,985
Libya	183,431	73,934
United Arab Emirates	164,563	74,550
Nigeria	158,318	-
Iraq	139,497	89,714
Qatar	58,939	28,758
Oman	31,015	107,658
Others	131,795	123,106
	<u>30,746,663</u>	<u>20,910,705</u>

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

Non-current assets

Pakistan	1,246,873	1,004,774
Afghanistan	277	313
	<u>1,247,150</u>	<u>1,005,087</u>

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets and other long-term assets except for deferred tax asset (net).

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

56.5 Segment assets and liabilities

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

	2023	2022
	(Rupees in '000)	
Assets for reportable segments	35,987,274	21,010,583
Corporate assets	1,527,781	336,181
Unallocated		
Deferred tax asset - net	367,724	356,874
Cash and bank balances	968,197	1,474,580
Total assets as per statement of financial position	<u>38,850,976</u>	<u>23,178,218</u>

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

Liabilities for reportable segments	24,277,250	14,124,640
Corporate liabilities	863,754	673,014
Unallocated		
Long-term financing	-	34,222
Trade and other payables	1,228,754	580,084
Short-term running finances	4,048,937	-
Taxation - net	642,834	574,729
Total liabilities as per statement of financial position	<u>31,061,529</u>	<u>15,986,689</u>

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, lease liabilities, accrued and other liabilities.

- 56.6** 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.
- 56.7** Financial income and expense (other than directly attributable to a contract) 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.
- 56.8** Two (2022: two) of the Company's customers contributed Rs 14,321.517 million (2022: Rs 6,290.943 million) and each customer individually exceeded 10% of the revenue.
- 57.** The geographical location of Company's offices and plant are given below:

Karachi

Head Office & Plant
B-72 Estate Avenue, S.I.T.E

Lahore

15-A, 2nd floor, State Life Building
Davis Road

Dubai

Office No. 2006, 2nd floor
Al Waha Community Building
Nad Al Hamar Road

Islamabad

10th floor, UBL Building
Jinnah Avenue, Blue Area

Afghanistan

House No. 635, Street No. 11
Dar-ul-Aman Road, District 6
Kartahe Seeh, Kabul

58. CORRESPONDING FIGURES

Certain corresponding figures have been reclassified and rearranged for the purpose of better presentation and comparison of transactions in the financial statements of the Company, the effect of which is not material except for net gain on derivatives which has been presented separately in the statement of profit or loss with a corresponding impact on cost of sales and services and net sales and services amounting to Rs 2,000.724 million and Rs 535.696 million respectively to correspond to the current year's presentation.

59. DATE OF AUTHORISATION

These financial statements were authorised for issue by the Board of Directors of the Company in the meeting held on November 30, 2023.



Syed Muhammad Daniyal
Managing Director



Syed Muhammad Ahsan Ghazali
Chief Financial Officer



Qazi Sajid Ali
Director

Pattern of holding of the Shares held by the Shareholders

As at September 30, 2023

Number of Shareholder	Shareholding		Total Shares Held
	From	To	
880	1	100 shares	24,526
421	101	500 shares	98,868
88	501	1,000 shares	67,498
82	1001	5,000 shares	172,865
8	5001	10,000 shares	54,412
3	10,001	15,000 shares	35,130
1	15,001	20,000 shares	18,823
1	20,001	25,000 shares	20,312
1	25,001	30,000 shares	27,100
1	30,001	35,000 shares	32,700
1	70,001	75,000 shares	70,031
1	85,001	90,000 shares	86,308
1	100,001	105,000 shares	101,030
1	110,001	115,000 shares	114,150
1	145,001	150,000 shares	148,131
1	705,001	710,000 shares	705,662
1	1,015,001	1,020,000 shares	1,018,371
1	5,450,001	5,455,000 shares	5,451,120
1494			8,247,037

Categories of Shareholders

As at September 30, 2023

Particulars	Shares held	Percentage
DIRECTORS	1,050	0.01%
Mr. Qazi Sajid Ali	500	
Ms. Ayla Majid	550	
Associated companies, undertakings and related parties		
Siemens AG, Germany	6,156,782	74.65%
NIT and ICP		
National Investment Trust	1,038,683	12.59%
Banks	125,959	1.53%
The Bank of Punjab	114,150	
MCB Bank Limited	11,280	
National Bank of Pakistan	529	
Insurance Companies		
Adamjee Insurance Co. Limited	148,131	1.80%
Modarabas and Mutual Funds		
CDC-Trustees NIT-Equity Market Opportunity Fund	101,030	1.23%
Public Sector Companies		
Pakistan National Shipping Corporation	6,930	0.08%
General Public	402,178	4.88%
Local	359,816	
Foreign	42,362	
Others	266,294	3.23%
Trustee National Bank of Pakistan Employees Pension Fund	86,308	
IGI Investments (Private) Limited	70,031	
Acacia Partners LP	32,700	
Noman Abid Holdings Limited	2,950	
Amin Tai (Private) Limited	27,100	
Acacia Conservation Master Fund (Offshore) LP	6,682	
Premier Fashion (Private) Limited	10,800	
Acacia Institutional Partners LP	3,400	
Trustee National Bank of Pakistan Employees Benevolent Fund Trust	3,029	
Memon Securities (Private) Limited	18,823	
United Trading & Manufacturing (Private) Limited	1,500	
Moonaco Securities (Private) Limited	500	
Trustees Al-Badar Welfare Trust	864	
FDM Capital Securities (Private) Limited	500	
Acacia II Partners LP	500	
Fikrees (Private) Limited	250	
NCC - Pre Settlement Delivery Account	200	
MRA Securities Limited-MF	150	
NH Capital (Private) Limited	5	
Maple Leaf Capital Limited	1	
IGI Finex Securities Limited	1	
Total	8,247,037	100.00%

Notice of Annual General Meeting

Notice is hereby given that the Seventy-one (71st) Annual General Meeting (“**Meeting**”) of the Members of Siemens (Pakistan) Engineering Company Limited (the “**Company**”) will be held on **Tuesday, January 16, 2024, at 11:00 a.m.** at “The Dawood Foundation” Business Hub, Ground Floor, Dawood Centre, M.T. Khan Road, Karachi to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the Extraordinary General Meeting held on July 25, 2023.
2. To receive, consider and adopt the audited financial statements for the financial year ended September 30, 2023, and reports of the auditors and directors thereon.
3. To appoint External Auditors for the year 2024 and to fix their remuneration. The board and the audit committee have recommended the appointment of M/s. A. F. Ferguson & Co; Chartered Accountants, Karachi as statutory auditors of the Company in place of the retiring auditors M/s. EY Ford Rhodes, Chartered Accountants.
4. To transact such other ordinary business as may be placed before the meeting with the permission of the Chair.

SPECIAL BUSINESS

5. To consider and, if deemed fit, pass, with or without modification(s), the following resolution as ordinary resolutions to enable and authorized the Company to circulate the annual audited financial statements, to the members of the Company through QR enabled code and weblink as allowed by the Securities and Exchange Commission of Pakistan (SECP) vide its Notification SRO 389(1)/2023 dated March 21, 2023, instead of circulating the same through CD/DVD/USB.

Resolved that the Company be and is hereby authorized to circulate its Annual Audited Financial Statements, to the members of the Company through QR enabled code and weblink, in accordance with SRO 389(1)/2023 dated March 21, 2023, issued by SECP.

Further Resolved that Company Secretary be and is hereby empowered and authorized to do all acts, matters, deeds and things, take any or all necessary actions including filing of any forms / notices pertaining to these resolutions with the relevant regulatory authorities including with SECP / PSX to ensure compliance with applicable laws and regulations.

By order of the Board of Directors

Khurram Muhammad Siddique
Company Secretary

Karachi: December 22, 2023

Notes:

Share Transfer Book Closure:

The Share Transfer Books of the Company shall remain closed from January 9, 2024 to January 16, 2024 (both days inclusive). Transfers received in order at the office of the Company's Share Registrar, THK Associates (Pvt.) Limited, Plot No.C-32, Jami Commercial Street-2 D.H.A., Phase-VII, Karachi, by the close of business (5:00 pm) on January 8, 2024, will be considered in time for the purpose of Annual General Meeting.

Procedure and requirement for attending the Meeting and Appointing Proxies

Central Depository Company (“**CDC**”) account holders are 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**”) and shall comply with following requirements to the extent applicable.

A Member entitled to attend, and vote may appoint another Member as his/her proxy to attend and vote on his/her behalf. A Member shall not be entitled to appoint more than one proxy. Duly completed Proxy forms in order to be valid must be received by the Share Registrar or at the Registered Office of the Company not less than 48 hours before the time of Meeting.

CDC account holders are also required to follow the guidelines as laid down in Circular No.1 dated January 26, 2000, issued by the SECP and shall comply with following requirements to the extent applicable:

- 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 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.

Change of Address and Zakat Status

Members with physical shareholding are requested to promptly notify the Company's Registrar of any change in their addresses and also submit Non-deduction of Zakat form if applicable to them. Further, Members holding their shares through CDC are requested to update their address and zakat status with their participants.

Submission of CNIC, Dividend Bank Mandate and Payment of Cash Dividend (e-dividend)

In accordance with the provisions of section 242 of the Companies Act 2017, a listed Company is required to pay cash dividend only through electronic mode directly into the bank account designated by the entitled shareholders. Accordingly, the shareholders are requested to provide the information on the dividend mandate form attached in the Annual Report and also uploaded on the Company's website - <https://www.siemens.com/pk/en/investorrelations/investor-information.html>. The Members who hold shares in dematerialized form are requested to submit the dividend bank mandate form duly filled to their participant/investor account services in the CDC.

In accordance with the directives of the SECP, the dividends of shareholders whose CNIC copies have not been received by the Company shall not be electronically credited until receipt thereof. Therefore, the individual shareholders who have not submitted their CNIC copies are requested to send the same at the earliest to the share registrar of the Company. Corporate entities are requested to provide their NTN. While providing their CNIC/NTN, shareholders must quote their respective folio numbers. The physical shareholders are requested to notify any change in their addresses to the share registrar of the Company and in case of CDC shareholders to their broker (participant).

The corporate Members having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate Members having physical shares should send a copy of their NTN certificate to the Share Registrar. The Members while sending NTN or NTN certificates, as the case may be, must quote the Company name and their respective folio numbers.

Withholding Tax on Dividend

In compliance with Section 150 read with Division I of Part III of the First Schedule of the Income Tax Ordinance, 2001 withholding tax on dividend income will be deducted for 'filer' and 'non-filer' shareholders at 15% and 30% respectively. A 'filer' is a taxpayer whose name appears in the Active Taxpayers List (ATL) issued by the FBR from time to time and a 'non-filer' is a person other than a filer. To enable the Company to withhold tax at 15% for filers, all shareholders are advised to ensure that their names appear in the latest available ATL on FBR website, otherwise tax on their cash dividend will be deducted at 30% for non-filers.

Withholding tax exemption from the dividend income shall only be allowed if a copy of valid tax exemption certificate is made available to the share registrar of the Company by the first day of book closure.

In order to comply with FBR clarifications vide Letter No. 1(54) Exp/2014-132872-8 dated September 24th 2014 and their subsequent letter No. C.No. 1(17) WHT/2011 dated December 1, 2014 for determining the shareholding ratio of the joint account holders for deduction of withholding tax on dividend, Members are requested to provide shareholding proportions of principal shareholder and joint holder(s) in respect of shares held by them to the Share Registrar in the following format:

Folio / CDC Account No.	Total Shares	Principal Shareholder			Joint Shareholder(s)		
		Name	CNIC	Shareholding Proportion (No. of Shares)	Name	CNIC	Shareholding Proportion (No. of Shares)

Annual Accounts of the Company

Annual accounts of the company for the financial year ended September 30, 2023 can be downloaded from the Company's website- <https://www.siemens.com/pk/en/investorrelations/annual-report.html>

Members are hereby informed that for electronic transmission of Annual Report, request form is provided in the Annual Report and also uploaded on the Company's website-<https://www.siemens.com/pk/en/investorrelations/investor-information.html>. Members who wish to avail this facility are requested to submit the request form duly filled to the Share Registrar.

Conversion of Physical Shares into Book-entry Form

In accordance with the provisions of Section 72 of the Companies Act, 2017, and the subsequent directive received from the SECP for all listed companies to pursue with their physical shareholders and require them to convert their shares in the Book-Entry Form. In order to comply with the directives, the Physical Shareholders are once again reminded to convert their physical shares into Book-Entry Form through the CDC sub-account with of the Stock Brokers or CDC Investor Accounts Services.

Video Conferencing Facility

The shareholders interested to participate in the meeting through video link are requested to register themselves on sfc@thk.com.pk by providing following information along with valid copy of CNIC (both sides).

Name of Shareholder	CNIC Number	CDC Account No. / Folio No.	Cell Number	Email Address

Video-link and complete information necessary to access the facility will be shared with the Members/Proxies whose email containing all the above particulars are received at the given email address by the close of business on January 12, 2024.

Members who are registered, after necessary verification, will be provided with the link on the same email address with which they email the Company. The login facility will remain open from 10:45 a.m. till the end of the meeting.

The members can also provide their comments and questions for the agenda items of the AGM on email sfc@thk.com.pk on or before January 12, 2024.

Voting through Postal and Ballot

Members may exercise their right to vote as per provision of the Companies (Postal Ballot) Regulations, 2018, subject to the requirements of Section 143 and 144 of the Companies Act, 2017. Further details in this regard will be communicated to the shareholders within legal time frame as stipulated under these said regulations, if required.

STATEMENT UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017 IN RESPECT OF MATERIAL FACTS

The Securities and Exchange Commission of Pakistan vide SRO No. 389(1)/2023 dated March 21, 2023, has allowed listed companies to circulate their Annual Audited Financial Statements (i.e the annual balance sheet and profit and loss account, auditors' report and directors' report, chairman's review report) to its members through QR code and Weblink or in hard copy on request of shareholders subject to approval obtained from shareholders in Annual General Meeting.

Accordingly, approval is hereby sought from members of the Company to comply with the requirements of said SRO vide an ordinary resolution as a special business. Subject to the approval of resolution in the AGM, the Company will circulate its annual financial statements to its members through QR code and Weblink in future. However, members will have the right to request hard copies free of cost at their registered addresses after submitting the written request.

The directors of the Company have no direct or indirect interest in this agenda except to the extent of their respective directorships and/or shareholdings.

Ballot paper for voting through post for the Special Business at the Annual General Meeting to be held on Tuesday, January 16, 2024 at 11:00 a.m at “The Dawood Foundation” Business Hub, Ground Floor, Dawood Centre, M.T. Khan Road, Karachi.

Website : www.siemens.com.pk

Folio / CDS Account Number	
Name of Shareholder / Joint Shareholders	
Name of Proxy Holder (if any)	
Registered Address of Shareholder	
Number of shares Held:	
CNIC/Passport No. (in case of foreigner) (copy to be attached)	
Additional information and enclosures (in case of representative of body corporate, corporation, and federal Government)	
Name of Authorized Signatory	
CNIC/Passport No. (in case of foreigner) of Authorized Signatory (copy to be attached)	

Instructions For Poll

1. Please indicate your vote by ticking (√) the relevant box.
 2. In case if both the boxes are marked as (√), your poll shall be treated as “**Rejected**”.
- I/we hereby exercise my/our vote in respect of the following Special Resolution through ballot by conveying my/our assent or dissent to the following resolution by placing tick (√) mark in the appropriate box below;

Resolution	No. of Ordinary shares for which votes cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution (AGAINST)
<p>Agenda No.5 To consider and, if deemed fit, pass, with or without modification(s), the following resolution as ordinary resolutions to enable and authorized the Company to circulate the annual audited financial statements, to the members of the Company through QR enabled code and weblink as allowed by the Securities and Exchange Commission of Pakistan (SECP) vide its Notification SRO 389(1)/2023 dated March 21, 2023, instead of circulating the same through CD/DVD/USB.</p> <p>Resolved that the Company be and is hereby authorized to circulate its Annual Audited Financial Statements, to the members of the Company through QR enabled code and weblink, in accordance with SRO 389(1)/2023 dated March 21, 2023, issued by SECP.</p> <p>Further Resolved that Company Secretary be and is hereby empowered and authorized to do all acts, matters, deeds and things, take any or all necessary actions including filing of any forms / notices pertaining to these resolutions with the relevant regulatory authorities including with SECP / PSX to ensure compliance with applicable laws and regulations.</p>			

NOTES

1. Dully filled ballot paper with the subject "Postal Ballot" should be sent to the Chairman of the meeting via email at **agm_chairman.pk@siemens.com** through post to Syed Muhammad Daniyal at the registered address of the Company i.e. Siemens (Pakistan) Engineering Co. Limited, B-72, Estate Avenue, S.I.T.E., Karachi.
2. Copy of CNIC/ Passport (in case of foreigner) should be enclosed with the postal ballot form.
3. Ballot paper should reach the Chairman within business hours by or before January 15, 2024. Any postal ballot received after this date, will not be considered for voting.
4. Signature on ballot paper should match with signature on CNIC/ Passport (in case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written poll paper will be rejected.
6. In case of a representative of a body corporate, corporation or Federal Government, the Ballot Paper Form must be accompanied by a copy of the CNIC of an authorized person, an attested copy of Board Resolution, / Power of Attorney, / Authorization Letter etc., in accordance with Section(s) 138 or 139 of the Companies Act, 2017 as applicable. In the case of foreign body corporate etc., all documents must be attested by the Counsel General of Pakistan having jurisdiction over the member .
7. Ballot Paper form has also been placed on the website of the Company at: <https://www.siemens.com/pk/en/investorrelations/investor-information.html> and members may download the ballot paper from the website or use an original/photocopy published in newspapers.

Shareholders/Proxy holders Signature/Authorized Signatory

(In case of corporate entity, please affix company stamp)

Place: _____

Date: _____

Miscellaneous

This notice has been sent to all Members of the Company in accordance with Section 134(1)(a) of the Companies Act, 2017.

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

THK Associates (Pvt.) Limited
 Plot No.C-32,
 Jami Commercial Street-2
 D.H.A., Phase-VII, Karachi

Telephone No: 021-111-000-322 (Ext. 129)
E-Mail: sfc@thk.com.pk
Contact Person: Mr. Muhammad Yahya

کمپنی کے مستقبل کا منظر نامہ

کمپنی بشمول ملک کی سیاسی اور اقتصادی صورتحال سمیت اپنی ترقی کو متاثر کرنے والے خدشات پر گہری نظر رکھتی ہے۔ درآمدات میں درپیش چیلنجز کی بناء پر خطرہ باقی ہے کہ یہ صورت حال کمپنی کو اپنے آرڈرز کی تکمیل کے لیے درکار مشینری اور آلات کو بروقت حاصل کرنے کی صلاحیت کو متاثر کر سکتی ہے۔

کمپنی اسٹارٹ انفراسٹرکچر، انڈسٹریل آٹومیشن اور اجزائی پورٹ فولیو پر مشتمل اپنے بنیادی کاروبار پر توجہ مرکوز رکھتی ہے۔ دستیاب صلاحیتیں، مطلوبہ قابلیت اور ٹیکنالوجی پر منحصر پورٹ فولیو کے ساتھ، کمپنی مارکیٹ میں اپنے موجودگی کی وسعت بڑھانے اور معاشرے میں اپنی خدمات جاری رکھنے کی کوشش کر رہی ہے۔

اظہارِ فخر

ہم اس موقع سے اپنے اُن تمام قابل قدر صارفین کا شکریہ ادا کرتے ہیں جنہوں نے ہماری مصنوعات اور خدمات پر اپنا بھروسہ رکھا اور اس کمپنی کی ترقی کو یقینی بنانے میں مسلسل تعاون فراہم کیا ہے۔ لہذا کمپنی کو اپنے ملازمین کی پرعزم اور پرجوش کوششوں، وفاداری اور اُن کی لگن پر بہت فخر ہے۔ اس طرح ہم اُن تمام اسٹیک ہولڈرز کی بھی حمایت اور تعاون کی بہت قدر کرتے ہیں جو ہماری کمپنی کی ترقی میں بھرپور حصہ لے رہے ہیں۔

آخر میں ہم اپنے اُن تمام شیئرز ہولڈرز کا بھی تہہ دل سے شکریہ ادا کرنا چاہیں گے جنہوں نے اپنی غیر منجزا بل حمایت کے ساتھ ہم پر اعتماد اور بھروسے کا اظہار کیا ہے۔

بورڈ کی جانب سے



سید محمد دانیال
ایگزیکٹو ڈائریکٹر



قاسمی ساجد علی
ڈائریکٹر

یادداشت اور مستقبل کے حوالے سے بیانات (نوٹس اور فار وارڈ لکنگ اسٹیٹمنٹ)

اس دستاویز میں ہمارے مستقبل کے کاروبار، مالیاتی کارکردگی اور مستقبل کے واقعات یا پیشرفت سے متعلق بیانات شامل ہیں جو مستقبل کے حوالے سے بیانات کے جز ہیں۔ ان بیانات کی شناخت ان الفاظ سے کی جاسکتی ہے جیسے ”توقع“، ”متوقع“، ”عزم“، ”منصوبہ“، ”یقین“، ”تلاش“، ”تعمیر“، ”آگے بڑھنا“، ”یاسی طرح کے ہم معنی الفاظ۔ اسی طرح ہم دیگر پورٹوں میں، پیشکشوں میں اور حصص یافتگان / شیئرز ہولڈرز کو فراہم کردہ مواد میں مستقبل کے حوالے سے بیانات بھی دے سکتے ہیں۔ اس طرح کے بیانات موجودہ توقعات اور انتظام کے بعض ایسے مفروضوں پر مبنی ہیں جن میں سے بہت سے بیانات کے اختیار میں نہیں ہیں۔ یہ بیانات متعدد خطرات سے مشروط ہیں جن میں غیر یقینی صورتحال اور حوالے شامل ہیں لیکن ان بیانات تک محدود نہیں ہیں جو اس رپورٹ میں بیان کیے گئے ہیں۔ اگر ان میں سے ایک یا ایک سے زیادہ خطرات یا غیر یقینی صورتحال پیدا ہو جائے یا بنیادی توقعات واقع نہ ہوں یا پھر مفروضے غلط ثابت ہوں تو اصل نتائج، کارکردگی یا کامیابیاں ان سے ماڈی طور پر (منفی یا مثبت) مختلف ہو سکتی ہیں جو کہ متعلقہ مستقبل کے حوالے سے بیانات پر اثر انداز ہو سکتی ہیں۔ بیسز ان پیش رفتوں کی روشنی میں جو اُن متوقع بیانات سے مختلف ہیں، اپ ڈیٹ یا نظر ثانی کرنے کا نہ تو ارادہ رکھتا ہے اور نہ ہی کوئی ذمہ داری قبول کرتا ہے۔ رائٹنگ کی وجہ سے، اس میں وہ نمبرز پیش کیے جاتے ہیں جو دیگر دستاویزات کے فراہم کردہ کل میز ان میں قطعی طور پر شامل نہیں ہو سکتے اور شرح فیصد مطلق اعداد و شمار کی واضح طور پر عکاسی نہیں کر سکتے۔

بورڈ آف ڈائریکٹرز کی تشکیل

مندرجہ ذیل کے مطابق منتخب ڈائریکٹرز کی کل تعداد سات (7) ہے۔

مرد: چھ (6)
خاتون: ایک (1)

بورڈ کی تشکیل حسب ذیل ہے:

نام	کمیٹی
جناب قاضی ساجد علی محترمہ عائشہ ماجد	خود مختار ڈائریکٹرز
جناب عدنان آفریدی جناب اولیورا سپیر لنگ جناب کرل اسٹیشن وارنر جناب ہیرالڈ گریم * جناب ایم۔ عثمان انصاری	نان ایگزیکٹو ڈائریکٹرز
سید محمد دانیال (ایگزیکٹو ڈائریکٹر 25 مئی 2023 سے فعال)	ایگزیکٹو ڈائریکٹر

* مزید برآں، جناب محمد عثمان انصاری کو کمپنی ایکٹ 2017 کے سیکشن 155(3) کے مطابق جناب مارکس ایرک اسٹروہیر کی جگہ 23 اکتوبر 2023 سے ڈائریکٹر مقرر کیا گیا ہے۔

بیرونی آڈیٹرز

موجودہ مالی سال کے آغاز میں، سیمنس اے. جی نے دنیا بھر میں اپنے بیرونی آڈیٹرز کو تبدیل کیا اور ارنسٹ اینڈ یوگ (EY) کی جگہ مالی سال 2024 کے لیے PwC مقرر کیا۔ اس نوعیت کی عالمی تبدیلی کے مطابق، مسز زای وائی فورڈر ہوؤس، چارٹرڈ اکاؤنٹنٹس (ارنٹ اینڈ یوگ گلوبل لمیٹڈ کی ممبر فرم)، جنہیں گزشتہ سالانہ اجلاس میں کمپنی کے آڈیٹرز کے طور پر مقرر کیا گیا تھا، حالیہ منعقد ہونے والے سالانہ جنرل اجلاس کے اختتام پر ریٹائر ہو گئے۔ EY کی جانب سے اپنے دورانیہ میں پیش کی جانے والی قابل قدر خدمات کے لیے بورڈ ان کا شکریہ ادا کیا ہے۔ مالی سال 2024 کے لیے بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر مسز اے۔ ایف فرگوسن اینڈ کمپنی (PwC) نیٹ ورک کی ایک ممبر فرم، چارٹرڈ اکاؤنٹنٹس، کو کمپنی کے بیرونی آڈیٹرز کے طور پر تقرری کو منظور کیا۔

کارپوریٹ حیثیت

کمپنی Siemens Aktiengesellschaft, Germany (سیمنس اے. جی) کا ذیلی ادارہ ہے جو ریپبلک آف جرمنی کے قانون کے تحت قائم کیا گیا ہے اور 30 ستمبر 2023 کے مطابق کمپنی کے 74.65% شیئرز کی حامل ہے۔

شیئرز ہولڈنگ کا طرز

کمپنی پاکستان اسٹاک ایکسچینج لمیٹڈ میں لسٹڈ ہے۔ تفصیلی طرز اور اس کے شیئرز ہولڈنگ کی کیلنگریز بشمول ڈائریکٹرز اور ایگزیکٹوز کے پاس موجود شیئرز، اگر کوئی ہے، سالانہ رپورٹ کے ساتھ منسلک ہے۔

ریٹائرمنٹ کے فوائد میں سرمایہ کاری

کمپنی نے اپنے مستقل ملازمین کیلئے پراویڈنٹ اور گریجویٹ فنڈز قائم کیا ہے جو متعلقہ بورڈ آف ڈائریکٹرز کے زیر انتظام ہے۔ ان فنڈز کی سرمایہ کاری کی اقدار متعلقہ آڈٹ شدہ مالیاتی اسٹیٹمنٹس درج ذیل ہے:

روپے (ملین میں)			
30 جون، 2020	30 جون، 2021	30 جون، 2022	
574.432	669.301	6.378	پروویڈنٹ فنڈ
30 ستمبر، 2020	30 ستمبر، 2021	30 ستمبر، 2022	
209.278	217.215	-	گریجویٹ فنڈ

پوسٹ بیلنس شیٹ نان ایڈجسٹنگ ایونٹس اور اہم پیشرفت برائے مالی سال 2023

30 ستمبر 2023 سے اس رپورٹ کی تاریخ تک کوئی ایسی ماڈی تبدیلیاں یا واقعات نہیں ہوئے جن کا اثر مالی بیانات (financial statements) پر پڑے، سوائے حتمی منافع منقسمہ کے اعلان کے، جو کہ آئندہ سالانہ اجلاس عام میں کمپنی کے اراکین کی منظوری سے مشروط ہے اور جس کا اثر مالی سال 2024 کے مالی بیانات (financial statements) میں ظاہر ہو گا۔

ڈائریکٹرز کا اسٹیٹمنٹ

ہم بمسرت بیان کرتے ہیں کہ:

- (الف) کمپنی کی انتظامیہ کی جانب سے تیار کردہ مالیاتی تفصیلات (Financial Statements) میں کمپنی کے معاملات، آپریشنز کے نتائج، انقدر قومات کے بہاؤ اور ایکویٹی میں تبدیلیوں کو شفاف طور پر پیش کیا گیا ہے۔
- (ب) کمپنی کی جانب سے حساب کتاب اور کھاتوں کو درست طور پر مرتب کیا گیا ہے۔
- (ج) مالیاتی اسٹیٹمنٹ کی تیاری میں درست اکاؤنٹنگ پالیسیز کا مروجہ طور پر اطلاق کیا گیا ہے۔
- (د) اکاؤنٹنگ کے تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔
- (ه) بین الاقوامی اکاؤنٹنگ معیارات (IAS) اور بین الاقوامی مالیاتی رپورٹنگ کے معیارات (IFRSs)، جیسا کہ پاکستان میں لاگو ہوتا ہے، مالیاتی بیانات کی تیاری میں بیرونی کی گئی ہے۔
- (و) داخلی کنٹرول کا نظام مع مالیاتی رپورٹنگ پر اندرونی کنٹرول کا نظام اپنے حدود خال کے اعتبار سے مضبوط ہے اور موثر طور پر نافذ العمل اور اس کی نگرانی کی جاتی ہے۔
- (س) کمپنی کی موجودہ صلاحیتوں کے ساتھ کام جاری رکھنے میں کسی رکاوٹ کا کوئی شہ نہیں ہے؛ اور
- (ش) لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 میں درج تفصیل کے مطابق کارپوریٹ گورننس کے بہترین معیارات سے کوئی مادی اعراض نہیں کیا گیا ہے۔

کمپلائنس کا بیانیہ

کمپنی نہایت سختی سے کارپوریٹ گورننس کے اصولوں کی پابندی کرتی ہے اور تمام مجوزہ شرائط نافذ کی گئی ہیں۔ اس کا خلاصہ منسلک لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے ساتھ منسلک اسٹیٹمنٹ آف کمپلائنس میں موجود ہے جس کا بیرونی آڈیٹرز نے باقاعدہ جائزہ لیا ہے۔

ڈائریکٹرز کے مشاہرے کی پالیسی

بورڈ نے ڈائریکٹرز کے مشاہرے کی منظوری دے دی ہے جس میں پالیسی کے مقاصد اور انفرادی طور پر ڈائریکٹرز کے بورڈ اور اس کی کمیٹیوں کے اجلاس میں شرکت کیلئے مشاہرے کے پیکج کے تعین کیلئے شفاف طریقہ بیان کیا گیا ہے۔ ڈائریکٹرز کے مشاہرے کی پالیسی کی دیگر تفصیلات کے علاوہ خاص نکات درج ذیل ہیں:

- مشاہرے کی سطح کاروباری ضروریات کے مطابق، حکمت عملی کی سمت میں اور کمپنی اور اس کے شیئرز ہولڈرز کے بہترین مفاد میں ہوگی۔
- مشاہرے کی سطح مسابقتی کمپنیز/صنعت کی مارکیٹ کے معیارات کے مطابق ہوگی۔
- مشاہرے کا تعین کرتے وقت جنس کے لحاظ سے کوئی امتیاز نہیں برتا جائے گا۔
- مشاہرہ اس سطح ہو جو افراد کی کمپنی کو کامیابی کے ساتھ چلانے کی اہلیت اور قابلیت کے پیش نظر ان کیلئے پرکشش اور ان کو کمپنی کے ساتھ جڑا رکھنے کیلئے کافی ہو۔
- مشاہرہ اس وقت اور مہارت کے لحاظ سے منصفانہ ہو جو ڈائریکٹرز اپنی ذمہ داریاں پوری کرنے کیلئے صرف کرتے ہیں۔
- مشاہرہ اقدار میں اضافے کی حوصلہ افزائی کیلئے کافی ہو۔
- مشاہرہ اس سطح کا نہ ہو جو ڈائریکٹرز کو خود مختاری سے سمجھوتہ کرنے کا احساس دلائے۔
- بیچنگ ڈائریکٹر/چیف ایگزیکٹو آفیسر، ایگزیکٹو ڈائریکٹرز اور شیئرز ہولڈرز کی اکثریت کی نمائندگی کرنے والے ڈائریکٹرز کمپنی کے آرٹیکلز آف ایسوسی ایشن کے مطابق کسی مشاہرے کے اہل نہیں ہیں۔
- مشاہرہ بورڈ کی مکمل مدت تک کیلئے مقرر ہو گا جو ڈائریکٹرز کے ہر انتخاب سے پہلے تک ہو گا (ہر تین سال میں ایک بار)۔
- مشاہرے کی سطح مقرر کرنے کیلئے حد کے تعین کے سلسلے میں خود مختار مشیروں کی سفارشات حاصل کر لی جائیں۔

ڈائریکٹرز کے مشاہرے

ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے مشاہرے کی مجموعی رقم کی تفصیلات، مالی بیانات کے نوٹ 49 میں ظاہر کی گئی ہیں۔

بورڈ کی کارکردگی کا جائزہ

بورڈ نے ایک باضابطہ پالیسی کی منظوری دی ہے اور بورڈ اور اس کی کمیٹیوں کی سالانہ کارکردگی کا جائزہ لینے کے لیے ایک عمل شروع کر دیا گیا ہے۔ تشخص کا مقصد اس بات کو یقینی بنانا ہے کہ بورڈ کی مجموعی کارکردگی کو کارپوریٹ مقاصد، کمپنی گورننس کی ساخت، قانونی اور ریگولیٹری تقیبل، تاثیر، تعاون اور قدر میں اضافے کے حوالے سے ناپا جائے۔ کارکردگی کی جانچ، بورڈ کی طرف سے مالی سال 2023 کے لیے منظور شدہ عمل کے مطابق کی گئی اور بورڈ کی مجموعی کارکردگی اور تاثیر کو ”مضبوط“ کے زمرے میں رکھا گیا ہے۔ بورڈ کے تمام ممبران نے کارکردگی کی تشخص میں حصہ لیا ہے اور اپنی رائے سے آگاہ کیا ہے۔

اجتماعی سماجی ذمہ داری

اچھی اجتماعی سماجی ذمہ داری کمپنی کی فلاحی کارروائیوں کا اس وقت سے لازمی عنصر ہے جب 1847 میں ورنرون سیمنس نے اس کمپنی کی بنیاد رکھی تھی۔ ہماری سماجی ذمہ داریوں کے کاموں میں تین مرکزی توجہ کے شعبے ہیں؛ ٹیکنالوجی تک رسائی، تعلیم تک رسائی اور پائیدار کمیونٹیز۔ یہ ہماری کاروباری حکمت عملی، بنیادی اہلیت، معاشرے کی فلاح کیلئے عالمی اہداف، عالمی سطح کے بڑے رجحانات (ڈیجیٹل ٹرانزیشن، شہر کاری، ماحولیاتی تبدیلی، عالمگیریت اور ڈیجیٹلائزیشن) اور اسٹیک ہولڈرز کے ساتھ ڈائیلاگ میں نمایاں رہتے ہیں۔ سماجی شہری ذمہ داریوں میں ہماری سرگرمیاں پورے دفتر میں SDGs میں پیش رفت میں شامل رہتی ہیں۔ سیمنس ماحولیاتی اور موسمیاتی تحفظ کو انتہائی اہمیت دیتا ہے اور اپنے ملازمین کی جانب سے وسائل کی زیادہ ذمہ داری کے ساتھ استعمال کیلئے حوصلہ افزائی کی جاتی ہے۔

گزشتہ سالوں کی طرح مالی سال 2023 میں بھی کمپنی نے اپنی سماجی ذمہ داری کو پورا کرنے کے لئے اقدامات جاری رکھے۔

سال کے دوران، کمپنی نے مختلف سماجی اقدامات میں بڑھ چڑھ کر حصہ لیا ہے، جیسے سیلاب سے متاثرہ افراد کے لیے امدادی سرگرمیوں میں حصہ لینا اور سندھ فلڈ ریلیف فنڈ میں عطیات دینا شامل ہیں۔

مزید برآں، کمپنی اپنے شانہ بشانہ اقدامات کے ذریعے پیشہ ورانہ تربیت میں صنفی تفاوت کو دور کرنے کے لیے پرعزم ہے۔ یہ اقدام، Build4Skills کے عالمی منصوبے کے تعاون سے کیا گیا جس میں جرمن وفاقی وزارت برائے اقتصادی تعاون اور ترقی کی طرف سے مالی اعانت فراہم کی گئی، اس کا مقصد افرادی قوت میں مساوات کو فروغ دینا ہے۔ مالی سال 2020 میں شروع ہونے والے اقدامات کے تحت، سیمنس نے ابتدائی مرحلے کے دوران 9 لاکھ کو کام پر یعنی تربیت فراہم کی۔ شانہ بشانہ کے تیسرے مرحلے میں، جو مالی سال 2023 میں اختتام پذیر ہوا، میں 44 نوجوان لڑکیوں کی شرکت دیکھی گئی جنہوں نے سیمنس پاکستان میں 6 ہفتوں کے دورانیہ کے لئے کام کی جگہ پر مبنی تربیت (WBT) حاصل کی۔

جامع معلومات کے لیے، سالانہ رپورٹ کے پائیداری اور کارپوریٹ شہریت (Sustainability and Corporate Citizenship) سیکشن کا جائزہ لیں۔

کارپوریٹ گورننس کے بہترین طریقوں کی پابندی

کمپنی اپنے تمام قانونی اور اخلاقی تقاضوں کو پورا کرنے اور جہاں بھی ممکن ہو، ان سے سہقت لے جانے اور کاروبار کو اعلیٰ ترین معیارات اور طریقوں کے مطابق چلانے کے لیے پرعزم ہے۔ اس طرح بورڈ موجودہ عمل کو مسلسل چیلنج کرتے ہوئے تسلسل کے ساتھ بہتری کی راہ متعین کرتا ہے۔ اس عمل کو کمپنی سے تبدیلی قبول کرنے کی بھی ضرورت ہے، تاکہ جب نئے مواقع پیدا ہوں تو کمپنی اچھی پوزیشن میں آجائے۔ اس کا مطلب یہ بھی ہے کہ بازار کی جگہ سے بہترین ٹیلنٹ اپنی طرف متوجہ کرنا اور اُسے ایسی مہارتیں اور مواقع فراہم کرنا ہے جو ایک بہترین کارکردگی کے لیے درکار ہوتی ہیں۔

بورڈ نے شق 5.6.4 کے مقصد کے لیے PSX کی رول بک کے تحت لفظ ”ایگزیکٹو“ کی تعریف اس طرح ترتیب دی ہے ”مینجنگ ڈائریکٹر، چیف فنانسینشل آفیسر، کمپنی سیکرٹری، MD، CFO اور کمپنی سیکرٹری کی تمام براہ راست رپورٹس، متعلقہ Corporate Financial Reporting عملہ جو کلوزنگ اور رپورٹنگ سرگرمیوں سے متعلق ہوں اور وہ تمام ملازمین جن کی بنیادی تنخواہ ایک مالی سال میں 3.6 ملین روپے سے زیادہ ہے۔“

بورڈ اور اس کی کمیٹیوں کی تشکیل اور مالی سال 2023 کے دوران اجلاسوں اور حاضری کی تعداد

بورڈ اور اس کی کمیٹیوں کی تشکیل، بورڈ اور اس کی کمیٹیوں کے اجلاسوں کی تعداد، اور حاضری کی تفصیل درج ذیل ہے:

ترتیب / کمپوزیشن	بورڈ اجلاس منعقد ہوئے / شرکت کی گئی	آڈٹ میننگ منعقد ہوئی / شرکت کی گئی	انسانی وسائل اور معاوضے کا اجلاس منعقد کیا گیا / شرکت کی گئی	نامزدگی کا اجلاس منعقد ہوا / شرکت کی گئی
سید محمد دانیال *	7/2	N/A	N/A	N/A
جناب مارکس۔ ایرک اسٹروہمیر **	7/5	N/A	6/4	0/0
جناب قاضی ساجد علی	7/7	N/A	6/6	N/A
محترمہ عائشہ ماجد	7/7	4/4	N/A	N/A
جناب اولیور اسپیرلنگ	7/7	N/A	6/6	0/0
جناب ہیرالڈ گریم	7/7	4/4	N/A	N/A
جناب کرل اسٹیفن وارنر	7/7	4/4	N/A	N/A
جناب عدنان آفریدی	7/7	4/4	N/A	N/A
جناب ایم۔ عثمان انصاری ***	7/0	N/A	N/A	N/A

* سید محمد دانیال کو جناب مارکس۔ ایرک اسٹروہمیر کی جگہ بورڈ آف ڈائریکٹرز میں ایم ڈی / سی ای او کے طور پر 25 مئی 2023 سے فعال مقرر کیا گیا تھا۔

** جناب مارکس۔ ایرک اسٹروہمیر 24 مئی 2023 تک ایم ڈی / سی ای او اور 24 جولائی 2023 تک ڈائریکٹر کے طور پر خدمات انجام دیتے رہے۔

*** جناب ایم۔ عثمان انصاری کو مسٹر مارکس۔ ایرک اسٹروہمیر کے متبادل 23 اکتوبر 2023 کو ڈائریکٹر مقرر کیا گیا۔

کمپنی کی بنیادی سرگرمیاں اور کاروباری شعبہ جات

کمپنی اسٹارٹ اپ انفراسٹرکچر، ڈیجیٹل انڈسٹریز اور انرجی کے شعبوں میں کاروبار کرتی ہے جس میں پاور جزیشن اور ڈسٹری بیوٹن، سمارٹ بلڈنگز اور سمارٹ گریڈ اور مینوفیکچرنگ میں آٹومیشن اور ڈیجیٹلائزیشن پر توجہ مرکوز رکھی جاتی ہے۔

اسٹارٹ اپ انفراسٹرکچر خود کارانہ طور پر توانائی کے نظام، عمارتوں اور صنعتوں کو مربوط رکھتا ہے تاکہ زیادہ کارکردگی اور پائیداری کے ذریعے ہمارے رہنے اور کام کرنے کے طریقے کو بہتر بنایا جاسکے۔ ڈیجیٹل انڈسٹریز اپنے صارفین کو ایک پارٹنر کے طور پر اپنی مکمل صلاحیتوں کو استعمال کرنے میں مدد کرتی ہے جو مجرد اور زیر تعمیر صنعتوں کی آٹومیشن اور ڈیجیٹلائزیشن کے لیے انہیں جدید ٹیکنالوجی فراہم کرتی ہے۔

بورڈ کی جانب سے 14 اکتوبر 2022 کو دی گئی اصولی منظوری کے مطابق، کمپنی کے ERP ویلیو ایڈڈ سولوشن اور سروسز بزنس (کاروبار) کی فروخت TMC (پرائیویٹ) لمیٹڈ کو یکم اپریل 2023 کو مکمل ہو گئی ہے۔ نتیجتاً، کاروبار کو اقتصادی طور پر TMC (پرائیویٹ) لمیٹڈ کو منتقل کر دیا گیا۔ تاہم، بعض معاہدوں کی صورت میں جہاں قانونی منتقلی زیر التواء ہے (یا زیر التواء معاہدے) کی صورت میں، کمپنی ذیلی سرگرمیوں سمیت ایسے معاہدوں کے انتظامات جاری رکھے گی۔

بورڈ نے 10 مارچ 2023 کو ہونے والے اپنے اجلاس میں اصولی طور پر منظوری دی ہے، کہ کمپنی 2020 میں کئے گئے سیمینس اے جی کے جانب سے توانائی کے کاروبار کی تقسیم کے تسلسل میں اپنے توانائی کے شعبے کی فروخت ایک علیحدہ غیر منسلک سیمینٹ انرجی گروپ (مجوزہ لین دین) کی قابل عملیت کا اندازہ لگائے گی۔ مذکورہ اجلاس میں بورڈ کے فیصلے کے مطابق مجوزہ لین دین فریقین کے درمیان حتمی معاہدے کو حتمی شکل دینے اور مزید اندرونی وصولیوں، کارپوریٹ اور قابل اطلاق ریگولیٹری منظوری سے مشروط رہے گا۔ فی الحال، جیسا کہ اوپر بیان کیا گیا ہے، تشخیص کا عمل جاری ہے۔

خداشات، غیر یقینی کیفیت اور خاتمہ

کمپنی کو درج ذیل عمومی خداشات کا سامنا رہتا ہے جن کو خصوصی انسدادی پروگرام کے ذریعے ختم کیا جاتا ہے:

(الف) آپریشنل خداشات

آپریشنل خداشات کا تعلق پروجیکٹ منیجمنٹ (جیسے وقت پر پروجیکٹس کی تکمیل اور تخمینہ لاگت میں رد و بدل)، EHS اور سپلائی چین منیجمنٹ شامل ہیں۔

کمپنی ان خداشات کا انسداد کاروباری عمل کے دوران میں خصوصی وسائل مع مطلوبہ صلاحیت اور مہارت کے ساتھ کرتی ہے۔ انتظامیہ ایسے خداشات کیلئے خداشات کی جوابی حکمت عملی کا تعین کرتی ہے جس میں "گریز، منتقلی، کمی یا قبول کرنا" کی حکمت عملی شامل ہے۔

(ب) مالیاتی خداشات

مالیاتی خداشات کو منسلک مالیاتی گوشواروں کے نوٹ 53 میں تفصیلاً بیان کیا گیا ہے جس میں مارکیٹ، کریڈٹ اور لیکویڈٹی خداشات شامل ہیں۔

(ج) عمل درآمد کے خداشات

کمپنی کی مقررہ سرگرمیوں اور رویوں پر عمل درآمد نہ کرنے کیلئے صفر عدم برداشت کی پالیسی موجود ہے۔ کمپنی یہ بھی سمجھتی ہے کہ قوانین اور ضوابط پر عمل درآمد نہ کرنے کے نتیجے میں جرمانہ، اخراج، بلیک لسٹنگ، لائسنس کی منسوخی وغیرہ کا سامنا ہو سکتا ہے۔ ایسے خداشات کے خاتمے کیلئے کمپنی نے ایک جامع اور موثر عمل درآمد کا طریقہ کار نافذ کیا ہے۔

اس کے علاوہ بزنس کنڈکٹ گائیڈ لائنز (BCG) میں کمپنی کی ڈائریکٹرز، ایگزیکٹو اور کمپنی کے دیگر ملازمین اور جن کے ساتھ کمپنی کاروبار کرتی ہے، ان سے توقعات واضح طور پر بیان کی گئی ہیں۔ کمپنی ملازمین اور کاروباری پارٹنرز سے کسی خلاف ورزی کی اطلاع دینے کی حوصلہ افزائی کرتی ہے اور ان کو یقینی دلاتی ہے کہ اس خلاف ورزی کا اعتماد سے مقابلہ کرنے سے ان پر کوئی برا اثر نہیں پڑے گا۔ طریقہ کار میں سہولت کیلئے مختلف چینلز جیسے کمپنی کی ویب سائٹ پر کپلائنٹس ہیلپ ڈیسک "TellUs" قائم کی گئی ہے۔

ماحولیات، صحت، اور حفاظت (EHS)

ماحول اور قدرتی وسائل کا تحفظ، اپنے ملازمین کی صحت اور ان کی کارکردگی کو فروغ دینا، نیز ان کے کام کرنے کے ماحول کا تحفظ، سیمینس میں ہماری سماجی اور کاروباری وابستگی کا ایک بنیادی حصہ ہے۔ وہاں سے درپیش دشواریوں سے نمٹنے اور آئندہ نسلوں کے لیے معیار زندگی کو بہتر بنانے کے لیے "نیما معمول" کو اپنایا ہے۔

سیمینس میں، ہم اپنے ملازمین کی ذہنی تندرستی کو ان کی مجموعی فلاح و بہبود کے اپنے عزم کے لازمی حصہ کے طور پر ترجیح دیتے ہیں۔ ہم اپنے ملازمین کی کامیابی اور اطمینان کو یقینی بنانے میں صحت مند ذہنی حالت کے اہم کردار کو بخوبی سمجھتے ہیں۔ اس کی ضمن میں، ہم نے اپنے ایمپلائس سائنس پروگرام کے لیے Saaya Health کے ساتھ اشتراک کیا ہے۔ اس تعاون کے ذریعے، ہم نے اپنے ملازمین کے ساتھ فعال طور پر مشغول ہونے کے لیے مختلف تربیتی اور آگاہی سیشنز کا انعقاد کیا ہے جو خصوصی طور پر کام کی جگہ پر ذہنی صحت کو فروغ دینے پر مرکوز ہیں۔ ان سیشنز کا مقصد ہماری افرادی قوت کو تازہ و سنبھالنے، کام کے امور میں مثبت توازن کو برقرار رکھنے اور ضرورت پڑنے پر مدد حاصل کرنے کے لیے ضروری علم اور طریقوں سے آراستہ کرنا ہے۔ ہماری جاری کوششیں ہمارے تمام ملازمین کے لئے ایک معاون اور ذہنی طور پر صحت مند کام کے ماحول کو فروغ دینے کے لئے ہماری گن کی عکاسی کرتی ہیں۔

ہم نے اس مالی سال کے آغاز سے ڈگری فریم ورک اور سیمینس ای ایچ ایس کے لوازمات، جیسے بجلی کے خطرات سے آگاہی، ملازمین کی فلاح و بہبود اور ٹریک قوانین کی پابندی پر توجہ مرکوز کی ہے۔ یہ تمام متعلقین یعنی صارفین، سپلائرز، سرمایہ کاروں، لوگوں، معاشروں اور ہماری زمین کے لیے 360 ڈگری زاویہ سے اہمیت رکھتا ہے۔ یہ نکات "بے ضرر کلچر" اور "Healthy and Safe@Siemens" کے نفاذ کے لیے اہم کردار ادا کرتے ہیں۔ ہم یہ سمجھتے ہیں کہ پائیدار ترقی اور نظم و ضبط برقرار رکھنے کے لیے صحت اور حفاظت کے اصولوں پر عمل کرنا لازم ہے۔

ہم، زیر دستخطی، بورڈ آف ڈائریکٹرز کیلئے اور ان کی جانب سے سمسٹ سیمینس (پاکستان) انجینئرنگ کمپنی لمیٹڈ ("کمپنی") کی سالانہ رپورٹ اور آڈٹ شدہ مالیاتی گوشوارے برائے مالی سال مہتممہ 30 ستمبر 2023 ("FY 2023") مع ان پر آڈٹرز کی رپورٹ پیش کرتے ہیں۔

مشکل معاشی صورتحال کے باوجود کمپنی ٹاپ لائن کو بڑھانے میں کامیاب رہی۔ کاروباری ماحول کے نقطہ نظر سے، سکدوش ہونے والے سال میں غیر یقینی جغرافیائی سیاسی اور اقتصادی صورتحال درپیش رہیں جس کے نتیجے میں پاکستانی روپے کی قدر میں نمایاں کمی، توانائی کی بلند قیمتیں، بلند افراط زر اور شرح سود کا سامنا رہا۔ مزید برآں، درآمدی پابندیوں نے کمپنی کے آرڈرز کو وقت پر انجام دینے کی صلاحیت کو متاثر کیا۔ کارکردگی کے کچھ اہم رجحانات ذیل میں ذکر کیے گئے ہیں:

- 38 بلین روپے کے نئے آرڈرز ریکارڈ حاصل کیے گئے جو بنیادی طور پر انرجی ٹرانسمیشن کے کاروبار کی طرف سے 28.7 بلین روپے کے یقینی آرڈرز کی بناء پر ہے۔ اس کامیابی میں بڑا حصہ علامہ اقبال انڈسٹریل سٹی / M-3 فیصل آباد پر 500/132kV گرڈ اسٹیشن کی تعمیر کے لیے تقریباً 12.3 بلین روپے کے نیشنل ٹرانسمیشن اینڈ ڈسٹریбуٹن کمپنی کے ساتھ انرجی ٹرانسمیشن کانٹریکٹ شامل ہے جو آنے والی علامہ اقبال انڈسٹریل سٹی فیصل آباد کی توانائی کی طلب کو پورا کرے گا۔
 - پچھلے سال کے مثبت آرڈر کے باقیات کی وجہ سے، اوپر بیان کردہ متعدد چیلنجوں کے باوجود مالی سال 2022 کے مقابلے میں حالیہ سال کی فروخت میں 9.8 بلین روپے کا اضافہ ہوا۔ سبزیوں میں انرجی ٹرانسمیشن برائے سبقت لی، جس نے مالی سال 2022 کے مقابلے میں 11 بلین روپے کا اضافہ ریکارڈ کیا۔
 - اس سال، کمپنی نے 1.9 بلین روپے کا مجموعی منافع قبل از ٹیکس ظاہر کیا۔ جس میں غیر ملکی کرنسی کی پیمائش پر ریکارڈ شدہ غیر حقیقی فائدہ کا عمل دخل شامل ہے جس کی مالیت 3.1 بلین روپے ہیں۔ غیر حقیقی منافع کی قدر بعد ازاں ادوار میں پاکستان روپے کی نقل و حرکت کے لئے انتہائی حساس ہے۔
- کاروباری ترقی اور آنے والے آرڈرز پر عمل درآمد کے پیش نظر، کمپنی نے قلیل مدتی قرضوں کے استعمال میں اضافہ کیا ہے۔

کلیدی اشاریوں کا ایک جائزہ یہاں درج ذیل ہے:

مالی سال 2023		مالی سال 2022	کارکردگی کے اہم اشاریے (انڈیکس)
(Rupees in '000)			
38,747	38,027	38,747	نئے آرڈرز
20,911	30,747	20,911	خالص فروخت اور خدمات (جاری اور بند آپریشنز)
2,580	2,269	2,580	جاری آپریشنز سے قبل از ٹیکس منافع
(45)	(446)	(45)	بند آپریشنز سے خالص نقصان
1,681	971	1,681	مدت کے دوران خالص منافع (جاری اور بند آپریشنز)
203.81	117.72	203.81	فی شیئر آمدنی (روپے)
209.28	171.78	209.28	جاری آپریشنز سے فی شیئر آمدنی (روپے)

تخصیصات

مالی سال 2023 کے دوران کی گئیں تخصیصات کا خلاصہ درج ذیل ہے:

(Rupees in '000)		
2,158		نیم اکتوبر 2022 تک جمع شدہ منافع
971		مالی سال 2023 کے لیے بعد از ٹیکس خالص منافع
(379)		مالی سال 2022 کے لیے 46 روپے فی شیئر کا حتمی منافع
2,750		30 ستمبر 2023 تک جمع شدہ منافع

دوسرے ریزرو میں نقل و حرکت کی تفصیلات کیلئے برائے مہربانی مالیاتی گوشوارے میں ایکویٹی میں تبدیلیوں کا اسٹیٹمنٹ ملاحظہ کریں۔

منافع منقسمہ

کمپنی کی موجودہ اور مستقبل کے کیش فلوی کی صورتحال کو مد نظر رکھتے ہوئے، بورڈ نے کمپنی اور شیئر ہولڈرز کے بہترین مفاد میں، مالی سال 2023 کے لیے کوئی ڈیویڈنڈ ادا نہ کرنے کا فیصلہ کیا ہے، تاہم، بورڈ ادا کیوں کے امکان پر غور کرنے کے لیے اگلی سہ ماہیوں میں صورتحال کی نگرانی کرے گا۔

چیئر مین کی جائزہ رپورٹ

مجھے سیمسن پاکستان انجینئرنگ کمپنی لمیٹڈ کے اسٹیک ہولڈرز کو مالی سال 2023 کی سالانہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

ملک کا کاروباری ماحول سال کے بیشتر حصے کے دوران موجود درآمدی رکاوٹوں اور دیگر اقتصادی چیلنجوں کی وجہ سے مشکلات سے دوچار رہا۔ مالی سال کے اختتام تک صورتحال میں بہتری ہونے لگی۔ گزشتہ سال کو اشیاء کی بلند قیمتوں، بڑھتی ہوئی افراط زر اور شرح سود جیسے اہم عالمی چیلنجوں نے اثر انداز کیا تھا۔ ہماری ٹیم مستعد رہی اور اپنے تمام اسٹیک ہولڈرز کے جانب ذمہ داری سے غافل نہ رہی۔

میں اس بات کی یقین دہانی کرتا ہوں کہ بورڈ کے موجودہ ممبران کاروباری انتظامات، منصوبہ سازی، مالیات، کارپوریٹ گورننس سمیت قانونی اور انتظامی امور میں خاطر خواہ مہارت رکھتے ہیں۔ اس کے علاوہ، بورڈ کے تمام ممبران کمپنی اور اس کے شیئر ہولڈرز کے لیے اپنی مخلصانہ ذمہ داری سے واقف ہیں اور اس بات کو یقینی بناتے ہیں کہ اس ذمہ داری کو ہمیشہ ملحوظ خاطر رکھا جائے۔

زیر جائزہ سال کے دوران اسٹیک ہولڈرز کے بہترین مفاد کو برقرار رکھنے کے لیے بورڈ نے اپنے فرائض بخوبی انجام دیئے۔ بورڈ نے کمپنی کے معاملات کی موثر اور نتیجہ خیز انداز میں رہنمائی جاری رکھی۔

بورڈ کے چیئر مین کی حیثیت سے میں یقین دہانی کرتا ہوں کہ تمام ممبران کی جانب سے حکمت عملی اور گورننس کے موضوعات پر اپنی رائے اور خیالات کے اظہار کی حوصلہ افزائی کی جاتی ہے۔ کسی بھی فیصلہ کی منظوری سے پہلے خود مختار ڈائریکٹرز، اقلیتی شیئر ہولڈرز کے نمائندہ ڈائریکٹر اور مطالقہ تجربہ رکھنے والے ڈائریکٹرز کی رائے اور مشوروں کو بھی شامل کیا جاتا ہے۔ مزید یہ کہ بورڈ اور اس کی کمیٹیوں نے چیف ایگزیکٹو، چیف فنانس آفیسر اور کمپنی سیکرٹری کے کام کی تشخیص اور مشاہرے کے تعین اور سربراہ انٹرنل آڈٹ کی کارکردگی کی جانچ پر تال کو بھی یقینی بنایا ہے۔

بورڈ نے واضح طور پر اپنی کمیٹیوں کا دائرہ کار (ٹرمس آف ریفرنس) وضع کر دیا ہے۔ ممبران کا تقرر ان کی مطلوبہ مہارت اور تجربہ کی بنیاد پر کیا گیا ہے۔ سال کے دوران بورڈ اور اس کی کمیٹیوں کے باقاعدگی سے اجلاس منعقد ہوئے جس کے دوران ہر پیش نظر معاملے پر ضروری غور و خوض کے بعد فیصلہ کیا گیا۔ بورڈ اور اس کی کمیٹیاں سالانہ اپنی کارکردگی کا خود جائزہ لیتی ہیں جس کے ذریعے یہ اطمینان کیا جاتا ہے کہ ممبران کی انفرادی اور مجموعی کارکردگی تسلی بخش رہی۔

میں بورڈ کی جانب سے اپنے ملازمین، شیئر ہولڈرز، صارفین اور دیگر اسٹیک ہولڈرز کا ان کی پر خلوص حمایت، لگن اور انتھک محنت کا شکریہ ادا کرتا ہوں۔

مخلص،

کرل اسٹیفن وارنر

چیئر مین بورڈ

Proxy Form

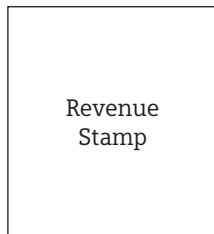
I/We _____
of _____ being a member of **Siemens (Pakistan) Engineering Co. Limited**
holder of _____ Ordinary Shares as per Share Register Folio No. _____ CDC Participant ID _____
CDC Account No. _____ hereby appoint Mr./Mrs./Miss _____ of
_____ or failing him _____ of
_____ as my/our proxy to vote for me/us and my/our behalf at the Annual General Meeting of
the Company to be held on January 16, 2024 at 11:00 a.m. at "The Dawood Foundation" Business Hub, Ground Floor, Dawood Centre,
M.T. Khan Road, Karachi 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 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.

سیمنس (پاکستان) انجینئرنگ کمپنی لمیٹڈ

پراکسی فارم

میں / ہم

ساکن _____ سیمنس (پاکستان) انجینئرنگ کمپنی لمیٹڈ کے ممبر کی حیثیت سے _____ عمومی شیئرز

کی بمطابق شیئرز رجسٹر فوئیو نمبر _____ سی ڈی سی شمولیت آئی ڈی _____ سی ڈی سی اکاؤنٹ نمبر _____ تحویل رکھتے ہوئے

محترم / محترمہ / مسماة _____ ساکن _____

یا ان کی عدم دستیابی کی صورت میں _____ ساکن _____ کو اپنا مختار مقرر کرتا ہوں /

کرتے ہیں جو مورخہ 16 جنوری 2024ء کو صبح 11:00 بجے ”دی داؤد فاؤنڈیشن“ بزنس حب، گراؤنڈ فلور، داؤد سینٹر، ایم. ٹی. خان روڈ، کراچی یا کسی تبدیلی کے ساتھ منعقد ہونے والے کمپنی کے سالانہ اجلاس عام میں میرے / ہمارے متبادل ووٹ دیں گے۔

بتاریخ _____ ماہ / سال _____

دستخط شیئرز ہولڈر _____

فوئیو نمبر _____

CDC اکاؤنٹ نمبر _____

گواہان:

۱۔ دستخط _____

نام: _____

پتہ: _____

قومی شناختی کارڈ نمبر: _____

ریونیو اسٹیپ

۲۔ دستخط _____

نام: _____

پتہ: _____

قومی شناختی کارڈ نمبر: _____

نوٹس:

- ۱- 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۔
- ۲- صرف CDC اکاؤنٹ ہولڈرز کے لئے دو افراد کے بحیثیت گواہ دستخط ہونا ضروری ہے۔
- ۳- CDC اکاؤنٹ ہولڈرز کو اپنے اور اپنے پراکسی کے قومی شناختی کارڈ / پاسپورٹ کی تصدیق شدہ فوٹو کاپی بھی جمع کرانی ہوگی۔
- ۴- CDC اکاؤنٹ ہولڈر کے پراکسی کو اجلاس میں شرکت کے وقت اپنا اصل قومی شناختی کارڈ / پاسپورٹ پیش کرنا ہوگا۔
- ۵- 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
Plot No. 32-C, Jami Commercial Street 2,
D.H.A., Phase VII,
Karachi-75500. Pakistan

I, Mr./Mrs./Ms. _____ S/O,W/O,D/O _____

hereby authorize **Siemens (Pakistan) Engineering Co. Ltd.** to directly credit cash dividend declared by it, if any, in the below mentioned bank account:

i) Personal Information	
Name of shareholder	
Folio No. /CDC Participant ID A/C No.	
CNIC No*	
Passport No, (in case of foreign shareholder)**	
Land Line Phone Number	
Cell Number	
E mail address	

ii) Bank Details	
Title of Bank Account	
Name of Bank	
Branch Name and Address	
IBAN	
ISO Country code	
IBAN Check Digits	
BBAN	
Bank Identifier	
Account Number	
SEPA Member	

Signature of the Shareholder

Date: _____

Request Form for Annual Report and Notices through E-mail

THK Associates (Pvt.) Limited
Plot No. 32-C, Jami Commercial Street 2,
D.H.A., Phase VII,
Karachi-75500. Pakistan

Date: _____

Dear Sirs

I hereby instruct you to send from now onwards the Annual Report of **Siemens (Pakistan) Engineering Co. Ltd.** and all notices under Companies Act, 2017 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 119 of the Companies Act, 2017. 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 Computerized National Identity Card (CNIC) along with this request form.

Contact

Karachi

Head Office and Plant

B-72 Estate Avenue, S.I.T.E,
Karachi-75700.

UAN: +9221-111-077-088

Lahore Office

15-A, 2nd Floor, State Life Building,
Davis Road,
P.O. Box No. 293,
Lahore-54000.

Phone: +9242-37319500

Fax: +9242-36363126

Islamabad Office

10th Floor, UBL Tower,
Jinnah Avenue Blue Area,
Islamabad.

Phone: +9251-2075444

Fax: +9251-2812162

+9251-2812163

Afghanistan Office

Siemens Afghanistan Branch,
Darulaman Road, Karteh Seh,
House No: 635, Street No: 11,
District - 06 Kabul, Afghanistan.

Phone: +93 20 2500640 / 642

Fax: +93 20 2500641

Mobile: +93 799508840

Dubai Office

Overseas Office Dubai,
Al Waha Community Building,
Office No. 2006, 2nd Floor,
Near Deira International School,
Nad Al Hamar Road,
P.O. Box # 35397, Ras Al Khor,
Dubai, U.A.E.

Phone: +971 4 2898071-75

Siemens (Pakistan) Engineering Co. Ltd.

UAN: 111-077-088

