

ALSTOM India Limited

Registered Office: 'The International', 5th Floor, 16, Marine Lines Cross Road No.1, Off Maharshi Karve Road, Churchgate, Mumbai - 400 020
Tel. No. 022-22000487/ 490

POSTAL BALLOT NOTICE

To,
The Members,

Notice pursuant to Section 192A of the Companies Act, 1956

Notice is hereby given pursuant to Section 192A(2) of the Companies Act, 1956, read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, that the resolutions appended below are proposed to be passed by way of Postal Ballot. Members' consent is requested for the proposals contained in the Resolutions appended below. The Explanatory Statement, pertaining to the said Resolutions setting out the material facts and the reasons thereof is annexed hereto along with the Postal Ballot Form.

1. Alteration of Article 151 of the Articles of Association of the Company.

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 31 read with Section 268 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to the approval of Central Government, if any required, the Articles of Association of the Company be and is hereby altered with effect from 20 April 2012 in the following manner:

The existing Articles 151 of the Articles of Association of the Company be and is hereby deleted and the following Article as Article 151 shall be substituted in its place:

'Article 151: Subject to the provisions of the Act, the Directors may, from time to time, appoint one or more of their body to the office of Whole-time Director for such period and on such terms as the Board may think fit and subject to the terms of any agreement entered into with him may revoke such appointment. Provided that, a Director so appointed shall not whilst holding such office be subject to retirement by rotation or be taken into account in determining the retirement by rotation of Directors, unless otherwise decided in the board meeting, but the appointment shall automatically determine if he ceases to be a Director.'

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard ."

2. Appointment and fixation of terms of appointment of Mr. Patrick Ledermann as Vice-Chairman & Managing Director of the Company.

To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT Mr. Patrick Lederman who was appointed as an Additional Director by the Board of Directors with effect from 01 October 2012, pursuant to Article 153 of the Articles of Association of the Company read with Section 260 of the Companies Act, 1956 to hold office up to the date of next Annual General Meeting and in respect of whom the Company has received a notice along with the deposit of Rs.500/- from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 198, 269, 309 and 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, as may be required and such other recommendations, approvals, sanctions if and when necessary, desirable and expedient in law, Mr. Patrick Ledermann be and is hereby appointed as Vice- Chairman & Managing Director of the Company for a period of three years with effect from 01 October, 2012 up to 30 September, 2015 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed upon by and between the Board of Directors and Mr. Patrick Ledermann within and in accordance with the limits prescribed in Schedule XIII to the Companies Act, 1956 or any amendment to the Schedule or the Act and if necessary, as may be agreed to between the Board of Directors and Mr. Patrick Ledermann.

RESOLVED FURTHER THAT the remuneration payable to Mr. Patrick Ledermann as Vice Chairman & Managing Director by way of salary, exgratia payment or commission, perquisites and other allowances, shall not exceed the limits, if any, stipulated under provisions of Section 198 and Section 309 and other applicable provisions, if any, of the Act.

RESOLVED FURTHER THAT notwithstanding anything herein above stated, where in any financial year during the currency of his tenure as Vice Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration by way of salary and perquisites as set out in the Explanatory Statement annexed to the Notice as minimum remuneration subject to the approval of Central Government and such other recommendations, approvals, sanctions, if and when necessary.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956 or replacement of the present Companies Act, 1956 by a new Statute, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, exgratia payment or commission, perquisites, allowances, etc. within such prescribed limit or ceiling as may be stipulated therein and the aforesaid draft Agreement between the Company and Mr. Patrick Ledermann be suitably amended to give effect to such modification(s), relaxation or variation without any further reference to the Company in General Meeting, if so permitted under the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

3. **Appointment and fixation of terms of appointment of Mr. Sunand Sharma as Chairman & Whole-time Director of the Company.**

To consider and, if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269 and 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of the Central Government, as may be required and such other recommendations, approvals, sanctions if and when necessary, desirable and expedient in law Mr. Sunand Sharma be and is hereby appointed as Chairman & Whole-time Director of the Company for a period of three years with effect from 20 April 2012 up to 19 April 2015 on such terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter, vary and modify the terms and conditions of the said appointment and/or Agreement, in such manner as may be agreed upon by and

between the Board of Directors and Mr. Sunand Sharma within and in accordance with the limits prescribed in Schedule XIII to the Companies Act, 1956 and if necessary as may be agreed to between the Board of Directors and Mr. Sunand Sharma.

RESOLVED FURTHER THAT the remuneration payable to Mr. Sunand Sharma as Chairman & Whole-time Director by way of salary, exgratia payment or commission, perquisites and other allowances, shall not exceed the limits, if any, stipulated under provisions of Section 198 and Section 309 and other applicable provisions, if any, of the Act.

RESOLVED FURTHER THAT notwithstanding anything herein above stated, where in any financial year during the currency of Mr. Sunand Sharma's tenure as Chairman & Whole-time Director, the Company has no profits or its profits are inadequate, the Company shall pay the remuneration by way of salary and perquisites as set out in the Explanatory Statement annexed to the Notice as minimum remuneration subject to the approval of Central Government and such other recommendations, approvals, sanctions, if and when necessary.

RESOLVED FURTHER THAT in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956 or replacement of the present Companies Act, 1956 by a new Statute, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, exgratia payment or commission, perquisites, allowances, etc. within such prescribed limit or ceiling as may be stipulated therein and the aforesaid draft Agreement between the Company and Mr. Sunand Sharma be suitably amended to give effect to such modification(s), relaxation or variation without any further reference to the Company in General Meeting, if so permitted under the provisions of the Act.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board

Pradeepta Puhan
Company Secretary

Place: Noida

Date: 05 September 2012 .

Registered Office:

'The International', 5th Floor,
16, Marine Lines Cross Road No.1,
Off Maharshi Karve Road, Churchgate,
Mumbai - 400 020.

Notes:

1. An Explanatory Statement as required under Section 173 of the Companies Act, 1956 in respect of the business specified above is annexed hereto.
2. In terms of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011, the items of business set out in the Notice above are sought to be passed by Postal Ballot.
3. The Board of Directors has appointed CS Ranjeet Pandey of M/s Ranjeet Pandey & Associates, Company Secretaries as the Scrutinizer for conducting the Postal Ballot voting process in accordance with the law and in a fair and transparent manner.
4. The shareholders are requested to carefully read the instructions printed in the attached Postal Ballot Form. The Postal Ballot Form, duly completed and signed should be returned in the enclosed self-addressed envelope directly to the Scrutinizer so as to reach the Scrutinizer before the close of working hours (17:00 hours) on or before 22 October 2012. Postage will be borne and paid by the Company. Any Postal Ballot Form received after the aforesaid date shall be treated as if the reply from the shareholders has not been received.
5. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. Shareholders who do not receive the Postal Ballot Form may apply to the Company and obtain a duplicate thereof. Facility of voting through electronic mode is not being provided by the Company.
6. The Scrutinizer will submit the report to the Managing Director of the Company after completion of scrutiny of the Postal Ballot Forms.
7. The results of the Postal Ballot will be announced by the Managing Director or Company Secretary on 29 October 2012 at the Corporate Office of the Company situated at IHDP Building, Plot No. 7, Sector - 127, Noida - 201301 (Uttar Pradesh) at 11:30 a.m. and the same result shall also be available at the Registered Office of the Company at 'The International', 5th Floor, 16, Marine Lines Cross Road No.1, Off Maharshi Karve Road, Churchgate, Mumbai - 400 020 on same day and will also be informed to the stock exchanges, displayed on the Company's website www.alstom.com/india and published in newspapers.
8. All documents referred to in the accompanying Notice and the Explanatory Statement is open for inspection at the Registered Office of the Company during the office hours on all working days (Monday to Friday) between 11.00 a.m. and 1.00 p.m. up to 22 October 2012.
9. The Ordinary Resolution mentioned above shall be declared as passed if the number of votes cast in its favour exceeds the votes, if any, against the said resolutions and the Special Resolutions proposed to be passed above shall be declared as passed and approved if votes cast in favour of the item is three times more than the votes cast against.

Enclosures:

1. Postal Ballot Form
2. Self-addressed Envelope

Annexure to Notice

Explanatory Statement pursuant to Sections 173(2) and 192A(2) of the Companies Act 1956.

Item No. 1

Alteration of Article 151 of the Articles of Association:

Pursuant to the provisions of Article 151 of the Articles of Association of the Company, a Whole-time Director of the Company shall be a Director not liable to retire by rotation. However, to enable the Company to appoint Whole-time Director(s) liable to retire by rotation, it is proposed to delete the existing Article 151 of the Articles of Association of the Company and insert in its place new Article 151 as set out in the Resolution.

In terms of Section 31 of the Companies Act, 1956, any amendment to the Articles of Association requires approval of the Members by way of a Special Resolution. Pursuant to the provisions of Section 268 of the Companies Act, 1956, an amendment to any provisions contained in the Articles of Association of the Company relating to the appointment or re-appointment of a Whole-time Director shall not have any effect unless approved by the Central Government. An application for such approval shall be filed by the Company with the Central Government.

Your approval is sought by voting by postal ballot in terms of the provisions of Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

None of the Directors of the Company is, in any way, concerned or interested in the said Resolution, except to the extent of their shareholding in the Company, if any, and holding the position of Whole-time Director in the Company.

Item No. 2

The Board of Directors in its meeting held on 05 September 2012 appointed Mr. Patrick Ledermann as an Additional Director of the Company with effect from 01 October 2012 and as the Vice-Chairman & Managing Director of the Company for a period of three years with effect from 01 October 2012.

As per the provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the appointment of Mr. Patrick Ledermann as the Vice-Chairman & Managing Director is subject to the approval of the Central Government and approval of the shareholders. The Company shall file necessary application seeking approval from the Central Government for appointment of Mr. Patrick Ledermann as Vice-Chairman & Managing Director of the Company.

Mr. Patrick Ledermann, 59, is the Regional Vice President GPS India Region and shall be the Vice-Chairman & Managing Director of ALSTOM India Limited with effect from 01 October 2012. Prior to his India assignment, Mr. Ledermann was the Senior Vice President, Nuclear, ALSTOM Power since 2007.

Before joining ALSTOM Power, Mr. Ledermann had worked for CEA – French Atomic Energy Commission as Deputy Director, Nuclear Energy from 2001 to 2007 and as Director engineering Department from 1984 to 1991. He had also worked with Areva as Managing Director Areva La Hague factory from 1992-1998 and as Director for fuel projects from 1998-2000.

He had worked with French Administration as Head of Nuclear Construction Control and Inspection from 1979 to 1984.

Mr. Ledermann is a Member of Academy of Technologies in France and Ecoles Polytechnique – Ecoles de Mines de Paris. Mr. Ledermann has over 33 years of rich experience in Power & Energy sector. Presently he is on the Board of Kalyani ALSTOM Power Limited.

The draft Agreement between the Company and Mr. Patrick Ledermann, inter alia, contains the following terms and conditions:-

1. The Company shall employ Mr. Patrick Ledermann and Mr. Patrick Ledermann shall serve the Company as its Vice Chairman & Managing Director for a period of three years from 01 October 2012 to 30 September 2015 in accordance with Section 269 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (the "Act") subject to employment being determined in pursuance to any of the provisions of this Agreement.
2. In respect of such orders and directions as may from time to time be given to him by the Board of Directors of the Company (the Board), all such orders and directions Mr. Patrick Ledermann shall, promptly and faithfully obey, observe and comply with in all respects and subject also to such restrictions as the Board may in its sole and uncontrolled discretion from time to time impose on him. Mr. Patrick Ledermann shall have the management of whole of the affairs of the Company with power to appoint and dismiss employees of the Company, to enter into contracts on behalf of the Company in the ordinary course of business and to do and perform all other acts and things, which in the ordinary course of business, he may consider necessary or proper or in the interest of the Company.
3. During his employment under this Agreement, Mr. Patrick Ledermann shall use his best endeavours to promote the interest and welfare of the Company.

During the period of his employment, Mr. Patrick Ledermann shall whenever required by the Company undertake such travelling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company. The Company shall in consideration of the performance of his duties, pay to Mr. Patrick Ledermann during the continuance of this Agreement, the following remuneration:-

- a) Basic Salary of Rs. 8,18,975 (Rupees Eight Lac Eighteen Thousand Nine Hundred Seventy Five) per month;
- b) Annual performance bonus as per the rules of the Company

The annual increment will be in accordance with the rules of the Company.

In addition to salary and bonus, the following perquisites shall be allowed to Mr. Patrick Ledermann.

- (i) Housing: Mr. Patrick Ledermann shall be entitled to rent free furnished residential accommodation.
- (ii) Allowances as per Company rules as applicable to Mr. Ledermann.
- (iii) Security at residence.
- (iv) Coverage for self and family under CIGNA mediclaim policy including other benefits as may be applicable as per policy rules.
- (v) Fees of clubs subject to a maximum of one club.
- (vi) Group Personal Accident Insurance as per the Rules of the Company.
- (vii) Provision of a car with driver for business as well as personal purposes.
- (viii) Communication facilities.

Explanation: "Family" means the spouse and the dependent children.

Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable, and in the absence of any such rules, perquisites shall be evaluated at actual cost.

4. Mr. Patrick Ledermann shall also be paid the following perquisites which shall not be included in the computation of the ceiling on the remuneration in the event the Company has no profit or its profits are inadequate in any financial year during the aforesaid period:

- Earned/Privilege Leave including encashment of accumulated leave on repatriation as per rules of the Company.
 - Notwithstanding anything herein above, where in any financial year, during the currency of his tenure as Vice-Chairman & Managing Director, the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by way of salary, perquisites and other allowances as minimum remuneration subject to the approval of the Central Government, if and when necessary and the difference between the aforesaid minimum remuneration and minimum remuneration as specified in Schedule XIII to the Act, shall be paid after receipt of the Central Government approval based on such recommendations as may be statutorily required.
5. In the event of any statutory amendment or modifications or relaxation by the Central Government to Schedule XIII to the Act, or any re-enactment thereof, the terms and conditions of the said re-appointment and/or the Agreement may be altered, modified, amended or varied, from time to time by the Board of Directors as it may, in its discretion, deem fit, so as not to exceed the limits specified in Schedule XIII to the Act or any re-enactment or amendments or modifications thereto.
 6. Mr. Patrick Ledermann shall be entitled to:
 - (a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board of Directors; and
 - (b) the reimbursement of traveling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors. He may nominate a person to accompany him while travelling outside India and the actual and reasonable expenses incurred by such nominee in respect of travelling, hotel and other expenses shall be reimbursed by the Company.
 7. As long as Mr. Patrick Ledermann functions as the Vice Chairman & Managing Director he shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committee thereof.
 8. Mr. Patrick Ledermann shall be entitled to benefit under Stock Option Scheme(s), Stock Attribution Scheme(s), Share Purchase Scheme(s), Share Preferential Allotment Scheme(s) and such other similar scheme(s) by the company or ALSTOM, France as may be announced from time to time.
 9. As long as Mr. Patrick Ledermann functions as Vice Chairman & Managing Director, he shall not be subject to retirement by rotation.
 10. Mr. Patrick Ledermann shall not, during the term of this Agreement with the Company, engage himself either directly or indirectly or be interested in any capacity whatsoever or render assistance to any firm, Company or persons whatsoever whether a manufacturer, dealer or trader in goods or products which are of the same or similar kind and nature as those of the Company.
 11. As long as Mr. Patrick Ledermann, functions as Vice Chairman & Managing Director, he shall not become interested or otherwise concerned directly or through his wife and/or minor children, in any selling agency of the Company in future without the prior approval of the Central Government.
 12. Mr. Patrick Ledermann shall not during the continuance of his employment with the Company or at any time thereafter divulge or disclose to any person whomsoever or to make any use whatsoever for his own purpose or for any purpose other than that of the Company any information or knowledge obtained by him during his employment as to the business or affairs of the Company or its methods or as to any trade secrets or secret processes of the Company and Mr. Patrick Ledermann shall during the continuance of his employment hereunder also use his best endeavours to prevent any other person from so doing PROVIDED HOWEVER that such divulgence or disclosure by Mr. Patrick Ledermann to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be a contravention of this Clause.

13. If Mr. Patrick Ledermann shall at any time be prevented by ill-health or accident or any physical or mental disability from performing his duties hereunder, he shall inform the Company and supply with such details as it may be reasonably required, and if he shall be unable by reason of ill-health or accident or disability for a period of 180 days in any period of twelve consecutive calendar months, to perform his duties hereunder, the Company may forthwith terminate his employment hereunder.
14. The Company shall be entitled to terminate Mr. Patrick Ledermann's employment as Vice Chairman & Managing Director and/or his office as Director forthwith, if he becomes insolvent or makes any composition or arrangement with his creditors or ceases to be Director or a Managing Director of the Company.
15. In the event of Mr. Patrick Ledermann's death in the course of his employment with the Company, the Company shall pay to his legal representatives the salary and other emoluments payable hereunder for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
16. If Mr. Patrick Ledermann is guilty of inattention to or negligence in the conduct of the business or any other act or omission inconsistent with his duties as the Vice Chairman & Managing Director or any breach of this Agreement, which, in the opinion of the Board, renders his retirement from office of Vice Chairman & Managing Director desirable, the Company by not less than 90 days notice in writing to Mr. Patrick Ledermann determine this Agreement and upon the expiration of such notice Mr. Patrick Ledermann shall cease to be a Director of the Company.
17. Notwithstanding anything to the contrary contained in the Agreement, either party shall be entitled to terminate the Agreement at any time by giving to the other party 90 days notice in writing in that behalf, without the necessity of showing any cause and on the expiry of the period of such notice this Agreement shall stand determined and in view thereof and as a consequence of such termination by notice Mr. Patrick Ledermann shall cease to be a Director of the Company.
18. The Company has the right to cancel this Agreement without notice for due cause. 'Due cause' for dismissal without notice is an event such as serious or repeated violations of contractual obligations, guidelines or instructions; intentionally or negligently causing damage or injury; any behaviour that seriously damages the Company's reputation; or serious offence against local laws.
19. The terms and conditions of the said appointment and/or Agreement may be altered and varied from time to time by the Board as may be permissible as it deems fit, subject to the provision of the Act, or any re-enactment or any amendments or modification thereto.
20. The appointment of Mr. Patrick Ledermann as Vice Chairman & Managing Director shall be subject to the approval of shareholders in the Extra-ordinary General Meeting or Annual General Meeting or through Postal Ballot and the Central Government.
21. All sanctions, approvals, permissions, licences and other requirements of the Government of India and of any statutory authorities required for giving effect to the appointment of Mr. Patrick Ledermann and all the terms and conditions of this agreement shall be obtained by the Company and this agreement, if required, shall be amended/modified/corrected in accordance with the approvals/sanctions/permissions obtained from the approving authority.
22. The Agreement shall represent the entire agreement between the parties hereto on the subject matter with effect from 01 October 2012 hereof and shall cancel and supersede all prior agreements, arrangements or understandings, if any, whether oral or in writing, between the parties hereto on the subject matter hereof with effect from 01 October 2012.

The Notice read with the Explanatory Statement should be considered as an abstract of the terms of appointment of Mr. Patrick Ledermann as Vice-Chairman & Managing Director and a memorandum as to the nature of the concern or interest of the Director as required under section 302 of the Companies Act, 1956.

The Company has also received a notice in writing from a member under Section 257 of the Act, signifying his intention to propose the name of Mr. Patrick Ledermann for appointment as a Director of the Company.

The Board of Directors accordingly recommends the resolution set out at Item No. 2 of the accompanying Notice for the approval of Members. Your approval is sought by voting by postal ballot in terms of the provisions of Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

The draft Agreement to be executed between the Company and Mr. Patrick Ledermann will be open for inspection by the members at the registered office of the Company on any working day (Monday to Friday) between 11.00 a.m. to 1.00 p.m.

Mr. Ledermann does not hold any shares in the Company. Mr. Ledermann and other directors of the Company do not have any inter se relationship.

Mr. Patrick Ledermann is interested in the resolution which pertains to his appointment and / or remuneration payable to him.

Save and except the above, no other Director of the company is, in any way, concerned or interested, in this resolution.

Item No. 3

Your Directors at their meeting held on 05 September 2012 have, subject to the Members' approval and provisions of the Articles of Association of the Company, appointed Mr. Sunand Sharma as Whole-time Director designated as Chairman & Whole-time Director of the Company for a period of three years with effect from 20 April 2012 (i.e. the effective date of the scheme of amalgamation amongst ALSTOM India Limited and ALSTOM Holdings (India) Limited and their respective shareholders under Sections 391 to 394 of the Companies Act, sanctioned by the High Courts of Delhi and Mumbai) on the remuneration and other terms and conditions of employment recommended by the Board of Directors.

Mr. Sunand Sharma, 62, is a Mechanical Engineer with 40 years of diverse experience in India and overseas having commenced his working career in 1972 in manufacturing industries, working in various disciplines.

He is a Vice-President of the Indo-French Chamber of Commerce & Industry (IFCCI) and Chairman of its Northern Region, a Member of the National Executive Committee of the Federation of Indian Chambers of Commerce & Industry (FICCI) and a Member of various Councils and Committees of the Confederation of Indian Industry, and of the European Business Group. He has addressed high-level conferences in India and abroad, and maintains a network of relationships around the world.

In the 1980's and 1990's he led the Business Development effort of GE in India, working with teams from GE Aircraft Engines, GE Power Systems, GE Plastics, GE Medical Systems, GE Transportation and GE & RCA Licensing in establishing their presence in India. These years were marked with significant breakthroughs in what later became the strong strategic positioning of India within GE owing to the licensing agreements, joint ventures and sales achieved by these businesses in India. This was a pioneering effort as the leaders of these businesses were introduced to India through the effort led by him, leading to top level understanding of doing business in India resulting in India being embedded in the future of GE.

In the 1990's Mr. Sunand Sharma set up an independent consultancy that has specialized in providing strategic advice on country entry to various companies. Amongst these are Nokia Telecommunications Oy of Finland, Owens Corning Fiberglas Inc. of USA, Energy Developments Limited of Australia, Vialle Alternative Fuel Systems and Royal Cebeco Group of the Netherlands, GE Wind Energy of USA and Acciona Energia of Spain. Most of these companies have made large

scale investments in India based on their India entry strategies. In addition, Mr. Sharma has experience of doing business in Kazakhstan.

He is on the Board of following Indian Companies:

Sl. No.	Name of the Company	Position
1	DC Power Limited	Director
2	Turnstone Energy Solutions Pvt. Ltd.	Director
3	Quantum Consultants Pvt. Ltd.	Director
4	Infinity Infotech Parks Limited	Director
5	ALSTOM Transport India Limited	Director
6	ALSTOM Boilers India Limited	Director

Mr. Sunand Sharma was appointed as a Non-executive Director and Chairman of the Company on 07 June 2006.

The draft Agreement between the Company and Mr. Sunand Sharma, *inter alia*, contains the following terms and conditions:

1. The Company shall employ Mr. Sunand Sharma and he shall serve the Company as its Chairman & Whole-time Director for a period of three years with effect from 20 April 2012 to 19 April 2015 in accordance with the provisions of Section 269 read with Schedule XIII to the Companies Act, 1956, subject to the employment being determined in pursuance of any of the provisions of this Agreement.
2. As Chairman & Whole-time Director, Mr. Sharma shall perform such duties and exercise such powers as are entrusted to him from time to time by the Board of Directors of the Company (hereinafter referred to "the Board"). He shall report to Board of Directors and shall be responsible for all actions relating to the business of the Company to the Board of Directors and shall promptly and faithfully obey and observe such orders and directions as may from time to time be given to him by the Board.
3. Mr. Sunand Sharma shall devote his time and attention during business hours to the business of the Company as may be necessary or required and shall use best endeavours to promote its interest and welfare. In addition, Mr. Sunand Sharma shall also represent other companies, Businesses, Sectors of ALSTOM in India.
4. During the period of his employment, Mr. Sunand Sharma shall whenever required by the Company, undertake such travelling in India and elsewhere as the Board may from time to time direct in connection with or in relation to the business of the Company or as may be necessary for performance of his duties.
5. The Company shall, in consideration of the performance of his duties, pay to Mr. Sunand Sharma during the continuance of this Agreement, the following remuneration -
 - a) Basic Salary of Rs. 7,10,600/- (Rupees Seven Lac Ten Thousand Six Hundred only) per month;
 - b) Annual Performance Bonus as per the Company Rules.

The annual increment will be in accordance with the rules of the Company.

In addition to salary, the following perquisites shall be allowed to Mr. Sunand Sharma.

- (i) Allowances as per Company rules as applicable to Mr. Sunand Sharma.
- (ii) Coverage for self and family under Company's mediclaim policy including other benefits as may be applicable as per Company policy/rules.
- (iii) Leave Travel Assistance as per the rules of the Company.
- (iv) Fees of clubs subject to a maximum of one club.
- (v) Group Personal Accident Insurance as per the Rules of the Company.
- (vi) Provision of a car with driver for business as well as personal purposes.

(vii) Communication facilities.

Explanation: "Family" means the spouse and the dependent children.

Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable, and in the absence of any such rules, perquisites shall be evaluated at actual cost.

6. Notwithstanding anything hereinabove, where in any financial year during the currency of his tenure as Chairman & Whole-time Director, the Company has no profits or its profits are inadequate, the Company will pay the aforesaid remuneration by way of salary and perquisites as minimum remuneration subject to the approval of the Central Government, if and when necessary and the difference between the aforesaid minimum remuneration and the minimum remuneration as specified in Schedule XIII to the Companies Act, 1956 shall be paid after receipt of the Central Government approval based on such recommendations as may be statutorily required.
7. In the event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956, the terms and conditions of the said appointment and / or the Agreement may be altered, modified, amended or varied, from time to time by the Board of Directors as it may, in its discretion, deem fit, so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956, or any amendment or modification or relaxation made thereafter in that regard.
8. Mr. Sunand Sharma shall also be paid the following perquisites/ allowance/ contributions during the period of his appointment:
 - (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Schemes of the Company to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
 - (ii) Gratuity payable at the rate not exceeding half a month's salary for each completed year of service.
 - (iii) Earned / privilege leave: On full pay and allowances, as per rules of the Company but not more than 30 working days leave for every year of service shall be allowed. Leave accumulated at the end of his current term will be allowed to be encashed and in case of future term(s) of appointment shall be carried forward and such further term(s) be treated as continuation of service.
9. Mr. Sunand Sharma shall be entitled to:
 - (a) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as may be approved by the Board; and
 - (b) the reimbursement of travelling, hotel and other expenses incurred by him in India and abroad exclusively on the business of the Company in accordance with the rules and regulations of the Company in force from time to time or as approved by the Board of Directors. He may nominate a person to accompany him while travelling outside India and the actual and reasonable expenses incurred by such nominee in respect of traveling, hotel and other expenses shall be reimbursed by the Company.
10. Mr. Sunand Sharma shall be entitled to benefit under Stock Option Scheme(s), Stock Attribution Scheme(s), Share Purchase Scheme(s), Share Preferential Allotment Scheme(s) and such other similar scheme(s) by the company or ALSTOM, France as may be announced from time to time.
11. As long as Mr. Sunand Sharma functions as Chairman & Whole-time Director, no sitting fee shall be paid to him for attending the Meetings of the Board of Directors or Committee thereof.

12. Mr. Sunand Sharma shall retire by rotation in accordance with Section 255 and 256 of the Companies Act, 1956, whilst he continues to hold that office. However upon termination of the Agreement, he shall cease to be the Whole-time Director of the Company, unless re-appointed.
13. Mr. Sunand Sharma shall not engage himself, either directly or indirectly or be interested in any capacity whatsoever or render assistance during the term of his Agreement with the Company to any firm, company or persons whether a manufacturer, dealer or trader in goods or products which are of the same or similar kind and nature as those of the Company.
14. As long as Mr. Sunand Sharma functions as Chairman & Whole-time Director, he shall not become interested or otherwise concerned directly or through his wife and / or minor children, in any selling agency of the Company in future without the prior approval of the Central Government.
15. Mr. Sunand Sharma shall not divulge or disclose to any person any secret or confidential information relating to the business or affairs of the Company or as to any trade secrets or secret processes and to use his best endeavours to prevent any other person from so doing provided however that such divulgence or disclosure by Mr. Sharma to officers and employees of the Company for the purpose of business of the Company shall not be deemed to be a contravention of this Clause.
16. The Company shall be entitled to terminate Mr. Sunand Sharma's employment forthwith if he is unable to perform his duties by reason of ill-health, accident or disability for a period of 180 days in any period of twelve consecutive calendar months.
17. The Company shall be entitled to terminate Mr. Sunand Sharma's employment as Chairman & Whole-time Director and / or his office as a Director forthwith, if he becomes insolvent or makes any composition or arrangement with its creditors or ceases to be a Director or a Whole-time Director of the Company.
18. In case of Mr. Sunand Sharma's death in the course of his employment as Chairman & Whole-time Director with the Company, the Company shall pay his legal representatives the salary and other emoluments payable for the then current month together with any such further sum as the Board in its sole and uncontrolled discretion may determine.
19. The Company shall be entitled to terminate Mr. Sunand Sharma's employment by giving not less than 180 days (six months) notice in writing if he is guilty of inattention to or negligence in his conduct of the business or any breach of the Agreement, which, in the opinion of the Board, renders his retirement from office of Whole-time Director desirable.
20. Either party shall be entitled to terminate the Agreement by giving to the other party 180 days (six months) notice in writing without showing any cause.
21. The appointment of Mr. Sunand Sharma as Chairman & Whole-time Director shall be subject to the approval of shareholders in the Extra-ordinary General Meeting or Annual General Meeting or through Postal Ballot and the Central Government, if required.
22. All sanctions, approvals, permissions, licences and other requirements of the Government of India and of any statutory authorities required for giving effect to the appointment of Mr. Sunand Sharma and all the terms and conditions of this agreement shall be obtained by the Company and this agreement, if required, shall be amended/modified/corrected in accordance with the approvals/sanctions/permissions obtained from the approving authority.
23. The terms and conditions of the said appointment and / or Agreement may be altered and varied from time to time by the Board as it may be permissible and if deem fit, so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendment or relaxation made hereafter in that regard.

24. The Agreement represents the entire agreement between the Company and Mr. Sunand Sharma and cancels and supersedes all prior agreements, arrangements or understandings, if any, whether oral or in writing, between the Company and Mr. Sunand Sharma.

The terms and conditions set out for appointment and payment of remuneration herein and / or in the agreement may be altered and varied from time to time by the Board as it may, at its discretion, deem fit within the overall ceiling fixed herein.

The Board or any committee thereof is entitled to revise the salary, allowances and perquisites payable to the Whole-time director of the Company at any time, such that the overall remuneration payable shall not exceed the limits specified in Schedule XIII to the Companies Act, 1956.

The draft agreement to be entered into between the Company and Mr. Sunand Sharma is available for inspection at the registered office of the company on any working (Monday to Friday) between 11.00 a.m. and 1.00 p.m.

The Board of Directors accordingly recommends the resolution set out at Item No. 3 of the accompanying Notice for the approval of Members. Your approval is sought by voting by postal ballot in terms of the provisions of Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

The Notice read with the Explanatory Statement should be considered as an abstract of the terms of appointment and payment of remuneration to Mr. Sunand Sharma as Chairman & Whole-time Director and a memorandum as to the nature of the concern or interest of the Director as required under section 302 of the Companies Act, 1956.

Mr. Sunand Sharma does not hold any shares in the Company. Mr. Sunand Sharma and other directors of the Company do not have any inter se relationship.

Mr. Sunand Sharma is interested in the resolution which pertains to his appointment and / or remuneration payable to him. Save and except the above, no other Director of the company is, in any way, concerned or interested, in this resolution.

Place: Noida

Date : 05 September 2012

By Order of the Board

Pradeepta Puhan
Company Secretary

Registered Office:

'The International', 5th Floor,
16, Marine Lines Cross Road No.1,
Off Maharshi Karve Road, Churchgate,
Mumbai - 400 020.

Green Initiative in Corporate Governance: Go Paper Less

The Ministry of Corporate Affairs has come up with a Green Initiative of permitting the service of documents including Annual Report to the Shareholders through e-mail or other permissible electronic modes instead of physical mode vide its Circular No.17/2011 dated 21 April 2011. This is certainly a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow all stakeholders to contribute towards a Greener Environment. To support this green initiative, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the members e-mail registration form and register the same with Karvy Computershare Private Limited. Members are requested to send this e-mail registration form to the Company at its Registered Office address or to Karvy Computershare Private Limited at the below mentioned address.

**Karvy Computershare Private Limited
7, Andheri Industrial Estate,
Off Veera Desai Road,
Andheri (West),
Mumbai - 400 053**

Members E-Mail Registration Form

Name : e-mail id :

Address :

.....
.....

DP ID. : Client ID. :

Folio Number. :

(in case of physical holding)

Number of equity shares held :

(the period for which held)

Signature

ALSTOM India Limited

Registered Office: 'The International', 5th Floor, 16, Marine Lines Cross Road No.1, Off Maharshi Karve Road, Churchgate, Mumbai - 400 020.
Tel. No. 022-22000487/ 490

POSTAL BALLOT FORM**Serial No.**

1. Name of the Member including joint-holder(s), if any (in block letters):

2. Registered address of the Sole/ First named Member:

3. Folio No. :

DP ID/Client ID* :

4. Number of Shares held:

(*Applicable to Members holding shares in Dematerialized form)

5. I/We hereby exercise my/our vote in respect of the Ordinary Resolution/Special Resolution to be passed through the postal ballot for the business stated in the Notice dated 05 September 2012 by conveying my/our assent or dissent to the said resolutions by placing the tick (v) mark at the appropriate box below:

Resolution No.	Description	Type of resolution	No. of shares	(For) I/we assent to the resolution	(Against) I/we dissent to the resolution
1.	Amendment of Article 151 of the Articles of Association of the Company	Special Resolution			
2	Appointment and fixation of terms of appointment of Mr. Patrick Ledermann as Vice-Chairman and Managing Director of the Company.	Special Resolution			
3.	Appointment and fixation of terms of appointment of Mr. Sunand Sharma as Chairman & Whole-time Director of the Company.	Ordinary Resolution.			

Place:

Date:

Signature of Member

**PLEASE SEND YOUR POSTAL BALLOT FORM IN THE ENCLOSED ENVELOPE
NOTE: PLEASE READ THE INSTRUCTIONS PRINTED OVERLEAF**



INSTRUCTIONS

1. A Member desirous of exercising vote by Postal Ballot should complete the Postal Ballot Form in all respects and send it after signature to the Scrutinizer in the attached self-addressed envelope which shall be properly sealed with adhesive or adhesive tape. However, envelopes containing Postal Ballot Form, if sent by courier at the expense of the Member but using the self-addressed envelope will also be accepted.
2. The self-addressed envelope bears the name and address of the Scrutinizer appointed by the Board of Directors of the Company.
3. The Postal Ballot Form should be completed and signed by the Member as per specimen signature registered with the Company. In case, shares are jointly held, this Form should be completed and signed (as per specimen signature registered with the Company) by the first named member and in his/her absence, by the next named member. Holders of Power of Attorney (POA) on behalf of member may vote on the Postal Ballot mentioning the registration No. of the POA and enclosing an attested copy of POA. Unsigned Postal Ballot Form will be rejected. In case of shares held by companies, trusts, societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution/ Authority and preferably with attested specimen signature(s) of the duly authorized signatory(s) giving requisite authority to the person voting on the Postal Ballot Form. Where the form has been signed by a representative of the President of India or of the Governor of a State, a certified copy of the nomination should accompany the postal ballot form.
4. The voting shall be reckoned in proportion to a Member's share of the paid up equity share capital of the Company as on 14 September 2012.
5. A Member neither necessarily needs to use all the votes nor needs to necessarily cast all the votes in the same way.
6. Members are requested not to send any paper (other than the resolution/authority as mentioned under item Nos. 3 above) along with the Postal Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutinizer and if any extraneous paper is found in such envelope the same would not be considered and would be destroyed by the Scrutinizer. Postage will be borne and paid by the Company.
7. The exercise of vote by Postal Ballot is not permitted through proxy.
8. There will be only one Postal Ballot Form for every folio / client ID irrespective of the number of Joint Member(s).
9. Incomplete, improperly or incorrectly tick marked Postal Ballot Forms will be rejected.
10. The Postal Ballot Form, duly completed and signed should be returned in the enclosed self-addressed envelope directly to the Scrutinizer so as to reach the Scrutinizer before the close of working hours (17:00 hours) on or before 22 October 2012. Postage will be borne and paid by the Company. Any Postal Ballot Form received after the aforesaid date shall be treated as if the reply from the shareholders has not been received.
11. Members from whom no Postal Ballot Form is received or received after the aforesaid stipulated date shall not be counted for the purposes of passing of the resolution.
12. The Scrutinizer's decision on the validity of a Postal Ballot shall be final.
13. The result of the voting on the resolutions will be declared at the Corporate Office of the Company situated at IHDP Building, Plot No.7, Sector - 127, Noida - 201301 (Uttar Pradesh) on 29 October 2012 and the same shall also be available at the Registered Office of the Company on same day. The results will thereafter be also informed to the stock exchanges, displayed on the Company's website www.alstom.com/india and published in newspapers.
14. The item of business covered by this Postal Ballot will not be transacted at any General Meeting even though Members who have not exercised their franchise through Postal Ballot might be present in person or through proxy at the meeting.
15. Any query in relation to the resolutions proposed to be passed by Postal Ballot may be addressed to Mr. Pradeepta Puhan, Company Secretary, ALSTOM India Limited, 'The International', 5th Floor, 16, Marine Lines Cross Road No.1, Off Maharshi Karve Road, Churchgate, Mumbai - 400 020.