

# ALSTOM India Limited (Formerly known as ALSTOM Projects India Limited)

## Notice to Members

NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of ALSTOM India Limited will be held on Tuesday, 30 July 2013, at 11:00 a.m. at Rama Watumull Auditorium, Kishinchand Chellaram College, Dinshaw Wachha Road, Churchgate, Mumbai – 400 020 to transact the following businesses:-

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements for the year ended on 31 March 2013 together with the Directors' Report and the Auditors' Report thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. A.K. Thiagarajan, who retires by rotation at this Annual General Meeting, and being eligible, offers himself for re-appointment.
4. To appoint Auditors and authorise the Board of Directors to fix their remuneration.

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

"RESOLVED THAT pursuant to the provisions of Section 224, 225 and other applicable provisions, if any, of the Companies Act, 1956 Messrs. S.N. Dhawan & Co. (Firm Registration Number – 000050N), Chartered Accountants be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting in place of the retiring Auditors Messrs. Price Waterhouse (Firm Registration Number - 012754N), Chartered Accountants, at a remuneration to be decided by the Board of Directors of the Company."

### Special Business:

5. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 311, 314 and other applicable provisions, if any, of the Companies Act, 1956 ('the Act') read with Schedule XIII to the Act, or any re-enactment, amendment or modification thereto and subject to the approval of the Central Government, if necessary, and such other recommendations, approvals, sanctions as may be necessary, desirable and expedient in law, Mr. S. M. Momaya be and is hereby re-appointed as the Whole-time Director & Chief Financial Officer of the Company for a period of three years with effect from 17 May 2013, upon such terms and conditions as set out in the draft Agreement laid before this meeting and which Agreement is hereby specifically approved and sanctioned with liberty to the Board of Directors to alter, vary and modify the terms and conditions of the said reappointment and/or Agreement, in such manner as may be agreed upon by and between the Board of Directors and Mr. S. M. Momaya within and in accordance with the limits prescribed in Schedule XIII to the Act or any amendment thereto and if necessary as may be agreed to between the Board of Directors and Mr. S. M. Momaya.

RESOLVED FURTHER THAT the remuneration payable to Mr. S.M. Momaya as Whole-time Director & Chief Financial Officer by way of salary, ex-gratia 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 or any amendment thereto.

RESOLVED FURTHER THAT notwithstanding anything herein above stated, where in any financial year during the currency of

his tenure as Whole-time Director & Chief Financial Officer, the Company has no profits or its profits are inadequate, the Company will pay the remuneration by way of salary and perquisites as set out under Item no. 5 of the Explanatory Statement annexed to this notice as minimum remuneration subject to the approval of the Central Government and such other recommendations, approvals, sanctions, if and when necessary."

By Order of the Board of Directors

Pradepta Puhan  
Company Secretary

Place: Noida  
Date: 02 May 2013  
Registered Office:

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

### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXIES SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
3. In accordance with the Articles of Association of the Company, Mr. A.K. Thiagarajan, Director retires by rotation from the Board of Directors of the Company at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. He is not disqualified from being appointed as Director in terms of Section 274(1)(g) of the Companies Act, 1956. The Board of Directors of the Company recommends his re-appointment.
4. In accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be re-appointed are given in the Corporate Governance Section, which forms part of this Annual Report.
5. The Register of Members and the Transfer Books of the Company will remain closed from 23 July 2013 to 30 July 2013 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
6. An Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, relating to Item No.5 is annexed hereto.
7. Members holding shares in physical form are requested to intimate, indicating their respective folio number, the change of their addresses, the change of Bank Accounts, etc. to Messrs. Karvy Computershare Private Limited (Karvy), Unit: ALSTOM India Limited, 7, Andheri Industrial Estate, Off Veera Desai Road, Andheri (West), Mumbai 400053, the Registrar and Transfer Agents of the Company, while members holding shares in electronic form may write to their respective Depository Participant for immediate updation, so as to enable the Company to dispatch dividend warrants to the correct address.

8. Members who hold shares under more than one folio in name(s) in the same order are requested to send the relevant share certificate(s) to Karvy for consolidating the holdings into one account. Karvy will return the share certificate(s) after consolidation.
9. Members/Proxies should bring the attendance slip duly filled in, for attending the Meeting. The attendance slip is sent with this Annual Report.
10. The dividend, as recommended by the Board, if declared at the Annual General Meeting will be paid on or after 02 August 2013 to those members whose names stand registered on the Company's Register of Members:-
  - a) as Beneficial Owners as at the close of business hours on 22 July 2013 as per the list to be furnished by National Securities Depository Services Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in electronic form; and
  - b) as Members in the Register of Members of the Company after giving effect to all the valid share transfers in physical form which are lodged with the Company before 23 July 2013.
11. Members are advised to avail the facility for receipt of dividends through Electronic Clearing Service (ECS). The ECS facility is available at the locations identified by Reserve Bank of India and State Bank of India from time to time, which covers most of the cities and towns. Members holding shares in dematerialised form are requested to contact their respective Depository Participant (DP) for availing ECS facility. Members holding shares in physical form and who have not submitted the ECS details are requested to send to the Company or to Karvy the details such as: the name of the Shareholder, Bank through which account held, Bank Account number and MICR details immediately and wherever possible the request shall be acceded to. To protect the interests of investors SEBI vide Circular No. CIR/MRD/DP/10/2013 dated 21 March 2013 made it mandatory to use electronic payment modes like NEFT, ECS, RTGS to make the payments to investors. The physical payment instruments are valid only for usage when the electronic payment mode is not feasible/ failed or rejected.
12. Please encash your Dividend Warrants immediately on their receipt by you, as dividends remaining unclaimed for seven years are required to be transferred to the 'Investor Education and Protection Fund' established by the Central Government under the provisions of the Companies Act, 1956, and you shall not be able to claim any unpaid dividend from the said fund or from the Company thereafter. In accordance with this regulation, the transfer of unclaimed dividend pertaining to the year under review to Investor Education and Protection Fund will take place in the year 2020-21.

Unclaimed dividend for the following financial years is lying with the Company and shall become eligible for transfer to the Investor Education and Protection Fund on the dates mentioned herein below:

<b>Year</b>	<b>Due Date for transfer to IEPF</b>
2005-2006	02 September 2013
2006-2007	31 August 2014
2007-2008	31 August 2015
2008-2009	30 August 2016
2009-2010	27 August 2017
2010-2011	14 August 2018
2011-2012	01 September 2019

Members who have not yet encashed the dividend warrants/ any other instruments for the aforesaid financial years are requested to contact the Company's Registrar and Share Transfer Agent – Karvy at the earliest; since no claim shall lie against the Company or the Investor Education and

Protection Fund after the due dates when the amount of unclaimed dividend becomes eligible for transfer to the Investor Education and Protection Fund.

Unclaimed dividend for the years prior to and including the financial year 2004-05 has been transferred to the General Revenue Account of the Central Government / the Investor Education and Protection Fund established by the Central Government (IEPF), as applicable. The details of unclaimed amounts for the aforementioned seven years along with their respective due dates for transfer to IEPF are posted on the website of the Company for the information of shareholders. Shareholders are requested to kindly check their dividend entitlement and those who have not yet encashed/claimed their dividend for the aforesaid years, may write to the Company or to the Registrar and Share Transfer Agent, M/s. Karvy Computershare Private Limited at Andheri Industrial Estate, Off Veera Desai Road, Andheri (East), Mumbai-400053, India, in this regard.

13. Queries on accounts and operations of the Company, if any, may please be sent to the attention of the Company Secretary seven days in advance of the Meeting so that the answers may be made available at the Meeting.
14. Members can avail of the Nomination facility by filing Form 2B with the Company or its Registrar (Karvy). Blank forms will be supplied on request. In case of shares held in dematerialization form, the nomination has to be lodged with their Depository Participant (DP).
15. Members are requested to bring the copy of the Annual Report to the Annual General Meeting.
16. Members are informed that in case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Share Transfer Agents, M/s. Karvy Computershare Private Limited.
18. All the documents referred to in the accompanying notice and Register of Directors' Shareholding are open for inspection at the registered office of the Company on all working days between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
19. Members may please note that briefcase, bag, mobile phone and/or eatables shall not be allowed to be taken inside the meeting hall for security reasons.

#### **Annexure to Notice**

##### **Item No. 4**

*This is not an explanatory statement under section 173(2) of the Companies Act, 1956 which is applicable only for special business.*

The shareholders of the Company had re-appointed Messrs. Price Waterhouse, as Statutory Auditors of the Company at the 20<sup>th</sup> Annual General Meeting (AGM) of the Company to hold office from the conclusion of 20<sup>th</sup> AGM till the conclusion of ensuing AGM of the Company. As such the tenure of office of Messrs. Price Waterhouse, as Statutory Auditors will come to an end on the conclusion of ensuing AGM of the Company. Messrs. Price Waterhouse had intimated that they will not be able to continue as the Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting, thereby requested for not being considered for re-appointment as the Statutory Auditors of the Company.

The Company has received a letter from Messrs. S. N. Dhawan & Co., Chartered Accountants conveying their willingness to act as Statutory Auditors of the Company. They have also intimated that the appointment, if made at the ensuing Annual General Meeting, will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956.

The Company has received a Special Notice under Section 225(1) of the Companies Act, 1956, from a member of the Company proposing the appointment of Messrs. S.N. Dhawan & Co., Chartered Accountants (FRN – 000050N) as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company in place of the retiring Auditors Messrs. Price Waterhouse (Firm Registration Number: 012754N), Chartered Accountants.

Your Directors recommend the approval of resolution at Item No.4 of the Notice.

None of the Directors is in any way concerned or interested in the resolution at this item of the accompanying notice.

### **Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956**

#### **Item No. 5**

Mr. S. M. Momaya was appointed as the Whole-time Director & Chief Financial Officer of the Company for a period of three years with effect from 17 May 2004. He was re-appointed as the Whole-time Director & Chief Financial Officer of the Company for a period of three years with effect from 17 May, 2007 and 17 May 2010; his term as Whole-time Director and Chief Financial Officer of the Company is to expire on 16 May 2013.

The Board of Directors at its meeting held on 02 May 2013 passed a resolution for re-appointment of Mr. S. M. Momaya for a further period of three years on the remuneration and the terms and conditions as set out in the draft Agreement, subject to necessary approvals as and when required. The said remuneration is well within the limits specified by Sections 198 and 309 of the Companies Act, 1956 read with Schedule XIII to the Companies Act, 1956.

The draft Agreement between the Company and Mr. S. M. Momaya *inter-alia* contains the following terms and conditions:

1. The Company shall employ Mr. S.M. Momaya and he shall serve the Company as its Whole-time Director & Chief Financial Officer for a period of three years from 17 May 2013 to 16 May 2016 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 Whole-time Director & Chief Financial Officer, Mr. S.M. Momaya shall perform such duties and exercise such powers as are entrusted to him from time to time by the Managing Director and in his absence by the Board of Directors of the Company (hereinafter referred to "the Board"). He shall report to the Managing Director and he shall be responsible for all actions relating to the business of the Company to the Managing Director and in his absence to the Board and shall promptly and faithfully obey and observe such orders and directions as may from time to time be given to him by the Managing Director and in his absence by the Board.
3. During his employment under this Agreement, Mr. Momaya shall devote his whole 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.
4. During the period of his employment, Mr. Momaya shall whenever required by the Company, undertake such travelling in India and elsewhere as the Managing Director or the Board may from time to time direct in connection with or in relation to the business of the Company.

5. The Company shall, in consideration of the performance of his duties, pay to Mr. Momaya during the continuance of this Agreement, the following remuneration:-

- (a) Basic Salary of Rs.2,08,700/- (Rupees Two Lakh Eight Thousand Seven Hundred only) per month.

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

- (b) Ex-gratia payment: As per rules of the Company.

In addition to salary and ex-gratia payment, the following perquisites shall be allowed to Mr. S. M. Momaya:

- i. Housing: Mr. S. M. Momaya shall be entitled to rent free furnished residential accommodation.
- ii. In case no accommodation is provided by the Company, Mr. S. M. Momaya shall be entitled to house rent allowance as per the rules of the Company.
- iii. Other allowances as per company rules as applicable to Mr. S. M. Momaya.
- iv. Payment/Reimbursement of medical, hospitalisation, surgical expenses and mediclaim insurance premium incurred for Mr. S. M. Momaya and family as per the rules of the Company.
- v. Leave travel concession for Mr. S. M. Momaya and family once in a year incurred in accordance with the rules specified by the Company.
- vi. Fees of one club.
- vii. Personal accident insurance as per the rules of the Company.
- viii. Provision of Company provided car with driver for business as well as personal purposes.
- ix. Telephone facilities as per the rules of the Company.
- x. Company provided soft furnishings for residence.
- xi. Annual performance bonus as per the rules of the Company.

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 Whole-time Director & Chief Financial Officer, 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. S. M. Momaya 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:

- (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.
- Explanation: "Family" means the spouse, the dependent children and dependent parents of the Whole-time Director.
9. Mr. S. M. Momaya shall be entitled to:
- (i) the reimbursement of entertainment expenses actually and properly incurred by him in the course of the legitimate 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 Managing Director or the Board; and
- (ii) 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 Managing Director or the Board.
10. Mr. S. M. Momaya 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. S. M. Momaya functions as Whole-time Director & Chief Financial Officer, no sitting fee shall be paid to him for attending the Meetings of the Board of Directors or Committee thereof.
12. Mr. S. M. Momaya shall not retire by rotation whilst he continues to hold that office. However upon termination of the Agreement, he shall cease to be the Director of the Company, unless reappointed.
13. Mr. S. M. Momaya 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. S. M. Momaya functions as Whole-time Director & Chief Financial Officer, 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. S. M. Momaya 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. Momaya 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. S. M. Momaya'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. S. M. Momaya's employment as 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. S. M. Momaya's death in the course of his employment as Whole-time Director & Chief Financial Officer 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. S. M. Momaya's employment by giving not less than 30 days' 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 90 days' notice in writing without showing any cause.
21. 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.
22. The Agreement represents the entire agreement between the Company and Mr. S. M. Momaya and cancels and supersedes all prior agreements, arrangements or understandings, if any, whether oral or in writing, between the Company and Mr. S. M. Momaya.
- The Notice read with the Explanatory Statement should be considered as an abstract of the terms of appointment of Mr. S.M. Momaya as Whole-time Director & Chief Financial Officer 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 proposed business at Item No. 5 of the notice of this meeting is intended to seek your approval. Your Directors recommend the approval of the said Resolution in the interest of the Company.
- Except Mr. S. M. Momaya, none of the Directors is in any way concerned or interested in the Resolution at this item of the accompanying notice. Mr. S.M. Momaya holds 633 equity shares in the Company. Mr. S.M. Momaya and other directors of the Company do not have any inter se relationship.
- The draft Agreement to be executed between the Company and Mr. S. M. Momaya will be open for inspection by the members at the registered office of the Company on any working day between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.

By Order of the Board of Directors

Pradeepta Puhan  
Company Secretary

Place : Noida  
Date : 02 May 2013

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