

ALSTOM T&D India Limited

(CIN:L31102DL1957PLC193993)

Regd. Off.:A-18, First Floor, Okhla Industrial Area, Phase II, New Delhi – 110 020

Tel. No. 91 11 41610660 Fax No. 91 11 41610659

Website : www.alstom.com/india

NOTICE is hereby given that the fifty-eighth Annual General Meeting (AGM) of the members of ALSTOM T&D India Limited will be held at Air Force Auditorium, Subroto Park, New Delhi – 110 010 on Wednesday, the 23rd day of July, 2014 at 9:30 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2014, including the audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of Rs. 1.80 (Rupees One and paise eighty only) per equity share for the financial year ended on March 31, 2014.
3. To appoint Auditors of the Company to hold office from the conclusion of 58th AGM until the conclusion of 62nd AGM and to authorise the Board of Directors to fix their remuneration and for that purpose, 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 139 of the Companies Act, 2013 and the Rules made thereunder, M/s S.N. Dhawan & Co., Chartered Accountants, C37, Connaught Place, New Delhi – 110 001, Firm Registration No. 000050N, be and are hereby appointed as the auditors of the Company, to hold office of the auditors from conclusion of this 58th Annual General Meeting (AGM) until the conclusion of 62nd AGM (subject to ratification of the appointment by the members at every AGM held after this AGM) on such remuneration as may be mutually determined between the said Auditors and the Board of Directors of the Company.”

SPECIAL BUSINESS

4. **Appointment of Mr. Subhashchandra Manilal Momaya (DIN 00017199) as a Director, liable to retire by rotation**

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

“RESOLVED THAT Mr. Subhashchandra Manilal Momaya (holding DIN 00017199) who was appointed as a Director in the casual vacancy caused due to the resignation of Mr. Michel Serra, at the Board Meeting held on 19th August, 2013 and who holds office as such upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member, under Section 160 of the Companies Act, 2013, signifying the member's intention to propose Mr. Subhashchandra Manilal Momaya as a candidate for the office of director, be and is hereby appointed a director of the Company, liable to retire by rotation.”

5. **Appointment of Mr. Chandan Roy (DIN 00015157) as an Independent Director**

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 sections 149, 152 and any other applicable provisions of the Companies Act, 2013, and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to

the Companies Act, 2013, Mr. Chandan Roy (holding DIN 00015157), Director of the Company, who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company with effect from July 23, 2014 up to July 22, 2019, not liable to retire by rotation.”

6. **Approval of the remuneration of Cost Auditors for the financial year ending March 31, 2015**

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 148 and any other applicable provisions of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid the remuneration as set out below:

- a) M/s Shome & Banerjee, Cost Accountants - Rs.5,00,000/- (Rupees five lac only) plus applicable taxes and out of pocket expenses.
- b) M/s Jugal K Puri & Associates, Cost Accountants - Rs. 35,000/- (Rupees thirty five thousand only) plus applicable taxes and out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take necessary steps to give effect to the Resolution.”

7. **Approval for borrowing money in excess of the aggregate of the paid up share capital and free reserves of the Company**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT in supersession of the Ordinary Resolution passed at the 53rd Annual General Meeting held on 12th may, 2009 and pursuant to Section 180(1)(c) of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors to borrow moneys in excess of the aggregate of the paid up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained/ to be obtained from the Company's Bankers in the ordinary course of business, shall not be in excess of Rs. 5,00,00,00,000/- (Rupees Five hundred crore only) over and above the aggregate of the paid up share capital and free reserves of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take necessary steps to give effect to the Resolution.”

By order of the Board

New Delhi
June 20, 2014

Manoj Prasad Singh
Company Secretary

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. However, a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

The instrument of proxy in order to be effective must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

- The relevant Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business set out in Item Nos. 4, 5, 6 and 7 of the accompanying Notice is annexed hereto.
- The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, June 27, 2014 to Wednesday, July 23, 2014 (both days inclusive) for the purpose of payment of dividend for the financial year ended March 31, 2014 and the AGM.
- Dividend on equity shares as recommended by the Board of Directors for the year ended March 31, 2014, upon declaration at the AGM, will be payable to those eligible members whose names stand in the Register of Members/ Register of Beneficial holders of shares as the case may be for shares held in physical and electronic (demat) form, respectively on June 26, 2014.
- Members are requested to be in their seats at the meeting hall before the scheduled time for commencement of the Meeting.
- Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- Members are requested to notify immediately any change of address and also particulars of their Bank Accounts (along with cancelled cheque) viz., Name of the Bank, Branch, complete address of the Bank, Bank Account Number, A/c Type, 9 digit MICR Code and IFSC code to enable the Company to send dividend through electronic mode and also for printing the same on the Dividend Warrants (where MICR/IFSC codes are not available) to avoid fraudulent encashment:
 - to their Depository Participants (DP) in respect of their shares held in Demat Account(s); and
 - to the Company at its Registered Office or to the Registrars and Share Transfer Agents of the Company having its office at P-22, Bondel Road, Kolkata 700 019 in respect of shares held in physical form.
- Members holding more than one share certificate in the same name or joint names in same order but under different Ledger Folios, are requested to apply for consolidation of such Folios and send the relevant share certificates to the Registrars and Share Transfer Agents to enable them to consolidate all such holdings into one single Account.
- 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 demat form can submit their 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.

- Members holding shares in the physical form can avail of the nomination facility by filing Form No. SH.13 (in duplicate) with the Company or its Registrars and Share Transfer Agents M/s. C B Management Services (P) Ltd. Where the nomination is made in respect of the securities held by more than one person jointly, all the joint holders together nominate in Form No. SH.13 any person as nominee. Blank Forms will be supplied on request.
- In case the mailing address mentioned on this Annual Report is without Pin-code, Members are requested to kindly notify their Pin-codes immediately.
- Shareholders are requested to provide their E-mail address, telephone numbers and quote their Folio numbers / DP ID & Client ID in all correspondences to facilitate prompt response.
- Shareholders who have not encashed the dividend for the financial years ended on 31.12.2006, 31.12.2007, 31.12.2008, 31.12.2009, 31.12.2010, 31.03.2012 and 31.03.2013 may please approach the Company or its Registrars and Share Transfer Agents, M/s. C B Management Services (P) Ltd. for payment of such unpaid dividend. Shareholders are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will, as per Section 124 of the Companies Act, 2013, be transferred to the Investor Education and Protection Fund. Please refer to section "Unpaid Dividend" in the Corporate Governance Report for the dates of the said transfers.
- The particulars in respect of Directors seeking appointment in the forthcoming Annual General Meeting as required under clause 49 of the Listing Agreement, are also available in the 'Board of Directors' section in the report on Corporate Governance in the Annual Report. The Directors have furnished the requisite consents/ declarations for their appointment.
- Electronic copy of the Annual Report for the financial year ended March 31, 2014 is being sent to all the members whose email IDs are registered with the Company/ Depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode. Members are requested to register/ update their e-mail IDS with their respective Depository Participant(s)/ or with Company for shares in electronic form (Demat) or in physical form respectively.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company is pleased to provide members facility to exercise their votes at the 58th AGM by electronic means and the business may be transacted through e-voting as per instructions below:
 - Date and time of commencement of voting through electronic means: July 18, 2014 at 9.00 a. m.
 - Date and time of end of voting through electronic means beyond which voting will not be allowed: July 19, 2014 at 6.00 p. m.
 - Details of Website: www.evotingindia.com
 - Details of persons to be contacted for issues relating to e-voting: Mr. Kuntal Mustafi, M/s C B Management Services Pvt. Ltd., Tel. No. (033) 4011-6729, e-mail: mustafik@cbmsl.com; and CDSL At Tel. No. 18002005533, e-mail: helpdesk.evoting@cdslindia.com
 - Instructions for e-voting are given herealong separately as an Annexure to the Notice.
 - Details of Scrutinizer: Mr. Ashwini Kumar, Company Secretary in Practice

The e-voting module shall be disabled for voting on July 19, 2014 at 6.00 p.m. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The voting right of shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date (record date) as on June 17, 2014.

Mr. Ashwini Kumar, Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman. The results shall be declared on or after the AGM.

The results declared along with the Scrutinizer's Report, shall be placed on the Company's website www.alstom.com/india and on the website of the Central Depository Services (India) Limited, www.cdslindia.com, within two days of the AGM of the Company on July 23, 2014, and communicated to BSE Limited, National Stock Exchange of India Limited and The Calcutta Stock Exchange Limited, where the shares of the Company are listed.

17. This notice is being issued having regard to provisions of Section 108 and 110 of the Companies Act, 2013, General Circular no. 20/2014 dated June 17, 2014 issued by Ministry of Corporate Affairs, Government of India and clause 35B of the Listing Agreement with Stock Exchanges.
18. The Notice of 58th AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all the members whose email IDs are registered with the Company/depository participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the notice of 58th AGM and instructions for e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members may also note that the Notice of the 58th AGM and the Annual Report 2013-14 will be available on the Company's website, www.alstom.com/india.
19. Members are requested to bring their duly filled in attendance slips sent herewith while attending the Annual General Meeting.
20. The relevant documents will also be displayed on the Investor Relations section of the Company on www.alstom.com/india and copies of the said documents will also be available for inspection by the members at the Registered Office of the Company during normal business hours on working days up to the date of the meeting.

ANNEXURE TO THE NOTICE

Statement pursuant to Section 102 of the Companies Act, 2013

Item No 4

The Board of Directors of the Company at its meeting held on August 19, 2013, appointed Mr. Subhashchandra Manilal Momaya, as a Director in the casual vacancy caused due to the resignation of Mr. Michel Serra. Mr. Momaya has also been appointed as Whole-time Director & Chief Financial Officer of the Company with effect from September 1, 2013 for a period of two years. Further, The appointment of Mr. Momaya as Whole-time Director and his remuneration has been approved by the members of the Company at the Extra-ordinary General Meeting held on October 31, 2013.

In terms of proviso to Section 161(4) of the Companies Act, 2013 ("the Act"), Mr. Momaya holds office as Director only upto the time Mr. Michel Serra would have held the office of Director. Mr. Serra's office was upto the ensuing

Annual General Meeting (AGM). Accordingly Mr. Momaya is to be re-appointed as a Director at the ensuing AGM. Mr. Momaya, continues to be Whole-time Director & Chief Financial Officer. The Company has received a notice in writing from a Member, under Section 160 of the Act, signifying the member's intention to propose the name of Mr. Momaya for appointment as a Director, liable to retire by rotation.

Mr. Momaya, aged 58 years, is a Chartered Accountant with 34 years of extensive experience acquired through various positions in Power, Transmission & Distribution and Instrumentation businesses. He has been working with ALSTOM group since 1987.

He was Chief Financial Officer of ALSTOM India Limited from August 2000 to August 2013, Chief Financial officer to ALSTOM Power Boilers Limited during 1998 to 2000 and Chief Financial Manager of ABB Instrumentation Limited during 1995 to 1998.

He is member of Corporate Social Responsibility committee of the Company

At present, he is also on the Board of ALSTOM India Limited, ALSTOM Power Boilers Services Limited, ALSTOM Manufacturing India Limited and Grid Equipments Limited.

He is also member of Corporate Social Responsibility Committee of ALSTOM India Limited and Audit Committee of Grid Equipments Limited.

The Company has received from Mr. Momaya: (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The Directors commend adoption of the resolution as set out in Item No. 4 of the accompanying Notice as an Ordinary Resolution.

Except Mr. Momaya, himself, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Item No 5

Mr. Chandan Roy is a Non – Executive (Independent) Director of the Company. He joined the Board of Directors of the Company in August 6, 2011.

Mr. Chandan Roy, 63, is a graduate in Mechanical Engineering from Nagpur University. He has served in NTPC for 33 years and retired as one of the Board Member - Director (Operations), wherein he was responsible for the operation and maintenance of more than 30,000 MW power station fleet. Under his leadership, the NTPC plant performance levels achieved record breaking plant load factors and plant availability of more than 92%.

Mr. Roy has held other senior management positions in the subsidiary companies and Joint Venture companies of NTPC like, Chairman of Ratnagiri Power Project Limited (earlier known as Dhabol Power Project Limited) and Bhartiya Rail Bijlee Company Limited, Board Member of NTPC Vidyut Vyapar Nigam Limited, Nuclear Power Corporation of India Limited and West Bengal Power Development Corporation Limited.

Mr. Roy has been in the power sector for more than 37 years and has exposure in all facets of Power Sectors, viz, Project Appraisal, Engineering, Contract Management, Construction Project Management, Operation and Maintenance, Regulatory Advocacy, etc.

Mr. Roy currently serves with Boards of several well known companies such as L&T Power Development Limited, Maithon Power Limited, DC Industrial Plant Services Limited, Coastal Gujarat Power Limited and IL&FS Tamil Nadu Power Company Limited.

He also holds directorship in PLF Energy Maxima Pvt. Limited. and Feedback Power Operations & Maintenance Services Pvt. Limited.

He is member of Audit Committee and Stakeholders Relationship Committee of the Company. He has been appointed as chairman of Corporate Social Responsibility Committee as well as Nomination and Remuneration Committee of the Board of Directors of the Company.

He is also member of Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Committee of Directors of IL&FS Tamil Nadu Power Company Limited.

Mr. Chandan Roy retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956 and also under Section 152 of the Companies Act, 2013. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Chandan Roy being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director for five consecutive years with effect from July 23, 2014 up to July 22, 2019, not liable to retire by rotation.

The Company has received from Mr. Chandan Roy: (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

In the opinion of the Board, Mr. Chandan Roy fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Company and is Independent of the management.

The Board commends adoption of the resolution set out in Item No. 5 of the accompanying Notice as an Ordinary Resolution.

Except Mr. Chandan Roy, himself, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

Item No 6

The Board of Directors of the Company at its meeting held on April 29, 2014, on recommendation of the Audit Committee, has appointed M/s. Shome & Banerjee, Cost Accountants, 5A Nurulla Doctor Lane, 2nd Floor, Kolkata – 700 017 and M/s Jugal K Puri & Associates, Cost Accountants, Plot No. 3, Sector 22, Gurgaon – 122015 as Cost Auditors of the Company for the financial year ending March 31, 2015 with M/s Shome & Banerjee, Cost Accountants being the Lead Cost Auditor.

M/s Shome & Banerjee, Cost Accountants, shall be Cost Auditor of the Company for manufacturing facilities of the Company at Pallavaram, Hosur, Naini, Vadodara and Padappai, at an aggregate fee of Rs.5,00,000/- (Rupees Five Lac only) plus applicable taxes and out of pocket expenses.

M/s Jugal K Puri & Associates, Cost Accountants, shall be Cost Auditors of the Company for manufacturing facility of the Company at Noida, at a fee of Rs. 35,000/- (Rupees Thirty Five Thousand only) plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

The Board commends adoption of the resolution set out in Item No. 6 of the accompanying Notice as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6 of the notice.

Item No 7

The members of the Company at the 53rd Annual General Meeting held on May 12, 2009 approved by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) shall not be in excess of Rs. 5,00,00,00,000/- (Rupees Five hundred crore only).

Section 180(1)(c) of the Companies Act, 2013 requires that the Board of Directors shall not borrow money in excess of the company's paid up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, except with the consent of the company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 7 of the Notice, to enable to the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company. Approval of members is being sought to borrow money upto Rs. 5,00,00,00,000/- (Rupees Five hundred crore only) in excess of the aggregate of the paid up share capital and free reserves of the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business).

The Board commends adoption of the resolution set out in Item No. 7 of the accompanying Notice as a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

By order of the Board

New Delhi
June 20, 2014

Manoj Prasad Singh
Company Secretary

ALSTOM T&D India Limited

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 Tel. No. 91 11 41610660 Fax No. 91 11 41610659, Website : www.alstom.com/india

This communication forms integral part of the Notice of 58th Annual General Meeting of ALSTOM T&D India Limited
The instructions for members for voting electronically are as under:-
In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" tab to cast your votes.
- (iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "ALSTOM T&D India Limited" from the drop down menu and click on "SUBMIT"
- (iv) If you are holding shares in Demat form and have already voted earlier on www.evotingindia.com for a voting of any company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.
- (v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form.	For Members holding shares in Physical Form.
User ID	For NSDL : 8 Character DP ID followed by 8 digit Client ID For CDSL : 16 digit beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *Pan issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: ATDLTD1234 in the PAN field.

please enter any one of the details in order to login. In case either of the details are not recorded with the depository, please enter the <No of shares held by you as on June 17th, 2014> in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # \$ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- (viii) Click on the relevant EVSN on which you choose to vote.
- (ix) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/depository participant(s) or requesting physical copy]:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xii) above, to cast vote.
- (B) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and POA in favour of the Custodian who they have authorised to vote on their behalf, in PDF format in the system for the scrutinizer to verify the vote.
- (C) The voting period begins on July 18, 2014 at 9.00 a.m. and ends on July 19, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date June 17, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

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Tel. No. 91 11 41610660 Fax No. 91 11 41610659, Website : www.alstom.com/india

ATTENDANCE SLIP**(Please complete this attendance slip and hand it over at the entrance of the Hall)**

I hereby record my presence at the Fifty-eighth Annual General Meeting of the Company on Wednesday, the 23rd July, 2014 at 9:30 A.M. at 'Air Force Auditorium', Subroto Park, New Delhi 110 010.

Folio No./DP ID-Client ID :

Full Name of the Shareholder in Block Letters :

No. of Shares held :

Name of Proxy (if any) in Block Letters :

Signature of the Shareholder/Proxy/Representative*

*Strike out whichever is not applicable

Notes:

1. Please hand over the Attendance Slip duly completed and signed at the REGISTRATION COUNTERS
2. Electronic copy of the Annual Report 2013-14 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report 2013-14 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent in the permitted mode(s) to all the members whose email is not registered or have requested for a hard copy.

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PROXY FORM**[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of member(s)		E-mail Id	
Registered address		Member's Folio No/DP ID-Client ID	

I/We, being the member(s) of shares of ALSTOM T&D India Limited, hereby appoint:

1) Name:.....E-mail Id:.....

Address:.....

.....Signature:.....

or failing him.

2) Name:.....E-mail Id:.....

Address:.....

.....Signature:.....

or failing him.

3) Name:.....E-mail Id:.....

Address:.....

.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 58th Annual General Meeting of the Company to be held on Wednesday, the 23rd July, 2014 at 9:30 A.M. at 'Air Force Auditorium', Subroto Park, New Delhi – 110 010 and/or at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote	
		For	Against
Ordinary business			
1.	Adoption of the financial statements of the Company for the year ended March 31, 2014, including the audited Balance Sheet, the Statement of profit and Loss and the reports of the Board of Directors and Auditors thereon.		
2.	Declaration of dividend of Rs. 1.80 (Rupees one and paise eighty only) per equity share for the financial year ended on March 31, 2014		
3.	Appointment of Auditors of the Company to hold office from the conclusion of 58th AGM until the conclusion of 62nd AGM and to fix their remuneration		
Special business			
4.	Appointment of Mr. Subhashchandra Manilal Momaya as a Director, liable to retire by rotation		
5.	Appointment of Mr. Chandan Roy as an Independent Director		
6.	Approval of the remuneration of Cost Auditors for the financial year ending March 31, 2015		
7.	Approval for borrowing money up to Rs. 5,00,00,00,000/- (Rupees Five hundred crore only) over and above the aggregate of the paid up share capital and free reserves of the Company		

** It is optional to indicate your preference. If you leave the 'for or against' column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.*

As witness my/our hand(s), this day of 2014.

Signature of shareholder

Signature of Proxyholder(s)

Affix Revenue
Stamp here

Note: This form of proxy in order to be effected should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



ANNUAL REPORT
ALSTOM T&D India Limited
2013-14

ALSTOM
Shaping the future

KEY EVENTS 2013-14



Flag off of the 100th 765 kV transformer for Power Grid from the Vadodara facility



Gregoire Poux-Guillaume, President, Alstom Grid
- the Brand Ambassador for Elecrama 2014



India's first Digital Substation Automation Competence Centre in Pallavaram inaugurated in presence of key customers and dignitaries



The largest 765 kV transformer flagged-off from the Vadodara unit for Jaypee's Bara project



Inauguration of new Line Trap building and Current Transformer bay in Hosur factory



Alstom T&D India's 4th edition of Technical Days saw the participation of eminent customers and thought leaders sharing their views on the future of Indian grid

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BOARD OF DIRECTORS

T.S. Vishwanath, Chairman¹

Rathindra Nath Basu, Managing Director

S.M. Momaya, Whole-time Director & Chief Financial Officer²

Michel Augonnet³

Pierre Laporte

Michel Serra⁴

Chandan Roy

Ravi Kumar Krishnamurthy (Alternate Director)⁵

¹ Will cease to be Director and Chairman w.e.f. 01.07.2014

² Appointed as a Director w.e.f. 19.08.2013 and as Whole-time Director & Chief Financial Officer w.e.f. 01.09.2013

³ Will be Chairman w.e.f. 01.07.2014

⁴ Ceased to be a Director w.e.f. 19.08.2013

⁵ Alternate Director to Mr. Pierre Laporte. Due to Mr. Laporte's presence in India on 29.04.2013, Mr. Krishnamurthy ceased to be an Alternate Director for short spell of time and was re-appointed as an Alternate Director to Mr. Pierre Laporte w.e.f. 30.04.2013.

COMPANY SECRETARY

Manoj Prasad Singh

AUDITORS

M/s. S.N. Dhawan & Co.
Chartered Accountants

COST AUDITORS

M/s. Shome and Banerjee
Cost Accountants

BANKERS

Axis Bank Limited

Citibank N.A.

Credit Agricole CIB

HDFC Bank Limited

HSBC

ICICI Bank Limited

IDBI Bank Limited

Standard Chartered Bank

State Bank of India

COMMITTEES OF DIRECTORS

Audit Committee

T.S. Vishwanath, Chairman

Pierre Laporte

Chandan Roy

Stakeholders Relationship Committee*

T.S. Vishwanath, Chairman

Rathindra Nath Basu

Chandan Roy

* Re-christened from "Share Transfer and Shareholders/ Investors Grievance Committee" w.e.f. 14.04.2014.

Corporate Social Responsibility Committee**

Chandan Roy, Chairman

Rathindra Nath Basu

S.M. Momaya

Nomination and Remuneration Committee**

Chandan Roy, Chairman

T.S. Vishwanath

Michel Augonnet

** Constituted on 14.04.2014.

REGISTERED OFFICE

A-18, First Floor, Okhla Industrial Area,
Phase II, New Delhi - 110 020.

Tel. No. 91 11 41610660

Fax No. 91 11 41610659

WEBSITE

www.alstom.com/india

CORPORATE IDENTITY NUMBER

L31102DL1957PLC193993

REGISTRARS AND SHARE TRANSFER AGENTS

C B Management Services (P) Limited
P-22, Bondel Road, Kolkata - 700 019

Tel. No. 91 33 40116700 (100 lines)

Fax No. 91 33 40116739

Email: rta@cbmsl.com

BOARD OF DIRECTORS



From left to right: Michel Augonnet, S.M. Momaya, Chandan Roy, T.S. Vishwanath, Rathin Basu and Pierre Laporte



Alstom is a global leader in the world of power generation, power transmission and rail infrastructure and sets the benchmark for innovative and environment friendly technologies. With a broad range of products and services in all spheres of infrastructure, Alstom is at the forefront of economic, social and environmental progress.

Alstom designs and builds the fastest train and the highest capacity automated metro in the world, provides turnkey integrated power plant solutions and associated services for all energy sources, including hydro, nuclear, gas, coal and wind, and it offers a wide range of solutions for power transmission, with a focus on smart grids.

The Group employs 93,000 people in around 100 countries. It had sales of over €20.3 billion and booked close to €21.5 billion in orders in 2013-14.

Alstom Group headquarters in Paris, France



Alstom Thermal Power sector designs, manufactures, and delivers solutions which allow customers to generate competitive, eco-friendly, reliable and flexible power. It has the industry's most wide-ranging portfolio of thermal technologies - coal, gas, oil and nuclear - and holds leading positions in turnkey power plants, power generation equipment, air quality control systems, and services for the installed base. It is also a pioneer in carbon capture technologies.

Thermal Power has a workforce of 36,500 and booked orders of €9 billion in 2013-14.



Alstom Renewable Power offers the most comprehensive range of renewable power generation solutions for integrated power plants covering hydroelectricity, wind, geothermal, biomass, solar (concentrated thermal and photovoltaic) as well as wave and tidal stream energies. In addition, it provides individual components including all types of turbines and generators, and has a full range of services, including plant modernisation, maintenance and operational support.

Renewable Power has a workforce of 9,200 and booked orders of €2.5 billion in 2013-14.



Alstom Grid is a world leading manufacturer of engineered solutions for electrical grid applications in utility and industry settings. It provides integrated and customised turnkey solutions such as alternating current and direct current substations, from medium up to ultra-high voltages. Alstom's solutions enable the efficient transmission of electricity and support the development of Smart Grids and Super Grids.

Grid has a workforce of 17,000 and booked orders of €3.5 billion in 2013-14.



Alstom Transport continuously develops, supplies and maintains rail systems that run smoothly and efficiently to meet the new challenges of smarter mobility. It proposes complete solutions for trains, signalling, infrastructures and services adapted to each railway system: urban, suburban, regional, main lines and freight. It offer its customers the most efficient technologies and materials in order to reduce environmental footprint throughout the lifecycle of the product, from manufacturing to recycling.

Transport has a workforce of 28,300 and booked orders of €6.4 billion in 2013-14.

Alstom Grid around the world

Among the top

3 global players with
a 10% market share

Sales around

3.5 billion euros (out of
20.3 billion for the
Alstom Group)

90%

of power utilities worldwide has
been equipped by Alstom Grid

87 manufacturing and
engineering sites

40 R&D competence
centres and 5 technology centres
in 12 countries worldwide

17,000

employees
(out of 93,000 for Alstom Group)

4% of sales invested
yearly in R&D from
2010 to 2014

Over **130**
years of experience



Moving transmission system towards tomorrow's grids

Alstom Grid is a world-leading provider of engineered solutions and products for smart and conventional power grids, aimed at electrical utilities and industries. It provides integrated and customised turnkey solutions for Alternating Current (AC) and Direct Current (DC) substations up to Ultra High Voltages (UHV). With more than 130 years of experience, Alstom has played a key role in the development of electrical transmission and distribution grids.

The Grid Sector designs and manufactures equipment and provides engineered solutions to manage power grids and transmit electricity from the power plant to the large end user, be it a transmission or distribution utility, an industrial process or production facility or an infrastructure. It also provides turnkey power supplies for industrial customers around the world. All of these solutions are designed to maximise energy efficiency while reducing greenhouse emissions. Alstom Grid's customers range from large utilities and Transmission System Operators (TSO) to local power authorities and Distribution System Operators (DSO). It also serves a large array of specialised industries and infrastructures.

The power generation market has greatly diversified recently, with the introduction of renewable energy suppliers such as solar, wind and biomass. In addition, large and small industries and infrastructures have very specific energy requirements for their individual infrastructure or manufacturing plants. Alstom Grid has a range of solutions for segments including oil and gas, mines and metal, rail, municipalities, infrastructures, as well as for the power generation market itself. Alstom Grid's customers rely on its local service centres to maintain and renew their installed base, whether the equipment is provided by Alstom or by a third party.

Alstom Grid develops the systems that transform the electrical grid into a smarter grid. The company delivers Smart Grid solutions for real time, bidirectional energy and information networks, improving the reliability and performance of the grid.

Alstom also plays a leading role in the development of Supergrids, broad AC/DC meshed transmission grids that allow high volume electricity trading across great distances. They also ensure reliability, massive integration of renewable energies and improved grid efficiency.



Key Statistics

#1

in Grid market since 2008

8

manufacturing units

14

sales offices across India

3,399

employees

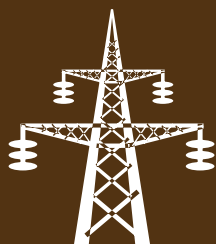
35,235

MINR sales for 2013-14

ALSTOM T&D India - Pioneering Grid Technologies for over 100 years

Alstom T&D India is a market leader in the Indian power transmission sector. It has over 100 years of expertise in building the transmission infrastructure for the country. It has a strong portfolio of products, solutions and services, comprising the entire range of transmission equipment up to Extra and Ultra High Voltages (765 kV and beyond), including Air-Insulated Switchgear (AIS), locally manufactured power transformers and Gas-Insulated Switchgear (GIS). It also provides power electronics solutions (HVDC, FACTS) to create super highways and offers highly advanced power management Smart Grid solutions for transmission and distribution, including renewable energies integration. With around 3,400 employees and eight world class manufacturing units, Alstom T&D India is future-ready to support the rapidly evolving transmission sector in India.

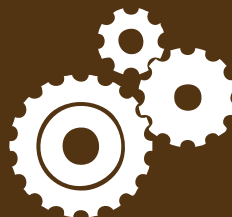
Utilities



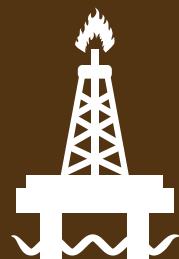
Power Generation



Industry and Infrastructure



Oil and Gas



A pioneer in transmission and distribution domain, Alstom T&D India provides an entire range of high technology products and engineered turnkey solutions for simplifying grid complexities, modernising the grid and enabling bulk power transfer.

Alstom T&D India is making the Indian National Grid robust, stable and efficient through specialised Smart Grid management solutions and Super Grid technologies. It caters to end-to-end energy chain across utilities, power generation, industry and infrastructure.

HIGH VOLTAGE PRODUCTS

Alstom manufactures a full range of equipments for long-distance transmission at voltages up to 1200 kV: switchgears for air-insulated substations (AIS) or gas-insulated substations (GIS), instrument transformers, circuit breakers, disconnectors, power transformers and substation automation solutions.



AC SUBSTATIONS

Alstom T&D India provides a comprehensive offering of AC and DC transmission systems, comprising of substations ranging from 66 kV to 765 kV, for all the segments and power supplies for electro-intensive industries and infrastructure. The scope of work in a typical turnkey contract for such offerings include providing comprehensive solutions on design, system engineering, supply, installation, commissioning and testing of the systems, including setting up of substations.



GRID AUTOMATION

Network Management Systems: Alstom T&D India provides software solutions and platforms for grid control rooms and market management systems in charge of piloting and controlling the power grid, including: Energy Management Systems (EMS), Distribution Management Systems (DMS) and Market Management Systems (MMS).

Substation Automation Solutions: Alstom T&D India delivers high performance mission-critical solutions that protect, control and monitor electrical substations and grids for utilities and electro-intensive industries. These include MiCOM Agile protection relays, measurement devices and HA MIDOS relays; DS Agile substation digital control systems (DCS); DAP server RTU based control applications; protection, control schemes and engineered panel solutions (CCS); and customer support services, including substation commissioning and refurbishment.



POWER ELECTRONICS

Alstom T&D India provides high performance applications for the Alternative Current (AC)/ Direct Current (DC) conversion and for the interconnection of DC and AC power in High Voltage (HV) and Medium Voltage (MV) grids, for different uses: long-distance HVDC lines (LCC or VSC), power quality stabilisation (FACTS), and DC converters for the connection of specific energy resources (offshore wind farms, MV renewable energy sources, battery storage, etc.).



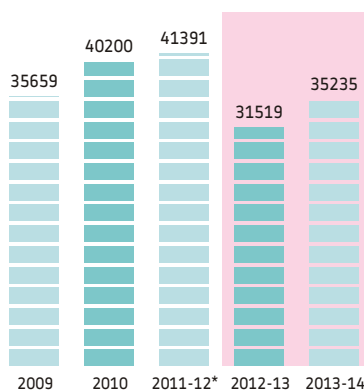
SERVICES

Alstom T&D India offers services to optimise the electrical infrastructure, increase return on investment, and increase the lifecycle of existing electrical grids. 1,000 Alstom Grid employees work in the field close to customers, providing expertise in service in the areas of network design and asset consultancy, condition-monitoring analysis, predictive maintenance, emergency support, ad-hoc maintenance or long-term service contracts.

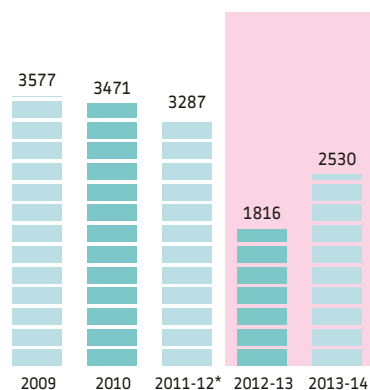


FINANCIAL HIGHLIGHTS 2013-14

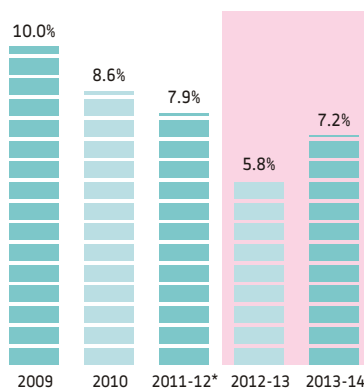
NET SALES (MINR)



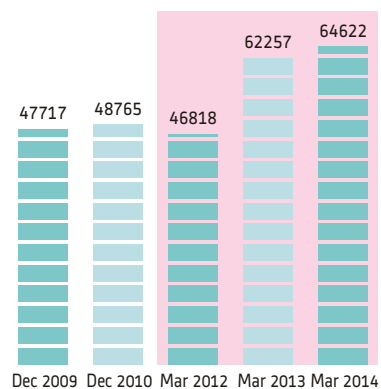
OPERATING PROFIT (MINR)



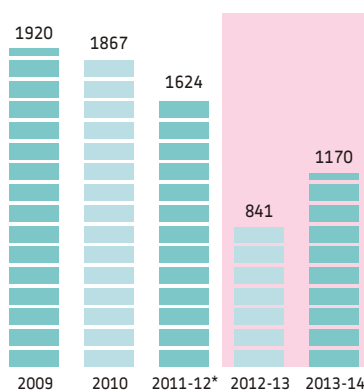
OPERATING PROFIT (%)



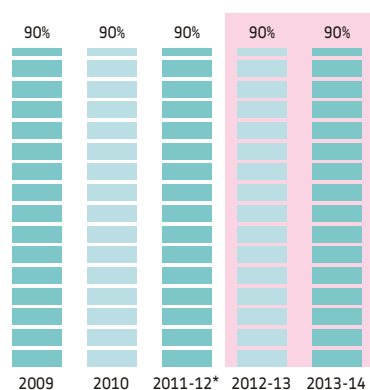
ORDER BACKLOG (MINR)



PAT (MINR)



DIVIDEND (%)



* 2011-12 figures are for 15 months period and are not comparable because of scheme of arrangement for demerger of Company's distribution business effectuated in accordance with law from April 1, 2011.
 ■ represents current scope after demerger.

DIRECTORS' REPORT

Your Directors take pleasure in presenting the Fifty-eighth Annual Report together with the Audited financial statements of the Company for the financial year ended March 31, 2014.

FINANCIAL RESULTS

(Rupees millions)

Particulars	Year ended March 31, 2014	Year ended March 31, 2013
Sales and Services (Net)	35,235.4	31,518.7
Operating Profit before Finance Cost	2,530.0	1,815.7
(As percentage of net sales)	7.2%	5.8%
Finance Cost (Net)	755.6	759.6
Operating Profit after Finance Cost	1,774.4	1,056.0
Exceptional Items (Profit on Sale of Property)	Nil	170.2
Profit Before Tax	1,774.4	1,226.2
Tax Expense	604.2	385.1
Profit After Tax	1,170.2	841.1
Balance brought forward from previous year	7,908.4	7,655.9
Profit available for appropriations	9,078.6	8,497.0
Appropriations		
Proposed Dividend	460.9	430.4
Corporate Dividend Tax	75.0	73.2
General Reserve	118.0	85.0
Balance carried forward	8,424.7	7,908.4

DIVIDEND

Your Directors take pleasure in recommending a dividend of 90% (Rs. 1.80 per share) for every Equity Share of face value of Rs. 2/- each, for the financial year ended March 31, 2014. This will absorb Rs. 535.9 million (inclusive of tax).

**MARKET LEADERSHIP
IN THE TRANSMISSION
SEGMENT FOR THE
SIXTH YEAR IN A ROW**

Power Grid's Bina 765 kV Substation

ANNUAL REPORT 2013-14
ALSTOM T&D India Limited

PERFORMANCE REVIEW

YEAR OF SUSTAINED PERFORMANCE AND MARKET LEADERSHIP

During the year 2013-14, the Indian economy further slowed down for fourth consecutive year to a ten year low GDP growth rate of 4.7%, owing to various challenges, like delay in reforms, domestic structural constraints and inflationary pressures. The overall economic sentiment also impacted India's power cycle, resulting in contraction of the T&D market for the second consecutive year in the last decade.

A 36% increase in non-performing assets of financial banks, crossing 2.43 lakh crore mark, led to significant reduction in sectoral lending to power and infrastructure leading to low

investments in the sector throughout the year.

Power generation saw a stranded capacity of 30-40 GW due to the inability of State Electricity Boards to purchase power, while new projects failed to take off, owing to hurdles of clearances, availability of land and resources.

Poor investment in T&D infrastructure across states during the 11th Plan hindered the wheeling of power from surplus regions in the country to power deficient demand centres. Even though, the Financial Restructuring Plan (FRP) by the Government to States was available, it could not significantly take off due to the national elections.

Industry and infrastructure saw a dampened investment scenario, with many private players opting for Corporate Debt Restructuring plan and facing liquidity crisis.

Despite the trying business environment, the performance of the Company sustained these challenges during the year under report and retained its market leadership position for the sixth year in a row.

The Company's constant focus on improving margins and profitability was key to its strategy of selecting orders.

Overall, your Company successfully achieved a balanced portfolio of orders, resulting in sustained leadership and improved profitability.



Alstom's HV products and solutions strengthening Indian grid



Alstom's Gas Insulated Substation powering Krishnapatnam thermal power station



Alstom's Converter Transformers strengthening Indian Grid

PREFERRED CHOICE OF CUSTOMERS IN THE HV AND EHV SEGMENT

Your Company is the leader in India in High Voltage (HV) and Extra High Voltage (EHV) technology domains, for both AC and DC technology, and has made a significant contribution in building the T&D infrastructure in the country. A pioneer in introducing 765 kV technology in the country, your Company, anticipating the future grid requirements, went ahead and localised the HV and EHV products. This enabled the Company to develop in-house, cost-effective products for the grid.

Over 50% of India's 765 kV Extra High Voltage substations are built with Alstom's technology and solutions. This follows on from the huge number of 400/220/132/66 kV substations that the Company has already built for India's central as well as the state grids.

In 2013-14, your Company's status as the preferred choice for grid technologies in HV and EHV segment

can be easily ascertained from the fact that it was the recipient of several orders to deploy transmission equipment across a number of important projects in the country.

Power Grid, world's second largest transmission utility chose your Company for several projects spread across India.

- In the Western region, your Company won two contracts for supply, erection, testing and commissioning of 400 kV substation extension packages, including shunt reactors.
- The Company will also supply 765 kV circuit breakers for various substations across India. Alstom is the first global manufacturer to localise production of spring operating high voltage circuit breakers upto 765 kV in India.
- The Company will also provide 14 shunt reactors for Power Grid's 765 kV electrical substations at Kanpur and Jhatikara in Uttar Pradesh. Alstom's shunt reactors will have the highest power rating (110 MVAR 1 Ph, 765 kV) installed on India's EHV 765 kV grid.
- The Company will also supply 765 kV shunt reactors for Padghe, Bhiwani, Aurangabad and Meerut substations and 400 kV reactors for Khandwa, Purnia, Gajuwaka, Bariapada and Bhiwani. These reactors will strengthen the power transmission network in northern and western regions of India.

The Company was awarded a bulk tender for NTPC's supercritical Nabinagar power project, located in Bihar, where the scope covers design, engineering, manufacture, supply, testing and commissioning of generator transformers, power transformers and shunt reactors.

The Company secured the order to supply 400 kV substation packages, including shunt reactors in India's western region.

Over 50% of India's 765 kV EHV Substations built with Alstom technology

These contracts demonstrated the Company's expertise in delivering innovative and high technology solutions to the customers across various product segments to ensure secure, efficient, reliable and environment-friendly energy transmission.



Localised 400 kV Live Tank Circuit Breakers from Alstom

BALANCED MIX OF SUCCESSES ACROSS UTILITIES, POWER GENERATION, INDUSTRY AND INFRASTRUCTURE

Power Generation



Expertise in eBOP projects for Power Plants

While the Indian utilities, both central and states, were the key drivers for the T&D market in 2013-14, power generation, industry and infrastructure provided limited market opportunities. Despite the limited opportunities, your Company succeeded in having a diverse and balanced mix of projects from utilities, power generation, industry and infrastructure segment.

Himachal Pradesh Power Transmission Corporation Limited (HPPTCL) and L&T awarded two 400/220/66 kV GIS substations at Wangtoo and Gumma in Himachal Pradesh, to improve the transmission capacity of HPPTCL, for the transport of electricity generated by the hydro power sources across the state.

Bihar State Power Transmission Company Limited (BSPTCL) also awarded your Company a turnkey AIS substation at Bihta and associated 220/132/33 kV bays extensions at various locations in Bihar, to strengthen the state's transmission network at 220 kV level - a first in a series of energy expansion plans of the state.

West Bengal State Electricity Transmission Company Limited (WBSETCL) chose your Company for executing three contracts for manufacturing, supply, erection and commissioning of 220/132 kV GIS projects, to feed the industrial units coming up in the state. The Company will also provide a 400 kV substation and 220 kV transformer bay for evacuating power from the 2 x 500 MW Sagardighi Power Plant (Phase II).

APTransco awarded your Company two AIS substation projects of 400/220/132 kV, to meet the growing power demand in the state.

Bajaj Infrastructure Development Company also selected your Company to supply e-BoP package for their upcoming 3x660 MW Super Thermal Power Project in Lalitpur, Uttar

Pradesh. This will bring power to 200 million inhabitants in the state.

Reliance Industries Limited selected your Company to provide power transformer packages for the expansion of Jamnagar refinery, the world's largest single location refinery complex, located in Gujarat.

The above projects manifest your Company's successful strategy, expertise, reputation and ability to be the first choice of customers across the entire power cycle.

Utilities



Solutions ranging from 66 kV to 1200 kV for both AC and DC network

Industry & Infrastructure



Solutions for mines and metals industry

Supplying
grid infrastructure
to the entire
energy chain



Alstom Pallavaram

LOCALISED GLOBAL TECHNOLOGY

Alstom is known as a leading technology player in the T&D sector worldwide. Alstom's ability to innovate its technology and localise as per the requirements of national grid has given it a competitive edge and positioned it as a technological leader.

Your Company took the early initiative to be local, and therefore has a strong local manufacturing base.

The Company has built world-class manufacturing facilities for products like switchgears, power transformers, instrument transformers, automation products etc, using the same processes and technologies as used by the parent Company - all of which accelerate the deployment of a first class network for India.

Your Company also inaugurated India's first Digital Substation Automation Competence Centre at Pallavaram, Chennai. The opening of the Competence Centre will allow further advancement of High, Extra High and Ultra High Voltage as well as Renewable Power concept, thus enabling the Company to maintain its leadership position in the transmission market.



Alstom Vadodara

In terms of localisation of large transformers of Extra High Voltage 765 kV, the Company achieved a landmark with the flag-off of 100th 765 kV transformer for Power Grid in October 2013 from its Vadodara unit, a remarkable feat that your Company achieved in 4 years.

SIGNIFICANT CONTRIBUTION IN BUILDING 'ONE COUNTRY-ONE GRID-ONE FREQUENCY'

On December 31, 2013, India, with over 230 GW grid, became world's largest single frequency grid, truly becoming 'One Country-One Grid-One Frequency'. The Indian National Grid achieved a major milestone by AC synchronisation of the southern grid with the rest of India.

The HVDC link created between Sholapur 765 kV substation and Raichur 765 kV substation started with a load of 15 MW. The link will carry approximately 2,000 MW of power, once it is fully charged.

Your Company has played a major role in achieving this milestone. Specifically for this project, the Company delivered high technology products such as current transformers, disconnectors, reactors and substation



Alstom Hosur

automation solutions to Raichur substation and CVTs, disconnectors to Sholapur 765 kV substation.

The Company played a pivotal role in inter-connecting the electrical regions of India via 3 HVDC back-to-back stations as well as a large number of 765 kV substations built with Alstom's technologies.

**Global technology,
localised in India**
through our manufacturing
bases across the country



Alstom Padappai



Alstom Naini



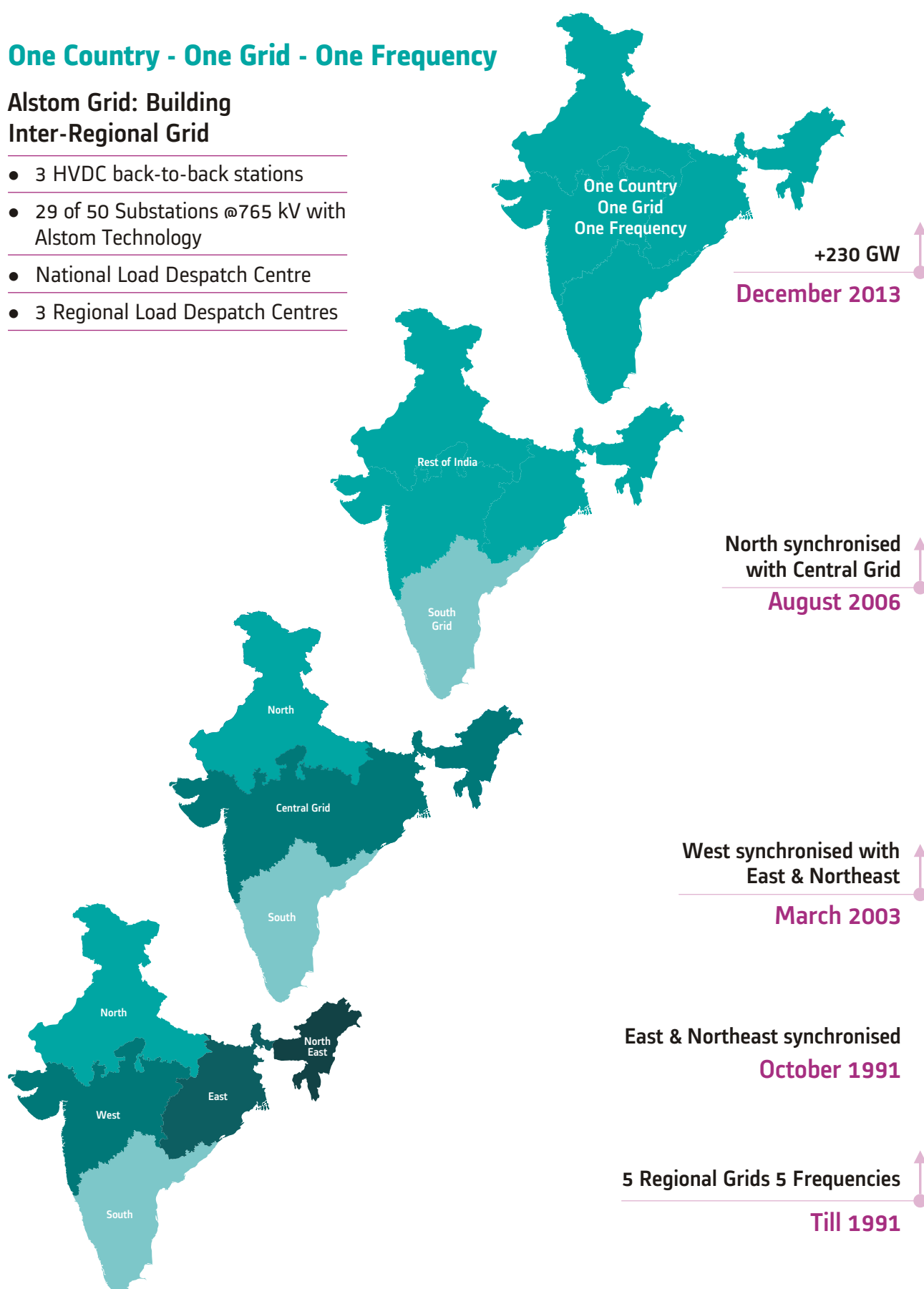
Alstom Noida

ALSTOM GRID FOLLOWED NATIONAL PLANS TO BUILD INDIA'S ELECTRICAL GRID

One Country - One Grid - One Frequency

Alstom Grid: Building Inter-Regional Grid

- 3 HVDC back-to-back stations
- 29 of 50 Substations @765 kV with Alstom Technology
- National Load Despatch Centre
- 3 Regional Load Despatch Centres





TACKLING THE INCREASING GRID COMPLEXITIES

The Indian electricity network, which today is the world's largest synchronised grid, is becoming increasingly complex day by day.

Doubling of power generation capacity, upgradation from 400 kV to 765 kV AC level, installation of several large scale HVDC systems to improve the bulk power flow across the different regions and the introduction of renewable power generation to the Grid have made the situation more challenging than ever before.

Thus, it needs a high-end technological solution for network protection, and high operational performance for increased power flow, efficiency and reliability. Your Company, with its latest and future ready Super Grid technology solutions like HVDC, Static Var Compensation (SVC) and STATCOMs, is ready to lead the emerging technology landscape and tackle the increasing complexities.

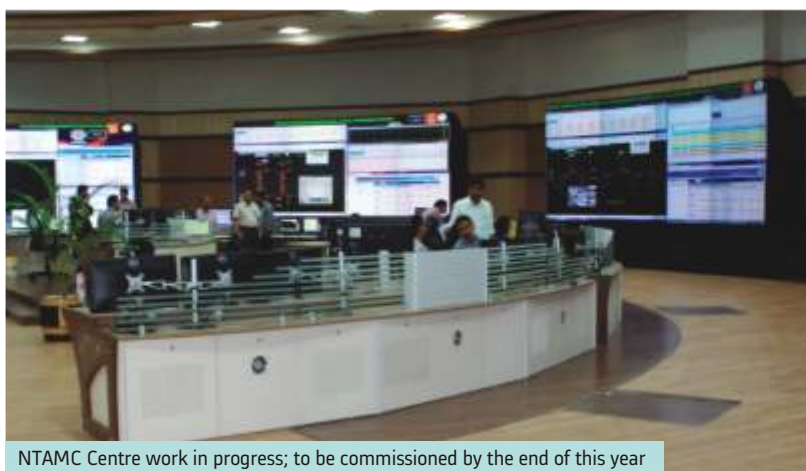
World's largest Wide Area Monitoring System awarded to Alstom

SUPPORTING DEVELOPMENT OF SMART GRIDS IN INDIA

A global leader in the development of the Smart Grid (with over 14 Smart Grid demonstration projects worldwide), your Company is playing a strong role in India.

This year, the Company won the Unified Real-Time Dynamic State Management (URTDMS) project from Power Grid. It is the world's largest Wide Area Monitoring System, which will witness installation of Alstom's 1300 MiCOM P847 PMUs (Phasor Measurement Units) to collect 18,000 real-time synchronised measurements from 351 substations across the country. It will enable nation-wide monitoring of power flows across the grid responding to fluctuations within a fraction of a second.

Your Company will also equip 34 control centres at existing National, Regional and State Load Despatch sites with e-terraphasorpoint, a software solution to detect grid disturbances and provide actionable



information to system operators to prevent black-outs.

The Company recently designed and commissioned another significant Smart Grid project - the Grid Islanding scheme for Delhi. The Ministry of Power is thinking about installing 23 more such schemes for critical applications across the country and your Company expects to continue the collaboration in this area.

The Company will also supply its leading Energy Management System (EMS), to enable reliable, secure and efficient operation of India's Southern and Western Regional Load Despatch Centres.

With this, we foresee a faster adaptation of Smart Grid technologies in India driven by Power Grid at central level.

Before the disaster



GIS NHPC Dhauliganga
- Before Uttarakhand Disaster

SERVICES: HELPING GRID RESTORATION AND MODERNISING AGEING INFRASTRUCTURE

During the year, Services was at the forefront in restoring the grid infrastructure post the Uttarakhand floods as well as the calamity that struck the state of Odisha in 2013. The 220 kV GIS from your Company, located underground in the NHPC powerhouse cavern was completely submerged under water, thereby causing extensive damage to the equipment. Service team restored the 220 kV GIS within a period of four

KPCL, among many others. Expert post warranty service support was also provided at customer sites for more than 7500 man-days.

The technical institute in Padappai continues to provide knowledge intensive training courses to external and internal trainees on varied subjects ranging from AIS, GIS, Power Transformers and Electrical Safety.

After the disaster



GIS NHPC Dhauliganga
- After Uttarakhand Disaster

Services at the forefront in restoration and rehabilitation of grid infrastructure

months ahead of the deadline set forth by the customer.

Given the leadership position of your Company in 765 kV segment, it was natural for your Company to enter into the area of long term maintenance services of these substations. In this year, it mobilised the team for 24x7 maintenance services for Sasan 765 kV substation for Reliance.

Your Company also booked record orders this year, building upon the successes of last year in the field of renovation and modernisation (R&M) projects. These included orders from utilities like BSPTCL, KPTCL, and

Restoration work by Alstom



Restoration work of 220 kV
GIS in progress



Inaugurated India's first Digital Automation Substation Competence Centre at Pallavaram

COMMITTED TOWARDS THE FUTURE OF GRID EVOLUTION

AGILE DIGITAL SUBSTATIONS: RELEASING THE POTENTIAL OF GRID TECHNOLOGIES

Alstom Grid's digital substations are known to deliver the great potential of this technology interoperability, ease of configuration, maximised reliability and availability, real-time performance, smart grid communication capabilities and reduced cost of ownership.

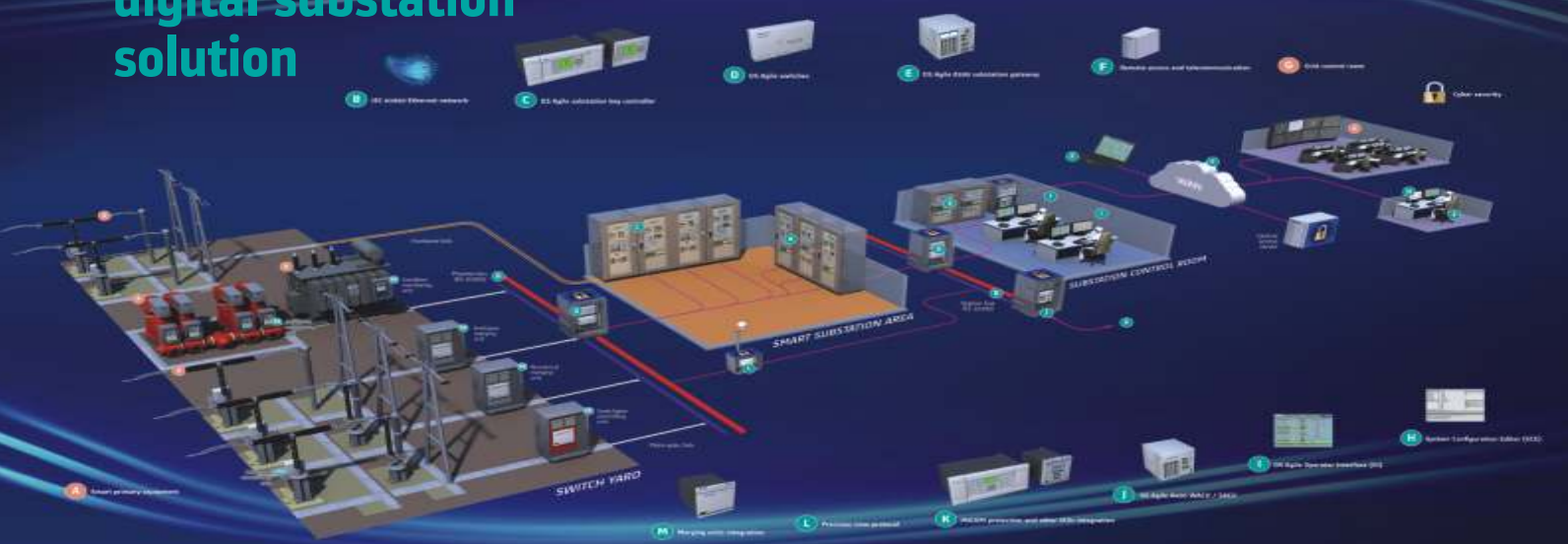
Solution continuity from conventional through to non-conventional substations is ensured due to IEC 61850 compliance. Energy utilities

worldwide are experimenting with new Smart Grid systems and adding a new layer of digital equipment to interconnect all assets.

In line with the changing paradigm, your Company inaugurated India's first digital substation automation competence centre at Pallavaram,

Inaugurated India's first Digital Substation Automation Competence Centre in Chennai

The complete digital substation solution



Chennai. The new facility will support the strategy of transforming the energy grid and developing the substations of the future. Your Company took a landmark step from a global perspective in developing the substations of the future and reinforcing its commitment of deploying Smart Grid technologies in India.

The Competence Centre will allow the further advancement of HV, EHV, UHV and renewable power.

Your Company's digital technology solutions have seen successful delivery of the 1200 kV digital instrument transformer and 1200 kV disconnector for the Bina Test substation being built by Power Grid.

The Competence Center has already designed and built India's first digital substation at Gujarat for Gujarat Electric Transmission Corporation (GETCO).

The substation, located at Jambuva, Gujarat, was awarded by GETCO. This is the first of its kind installation in India that uses Alstom's range of Compact Optical Sensor Intelligence (COSI) products. This product is locally supported by Alstom's instrument transformer manufacturing unit in Hosur and substation automation manufacturing unit in Pallavaram, Chennai.

The COSI range enables the digitalisation of current and voltage signals through Optical Ethernet Connectivity, enhancing accuracy, significantly reducing the use of copper cables and strengthening the reliability of the system. It also facilitates current transformer sizing calculations. Being SCADA ready, it brings smart grid intelligence to the substation by allowing operational data exchange with the load despatch centre. The installation is simplified due to its light weight. It is operationally safe, and the absence of oil and SF6 ensures no adverse environmental impact on end-of-life disposal.



Alstom T&D India's smart digital instrument transformers from its COSI range



Customer speaking at one of the sessions conducted during Technical Days

Understanding customer's evolving technology needs forms the base for our technology development

CUSTOMER AT THE CORE OF ALSTOM'S TECHNOLOGY DEVELOPMENT

Forging strong and closer ties with customers is essential to your Company's growth and expansion. The changing technological requirements of the customer help your Company in developing innovative solutions, giving it a competitive advantage in the

market. To this end, your Company organises 'Technical Days' - an annual event. The fourth edition of the event saw participation of more than 100 customers sharing their views on future technological developments in the transmission sector. The theme of the event - 'Strengthening Indian Grid: Technologies in the 12th five year plan', provided platform for thought leaders and technology experts, to share their views on the future technology requirements.

The event also saw an active participation of experts from neighbouring countries. Power Grid, NTPC, GETCO, Reliance Power, Bhutan Power, etc., shared their thoughts on variety of topics, making the event a grand success.

The one of its kind technology event has now become an identity of technology discussion forums in Indian T&D Industry and has given a common platform to customers across sectors and technology developers to brainstorm on the future of Indian grid.

In addition to the technical seminar, your Company showcased a number of technologies and innovations at the 11th edition of the world's largest power transmission and distribution (T&D) conference - ELECRAMA-2014.

Apart from the latest generation of T155 gas insulated substation (GIS) and smart grid concept model, your company displayed a wide spectrum of future technologies through live product models, demos and briefings.

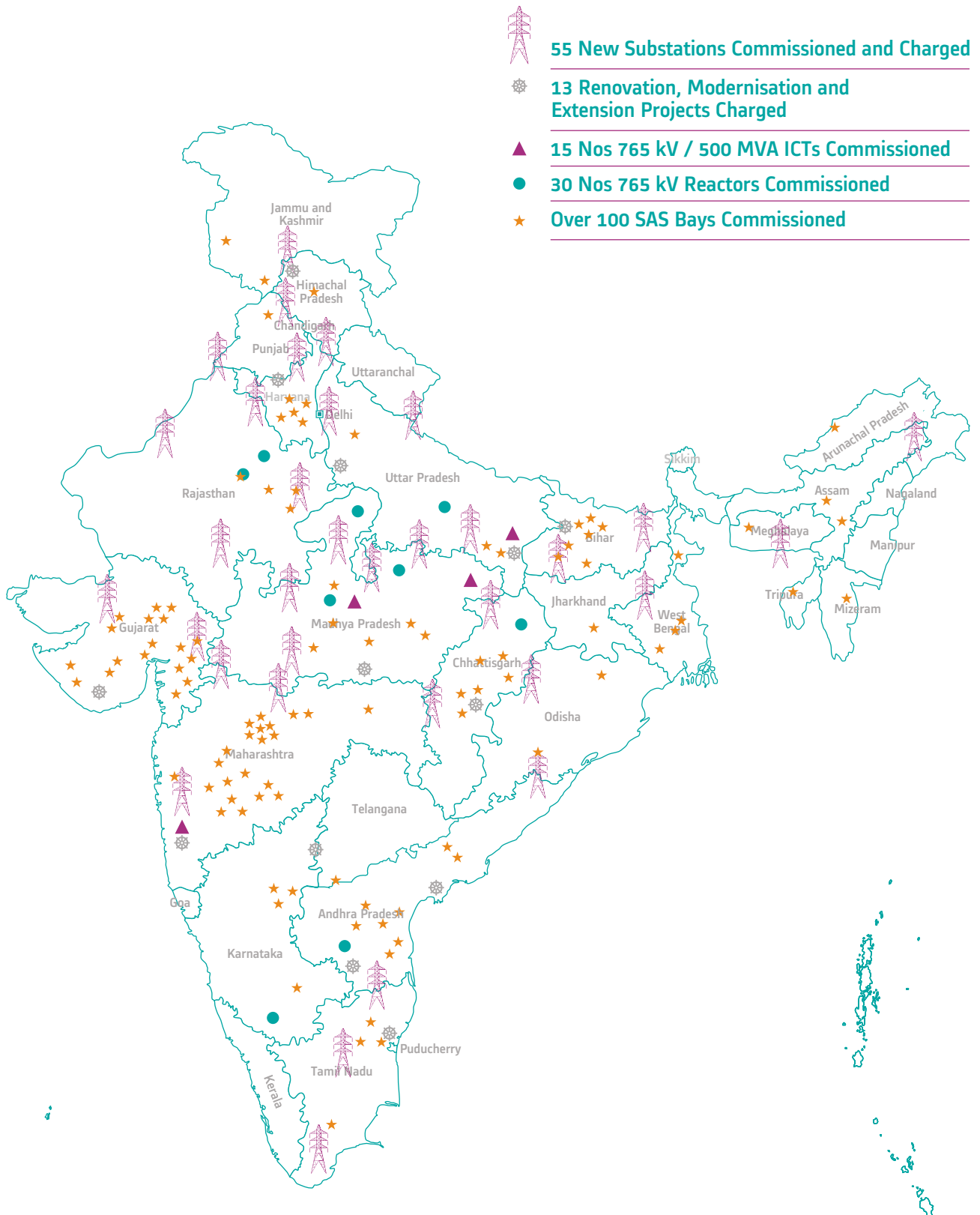
As a matter of pride for your Company, Mr. Gregoire Poux-Guillaume, President, Alstom Grid, was the Brand Ambassador for ELECRAMA for the second time in a row.



Alstom T&D India displaying its latest technologies at Elecrama 2014



RECORD EXECUTION OF TURNKEY SUBSTATIONS AND PRODUCTS ACROSS 66 kV TO 765 kV VOLTAGES IN INDIA





Alstom's 400 kV Reactor package in Maharashtra strengthening the Western Grid

Solid number of **68 new and renovation substations** charged and commissioned in 2013-14

Added over **17000 MVA/MVAR** capacity to Indian National Grid by commissioning **135 transformers and reactors** in 765 kV and 400 kV levels

OPERATIONAL EXCELLENCE

Continuing our efforts to create differentiation through Operational Excellence, your Company has once again reached major landmarks in execution of product and project portfolio in 2013-14.

Utilising fully your Company's expertise in executing turnkey projects across the wide spectrum of T&D sector, your Solutions group successfully executed AIS and GIS substations, Electrical Balance of Plant, Industrial & Infrastructure and Rectifier substations. Some of the major customers for whom the Company executed turnkey projects during the year were Power Grid, MSETCL, WBSETCL, GETCO, SAIL, Hindalco, L&T, RRVPNL and Essar.

In addition to contributing to the growth and stability of Grid, your Company also took some unique steps in engineering, technology, manufacturing and project execution during the year under report.

Commissioned more than **900 new and renovated bays** of substation automation systems across India in 765 kV to 33 kV substations

During the year, your Company demonstrated its expertise in commissioning of 765 kV substations. Apart from commissioning of Dhule substation in less than 10 months from start of site work. The Company implemented for the first time in India double switching scheme for bus reactors at 765 kV level. In addition, the Company commissioned first 765 kV project for RRVPNL, while first 765 kV substation for MSETCL is under execution.

Your Company's focus on managing operating working capital through execution efficiency ensured closing out old projects and collection of retention and dues of over Rs.1700 million during the year under report.

During the year, Service business commissioned 13 substations, carrying out 6 major AMC contracts including 2 Metro airport distribution systems including GIS, GCB and transformer overhauling services.

Supplied
~700 GIS bays in India,
40% of which has been
manufactured and supplied
from our Padappai facility

Country's first of its kind
largest National
Transmission Asset
Management
Centre under execution
by Alstom



Delivered 100th unit of
765 kV transformer from
Vadodara within 4 years
of facility's operation

Transformer factory in Naini commissioned 90 units of transformers and reactors at 400 kV and 220 kV level during the year, in addition to delivering on time transformers and reactors to more than 50 customers.

Your AIS factories in Padappai and Hosur have maintained leadership in supply of 765 kV equipment for Indian grid, producing more than 500 units of 765 kV equipment in the year. Padappai has also delivered and commissioned more than 100 units of controlled switching devices, enhancing the operational quality of switching systems in grid.

Commissioned the
prestigious Delhi Grid
Islanding scheme
to prevent complete
blackouts in the
national capital

All your operations in India, be it in manufacturing, projects, services and automation, continue to be certified for IMS (ISO 9000, ISO 14000 and OHSAS 1800). This reinforces the quality of the processes of the Company and compliance to the same.



QUALITY AND INDUSTRIAL EXCELLENCE

The year under review saw the deployment of ALSTOM Production System (APS), the global industrial excellence model of Alstom Grid, has continued to progress quite well in all manufacturing units, in line with global targets. APS model provides the necessary road maps and standards to improve and sustain Safety, Quality, Cost and Delivery (SQCD) performance and measure progress towards industrial excellence.

The Company remains committed to continuous improvement towards industrial excellence. Following key actions were realised by the employees at all levels:

- 33 Lean 6 Sigma improvement projects contributed to significant operational performance improvement.
- APS workshops conducted at SMP, HVM and RMK units were recognised as best practices by grid APS community.
- Transformer manufacturing unit at Naini received Greentech Gold Safety Award-2013 by Greentech foundation of USA, in Engineering - Manufacturing sector, for its outstanding achievement in safety management.
- PCP unit received best EPC supplier award from GETCO.
- Transformer manufacturing unit at Vadodara received Letter of Appreciation from Power Grid, for the commissioning of 6 numbers of 80 MVAR shunt reactors in Indore and Bina sites in a short time.

- UHV Testing Laboratory of Vadodara unit received NABL accreditation certificate, as per ISO/IEC 17025:2005.
- Hosur unit received a renewal of NABL accreditation certificate for laboratories, as per ISO/IEC 17025:2005.
- All units have certified management systems for Quality and EHS with periodic recertification.

Your Company's Quality and Continuous Improvement team presented the 22 successful continuous improvement projects, including Lean and 6 Sigma projects executed across the units in the country, to management team during their India visit. During the visit, Mr. Michel Serra, Senior Vice President - Products, Alstom Grid, awarded ten lean 6-sigma green belt certificates to acknowledge the successful completion of the team's respective green belt projects, and congratulated the teams for their efforts. APS operator training was also deployed in AIS, GIS, PTR and Automation units, in order to enhance the scope of APS deployment to the operations' personnel (including operators and supervisors) in the shop floor. This is an important step in APS deployment to ensure that APS principles are spread across the industrial community. 518 participants across the units have been trained so far.

INVESTING IN TECHNOLOGIES OF THE FUTURE

A policy of sustained investment in R&D

RESEARCH AND DEVELOPMENT

Alstom T&D India benefits from global Research and Development (R&D) efforts of Alstom worldwide. The Company derives the benefit of global value engineering efforts, which among others helps in reduced lead time and is adaptive of specific customer requirement. R&D forms the cornerstone of Company's leadership strategy. The Company makes investments in several R&D programmes across the product categories from time to time.

The Company has set up a global R&D centre at Vadodara and Hosur, while the R&D team at the GIS manufacturing plant at Padappai, Chennai, has been recognised as R&D Competence Centre by Alstom's global grid R&D organisation. These centres help in evolving future technologies for Indian grid.

with Alstom



EHS workshop organised by Alstom for its customers



COMMITTED TO ENVIRONMENT, HEALTH AND SAFETY (EHS)

Your Company considers health, safety and well-being of employees and all the people who work for the Company to be of utmost importance. All the manufacturing facilities of your Company and project sites maintain Integrated Management System Certification (ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007).

The Company ensures stringent implementation of EHS policy. At group level, common action plan, which is called the "Alstom Zero Deviation Plan", was launched in

2012 and is in progress with revised 10 directives.

It is also collaborating with customers to ensure a common language for EHS. Your Company organised an EHS interactive session with Power Grid. The session was focused on joint effort from Alstom as well as Power Grid. Alstom also shared its tailor made module on Electrical Safety Awareness with Hindalco Aditya Lapanga through a two day workshop.

All customer sites of Alstom achieved the goal of 'zero severe accident' for the employees. Total man hours of work by Alstom employees and contractors are approximately 22 million.

Your Company enhanced the process of learning to avoid deviations, which have the potential to cause severe accidents, in the form of EHS Prevention Notices. In March 2014, a booklet was released on 30 prevention notices and 45 critical requirements, which will help prevent future occurrence of such accidents.

The Company received EHS appreciation letters and rewards from esteemed customers like Hindalco, Essar, Punj Lloyd, etc., to name a few.

Collective
commitment
towards implementation
of EHS directives
at all levels



Workers taking the EHS oath

ZERO TOLERANCE ON DEVIATION TO THE ALSTOM SAFETY DIRECTIVES



HUMAN RESOURCES

The talent management and development practices of your Company continuously align with Company's business priorities. Towards this endeavour, all the Human Resource (HR) action plans were consistently reviewed under its institutionalised HR Governance framework.

In order to create and sustain effective employee engagement, diversified set of employee oriented activities like cultural events, blood donation camps,

sports meets, etc., were conducted under the 'ENGAGE' initiative. In all, 84 employees at different sites were given long service awards for their dedicated service of 10 or 25 years to the Company.

Capability building thrust has been maintained through our flagship programmes like Project Shikhar (project management competency), Learning @ 70mm (speed learning in behavioural and functional areas through creative videos), Pocket Trainer (innovative knowledge dissemination) and various other technical and non-technical programmes. The pool of internal trainers has also been leveraged to augment our learning initiatives. Under the global initiative of Technical Certification, 87 people from grid got certified as senior experts, experts and specialists, which is a significant recognition of Company's people credentials.

Keeping employee interest a priority, the Company also rolled out scheme for subscription to National Pension System (NPS) for its employees.

The Company also showed a greater resilience and readiness in addressing location-specific business challenges and priorities, whether about consolidation or implementation of new initiatives. During the year under review, the industrial relations (IR) scenario was peaceful and conducive to the business changes. Your Company's HR practices, namely, HR Governance, Work-Knowledge Transition, Learning @ 70mm and Pocket Trainer have been considered as best practices for group level roll-out in India. This is indicative of Company's continuous thrust on improving its HR quality.



Training sessions conducted for managers



COMMITTING TO SUSTAINABILITY, WITH ALSTOM

As the Company's business expands into new areas, it becomes involved in each community's local life. Through sustainable initiatives, your Company manages the business of today, with the future in mind. The Company's Corporate Social Responsibility (CSR) activities reflect its philosophy of building a better and a more sustainable society, by taking into account the societal needs of the community. After assessing the needs of community, your Company engages in several programmes to benefit the society. As part of the knowledge sharing initiative, the CSR team visited a government primary school at Hosur and created awareness amongst the students on managing their daily routines. Stationery items were also distributed to nearly 50 underprivileged students. Blood donation camps and dental camps were also organised to benefit the local community.

Your Company is committed to address the objectives and requirements set out for CSR in the recently notified section 135 of the Companies Act, 2013 in letter and spirit and intends to be a significant and durable contributor to CSR initiatives in India by devising and implementing social improvement projects, wherein it could employ technological innovation(s) in favour of disadvantaged communities, towns and villages.



Blood donation camps organised at various grid facilities

CSR Committee

Your directors have constituted the Corporate Social Responsibility Committee (CSR Committee) comprising Mr. Chandan Roy as the Chairman and Mr. Rathindra Nath Basu and Mr. S.M. Momaya as other members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities that may be undertaken by the Company monitoring the implementation of the framework of the CSR Policy and recommending the budget for CSR activities.



Lunch sponsorship at Hosur orphanage



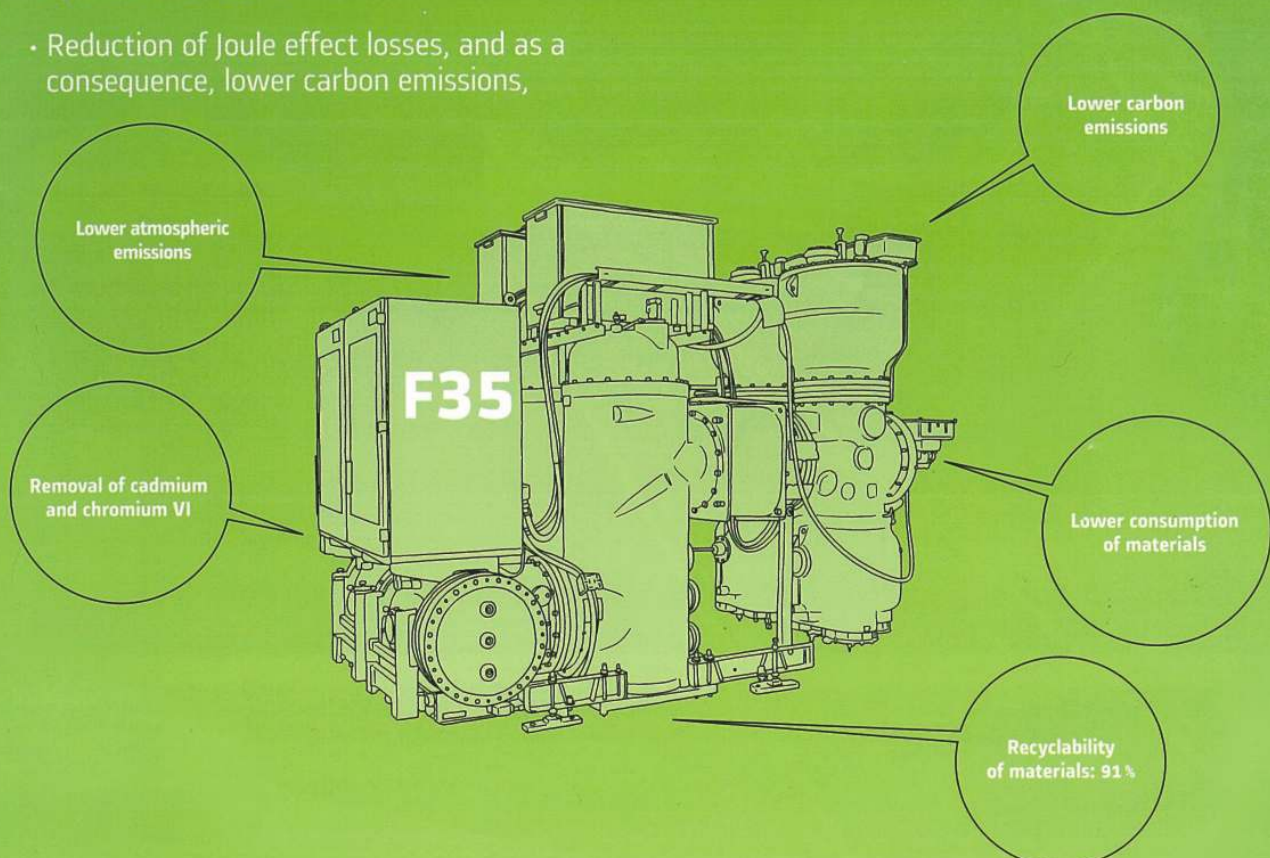
FOCUS ON ECO-DESIGN

F35: ECO-DESIGN IS AT THE VERY HEART OF GRID'S INDUSTRIAL PROCESSES

Industrial processes are now reviewed in terms of "eco-design": environmental impact is anticipated for each stage of product lifecycle from design through manufacturing and maintenance to end-of-life recycling.

The F35, one of the most recently developed substations, is a good illustration of the application of these new requirements by Grid. This metal-enclosed substation is used to protect power lines, power transformers and more generally, the electrical supply network. Within the F35 range, the F35-170 kV is currently Alstom's highest voltage three phase substation, also designed to deliver a series of major environmental benefits:

- Removal of cadmium and chromium VI,
- Compared to a single-phase disconnector of equivalent voltage, reduction of the quantity of aluminium by 35 %, epoxide resin by 50 % and SF₆ (greenhouse gas) by more than 20 %,
- Reduction of Joule effect losses, and as a consequence, lower carbon emissions,
- PET insulators, end-of-life recyclable thermoplastics (an Alstom innovation which is unique in the area of GIS),
- Better sealing of the bay to reduce SF₆ emissions into the atmosphere.



PARTICULARS OF EMPLOYEES

A statement, as required under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this report. In accordance with the provisions of section 219(1)(b)(iv) of the said Act, the report and accounts are being sent to the shareholders of the Company, save the statement of the particulars of employees, under section 217(2A) of the Act, which is available for inspection at the Registered Office, during working hours up to the date of the Annual General Meeting. Any shareholder interested in obtaining a copy of the said statement may write to the Company Secretary at the Registered Office of the Company and the same will be sent by post.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars, as prescribed under sub-section 1(e) of section 217 of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the Annexure, which forms part of this report.

INFORMATION SYSTEMS AND TECHNOLOGY

The Company uses latest Information Systems and Technology to enhance its business performance and improve the operational excellence. The Company has in place state-of-the-art IT infrastructure and implements effective IT policies, supported by tools like Smart Cards, Single Sign-On, Identity Manager, etc. It is ensured that the IT environment is continuously improving, to meet ever growing business needs, by investing in Hardware, Software, and Network upgrades. To enhance the employees' efficiency and business productivity, collaborative solutions like Telepresence and BYOD have been implemented. The Company has ERP system in place, which improves

performance of the business through information sharing and integration. In addition, best-in-class information systems are used in the areas of Sales & Marketing, Human Resources, Design & Engineering and Project Management.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of applicable section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- that the applicable Accounting Standards have been followed in the preparation of final accounts and that there are no material departures;
- that such accounting policies have been selected and applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2014 and of the profit of your Company for the year ended on that date;
- that proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- that the annual accounts have been prepared on a going concern basis.

DIRECTORS

In the course of the year under review, Mr. Rathindra Nath Basu, Managing Director was re-appointed for a further period of two years with effect from February 01, 2014.

Mr. S.M. Momaya (whole-time Director & Chief Financial Officer appointed for a term of two years with effect from September 01, 2013), was co-opted as Director in the casual vacancy caused by the resignation of Mr. Michel Serra at the board meeting held on August 19, 2013 and



accordingly he holds office of Director upto the date of Annual General Meeting. The Company has received requisite notice from a member proposing his name for appointment as Director. Considering expertise, rich experience and profile of Mr. Momaya, the Board is of the opinion that his appointment will immensely benefit the Company and would be in interests of the Company.

Mr. Chandan Roy, Non-executive independent director, retires by rotation in terms of the erstwhile provisions of the Companies Act, 1956. It is proposed to appoint him in terms of section 149 of the Companies Act, 2013 as an independent director, not liable to retire by rotation, for a period of five years following the conclusion of the Annual General Meeting. The Company has received declaration from Mr. Chandan Roy confirming that he meets with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013, and under clause 49 of the Listing Agreement with the Stock Exchanges.

Necessary resolutions for the appointment/re-appointment of the aforesaid directors have been included in the notice convening the ensuing annual general meeting.

Your directors commend their appointment/re-appointment.

Mr. T.S. Vishwanath, independent non-executive Chairman, having expressed his wish, will step down as Chairman/Director of the Company with effect from July 1, 2014 and Mr. Michel Augonnet, Chairman-designate, will assume office with effect from July 1, 2014.

CORPORATE GOVERNANCE

The Company is committed to maintain and adhere to the highest standards of Corporate Governance practices.

Pursuant to clause 49 of the Listing Agreement with Stock Exchanges, Reports on Management Discussion

and Analysis and on Corporate Governance have been included elsewhere in this Report as separate sections. A certificate from M/s S. N. Dhawan & Co, Chartered Accountants confirming compliance with clause 49 of the Listing Agreement has also been included in the Annual Report.

In accordance with clause 49 of the Listing Agreement with Stock Exchanges, your Company has adopted a 'Code of Conduct and Ethics for its Directors and Senior Executives'. This Code is in addition to the ALSTOM Code of Ethics, which is applicable to all employees of the ALSTOM Group.

INCREASE IN SHARE CAPITAL PURSUANT TO INSTITUTIONAL PLACEMENT PROGRAMME

In the course of the year under report, your company issued and allotted 16,942,500 equity shares of Rs.2/- each at a premium of Rs.163 per equity share, aggregating to Rs.2,795.5 million, to eligible qualified institutional buyers pursuant to an Institutional Placement Programme ("IPP") in terms of Chapter VIII-A of the Securities and Exchange Board of India (issue of Capital and Disclosure Requirements) Regulations, 2009, as amended. The public shareholding in your company, has increased to 25% of its issued and paid up equity share capital pursuant to the IPP. The equity shares allotted pursuant to the IPP were admitted for listing and trading on Stock Exchanges, where the company's equity shares are listed. The net issue proceeds have been utilised for repayment of loan (including interest) - Rs.2,493.2 million and the balance towards meeting for the working capital requirements.

OPEN OFFER BY GENERAL ELECTRIC

GE Energy Europe B.V. ("Acquirer") along with General Electric Company ("GE"), GE Industrial France SAS ("Persons Acting in Concert") has made a Public Announcement on

May 5, 2014 under regulations 3, 4 and 5(1) read with regulation 15(1) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations") for the Open offer (the "Offer") for acquisition of up to 64,011,639 Shares in the Company representing 25% of the total paid-up equity share capital of the Company at an offer price of Rs. 261.25 per offer share.

As per announcement, GE and Alstom on April 30, 2014 have announced that the entities mentioned above have made a binding offer to acquire the thermal power, renewable power and grid businesses of Alstom (the "Power and Grid Business") subject to review and approvals (regulatory or otherwise) mentioned therein; and has also mentioned that the detailed public statement shall be issued and the Offer proceeded with, only if the underlying transaction described here in before is consummated as provided for in the proviso to regulation 13(4) of the Takeover Regulations. Accordingly, if the underlying transaction is not consummated for any reason, the Acquirer and Persons Acting in Concert shall not proceed with the Offer.

The Board took note of above and decided to take any consequential steps only upon the consummation of aforesaid underlying transaction.

COST AUDITORS

With the approval of the Central Government, your Company has re-appointed M/s. Shome and Banerjee as Cost Auditors of the Company for the financial year ended March 31, 2014, to audit the cost records of the Company related to the applicable products manufactured at its manufacturing facilities. The Cost Audit Report for financial year ended March 31, 2013, of the Company was filed on July 31, 2013, well within the specified time under Companies (Cost Audit Report) Rules, 2011.

M/s. Shome & Banerjee, Cost Accountants, 5A Nurulla Doctor Lane, 2nd Floor, Kolkata - 700017 and M/s. Jugal K Puri & Associates, Cost Accountants, Plot No. 3, Sector 22, Gurgaon - 122015 have been appointed as Cost Auditors of the Company for the financial year ending March 31, 2015 with M/s. Shome & Banerjee, Cost Accountants being the Lead Cost Auditor. Their remuneration approved by the Board, is recommended for ratification by the members at the ensuing Annual General Meeting.

AUDITORS

M/s. S.N. Dhawan & Co., Chartered Accountants, the retiring Auditors have given their consent for appointment, are proposed to be appointed statutory Auditors from conclusion of ensuing 58th Annual General Meeting till the conclusion of 62nd Annual General Meeting in terms of section 139 of the Companies Act, 2013.

The retiring auditors have confirmed in writing that their re-appointment, if made, would be within the limits prescribed under section 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment.

ACKNOWLEDGMENTS

The Board of Directors express their sincere thanks to the various Government/ Regulatory authorities, Company's valued customers, suppliers, vendors, investors, bankers and shareholders for their continued co-operation, trust and support. The Board also expresses its gratitude and deepest sense of appreciation to all the employees, whose professional and committed initiatives and dedication support in furthering Company's objectives.

For and on behalf of the Board

New Delhi
June 16, 2014

T.S. Vishwanath
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo
(Particulars under section 217(1)(e) of the Companies Act, 1956 read with the Companies
(Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988)

A. CONSERVATION OF ENERGY

1. VADODARA UNIT

a. Measures taken to conserve energy

- Saving of the electricity used for AC and lighting by shifting offices to main building
- Utility Operation (Air washer & AC) optimisation in production area
- Air Compressor power reduction by reducing generation pressure by 0.5 bar(g)
- Process Plant Cycle time reduction by improved operation and maintenance

b. Additional investments and proposals being implemented to reduce energy consumption and consequent impact on the cost of production of goods

- Use of LEDs for office lights
- Energy efficient new assets being procured like air compressor, thermo pack, etc.
- Energy audit and implementation by Bureau of Energy Efficiency approved institution
- Reduction in heating energy used for transformer active part by timely availability of tank
- Office window glass sun film fixing to save AC energy

c. Impact of the measures at (a) and (b) above on reduction of energy consumption

- Reduction of electricity consumption of approximately 1 lakh unit (KWH) per year, a saving of approximately Rs. 1 million per year from overhead cost

2. NAINI UNIT

a. Measures taken to conserve energy

- P2 Design, Purchase, TPM offices relocated and integrated with P1 existing offices, leading to reduced electrical power consumption
- Operation switches for 1000 CFM air compressors provided in shop near to operator for timely stoppage
- Normal tube lights changed with CFL where 24 hrs usage like wash rooms, corridors etc.
- Provided identification tags on shop and offices fans and lights in order to switch them off in case not required
- Compressed air pipe lines leakages checked and arrested
- Replacement/ repair of Un-insulated/ damaged by new insulation to reduce heat loss/ energy
- Use of STP water in gardening/ horticulture: Saving approximately Rs. 0.5 million

b. Additional investments and proposals being implemented to reduce energy consumption and consequent impact on the cost of production of goods

- Replacement of existing shop false ceiling mounted lights with low power LED lights resulting in approximately Rs. 2.4 million saving
- Proposal for changing street lights with LED lights which is likely to result in saving of approximately Rs. 0.5 million

ANNEXURE TO THE DIRECTORS' REPORT

- Proposal to install motion sensors in meeting rooms/ offices to switch-off lights as well AC's automatically when there is no occupancy
 - White washing on office roofs to reduce air conditioning load
 - Operating Window AC's at 25°C
 - c. **Impact of the measures at (a) and (b) above on reduction of energy consumption**
 - Consequent reduction in energy consumption and overhead cost
- 3. PALLAVARAM UNIT**
- a. **Measures taken to conserve energy**
 - 7 number of high volume low speed fans installed in the new project
 - LED lighting installed in the new office area
 - SAS cubical assembly shop floor conventional tube light and mercury high bay fittings replaced with energy efficient T5 fittings
 - Natural lighting is used in the new facility (new SAS digital factory building)
 - New solar water heaters are installed in the canteen
 - Twenty solar street lights are installed on the factory roads
 - b. **Additional investments and proposals being implemented to reduce energy consumption and consequent impact on the cost of production of goods**
 - New 500 kVA solar power plant with investment of Rs. 6 million planned. The per unit cost of electricity of solar power plant is less than per unit cost of TNEB power and generator
 - c. **Impact of the measures at (a) and (b) above on reduction of energy consumption**
 - 14 kWh power consumption reduced per day by replacing energy efficient lights
 - 18.5 kWh of power consumption reduced per day by installing solar water heater in canteen
- 10 kWh of power consumption reduced per day by the solar street lights
- 4. HOSUR UNIT**
- a. **Measures taken to conserve energy**
 - Induction lighting (20 nos) installed, thereby reducing around 2 MWh energy per annum
 - New LT/CT bays with LED lightings instead of CFL resulting in saving of 5 MWh energy per annum
 - b. **Additional investments and proposals being implemented to reduce energy consumption and consequent impact on the cost of production of goods**
 - Installation of LED lights in the entire factory planned. With expected savings of approximately Rs. 1 million per annum
 - c. **Impact of the measures at (a) and (b) above on reduction of energy consumption**
 - Saving of 7 MWh energy consumption per annum resulting in saving of approximately Rs. 0.07 million per annum
 - Saving of 120 MWh energy consumption per annum from planned installation of LED lights in the entire plant, resulting in saving of approximately Rs. 1 million per annum
- 5. PADAPPAL UNIT**
- a. **Measures taken to conserve energy**
 - Use of lower capacity genset for specific connected loads and optimisation of genset use
 - Air balancing on centralised AC system corrected and unwanted vents are closed to reduce power consumption
 - Operation controls on air handling units optimised to reduce power consumption
 - b. **Additional investments and proposals being implemented to reduce energy consumption and**

consequent impact on the cost of production of goods

- Based on feasibility provided transparent sheets on roof to use sunlight during daytime-pilot areas
- Use of LED lighting in office
- Use of CFL lamps for street lighting

c. Impact of the measures at (a) and (b) above on reduction of energy consumption

Approximately 50000 units reduction per month in power consumption, a saving of 15%.

B. TECHNOLOGY ABSORPTION ADAPTATION AND INNOVATION

a. Efforts in Technology Absorption Adaptation and Innovation

- 800 kV HVDC transformer TOT under implementation and manufacturing in progress
- 400 kV HVDC transformer manufacturing under process
- Body Tap winding developed for the first time in 765 kV range

b. Benefits derived as a result of the above efforts

- Strengthening company's presence into the Indian HVDC market and broadening of product offerings, helping the Company to tap the new opportunities in this emerging market of HVDC technology

c. Imported Technology (during last five years reckoned from the beginning of the financial year)

For details regarding imported technology and status regarding their absorption, please see the Schedule annexed hereto

d. Expenditure on Research and Development (R&D)

Expenditure on R&D:

- i) Capital : Nil
- ii) Recurring : Rs. 266.92 million
- iii) Total : Rs. 266.92 million
- iv) Total R&D : 0.76 % expenditure as % on turnover

Schedule with reference to B(c)

Sl.No.	Technology	Year of Import	Status regarding absorption
1	220 kV Gas-insulated switchgear	2008	Under absorption
2	765 kV Innovative Elliptical Design	2012	Fully absorbed
3	1200 kV Class Technology absorption for Instrument Transformer CVT and Disconnecter	2012	Fully absorbed
4	420 kV GIS Mono chamber technology	2012	Fully absorbed

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

- Foreign Exchange earnings : Rs. 4,885.2 million
- Foreign Exchange outgo : Rs. 7,667.4 million

For and on behalf of the Board

New Delhi
June 16, 2014

T.S. Vishwanath
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MARKET OVERVIEW

The year 2013-14 was challenging for the T&D market. For the third year, since 2003, the T&D market in India witnessed a market de-growth of the order of 9%, due to fall in demand, led by low investment in the power segment, in industry and infrastructure and impacted by delays in project execution by the customers.

State Electricity Boards (SEBs) which are reeling under losses of Rs. 2.35 trillion has constricted across the entire generation and T&D value chain, deeply impacting the cash flow of the GENCOs and T&D suppliers. Inability to purchase power has impacted private power operators who, today, have made huge investments in power plants but are unable to recover their investments. This had a ripple effect on us delaying the development and execution of the power and T&D projects in India.

Our customers witnessed frequent delays in their projects due to variety of reasons such as land acquisition, environment and lending related issues. Consequently your Company's sales plans were disturbed and delayed since several of our customers in SEB and IPP segment had cash flow issues due to the poor realisation from their customers. Your Company, thus had to face significant delays in payment realisation.

Lack of fuel supply, issues of land acquisition and delayed environmental clearances have put additional stress on the power sector. 50GW of power generation capacity (24% of capacity) is stranded due to fuel supply issues and lack of demand from SEBs. Most of the SEBs have poor T&D infrastructure. Hence power cannot be wheeled through the transmission

network within the states. Thus, the investment climate, in power sector, continues to be bleak and uncertain. Most of the new projects are, thus, either delayed or shelved.

Poor consumption cycle in Industry and Infrastructure has slowed down capital investments in metals and mining sector, airports and other industries. Several large Industrial players are struggling with liquidity issues and have gone for debt recasts selling assets and withholding investments. Industrial revival will play a crucial role in 2014-15 for expanding T&D opportunities from industrial customers.

On the positive side, India added 55,000 MW of additional generation capacity to the grid during the 11th plan period followed by 38,000 MW in the first two years of 12th plan in years 2012-13 and 2013-14.

Utilities both at state and central level are strengthening and modernising their T&D infrastructure to transmit this additional generation and trying to build a more robust grid. Thus, it creates opportunities for your Company for the year 2014-15 and beyond.

Government of India has also finalised the Financial Restructuring Plan (FRP) to help the SEBs to restructure their financial debts and clean up their balance sheets. Eleven major SEBs have agreed, in principle, to go for FRP in 2014-15. However, the progress in FRP implementation has been rather slow due to national elections and lack of push from the respective states.

Thus year 2014-15 is expected to be a flat year for growth as the new policies are expected to be announced.



Alstom's GIS solutions substantially reducing substation footprint

OPPORTUNITIES AND THREATS

Opportunities

Energy needs of the country are growing at a very fast pace to meet increasing consumer demand. The social aspect of availability of electricity has a far reaching effect on the economy and is key to achieving GDP growth rates of 8% and beyond. Power generation and T&D sectors are the key levers to achieve this accelerated GDP growth. India is likely to add power generation capacity of 88,000 MW in the 12th plan period (2012-17). Almost 80% of these projects have already been ordered but the majority of T&D equipment including exit substations for power generation capacity is yet to be ordered. Expansion of this additional power generation capacity of the country will create new opportunities for the Company in the form of additional T&D infrastructure in the central grid as well as in the state grid.

SEBs which need to upgrade their transmission, sub-transmission and distribution grids to cope with the additional power generation capacity are expected to move to higher

voltages such as 400 kV and 765 kV. Supported by Government of India's ambitious financial restructuring package, four big states, viz., of Tamil Nadu, Jharkhand, Uttar Pradesh and Rajasthan have proposed to strengthen their grid infrastructure while several other states have shown willingness to come on board. Such reforms would allow the SEBs to modernise their T&D infrastructure.

After the grid black-out in July 2012, Power Grid, at the central level, is focused on improving grid stability and enhancing grid infrastructure. Power Grid is planning to introduce advanced technologies such as 765 kV EHV, HVDC, SVC's and 1200 kV AC UHV to manage the power flow resulting out of the target addition of 88,000 MW of power to the national grid in the 12th plan period. In the first phase about 14 SVC /STATCOM projects have been identified for implementation during 2014-16 period. In the second phase another 10 to 15 SVC/STATCOM projects are expected to be implemented by 2017. National authorities have also decided to go for imbibing new technologies - such as Wide Area Monitoring systems using high technology Phasor Measurement Units (PMU).

All these initiatives by the SEBs and Power Grid offer growth opportunities for your Company in the 12th plan period.

To reduce human intervention and to improve cyber security for optimised grid performance, Power Grid and other SEBs have been exploring Smart Grid solutions, such as digital relays, advanced network management systems and asset management solutions.

Your Company has recently launched its completely localised MiCOM range of digital relay, which is Smart Grid enabled. This provides a unique opportunity for your Company to cater to these emerging needs of major grid and substation operators to run their

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

substation optimally with minimal human intervention.

Today, when land has become difficult to acquire and also has become expensive, the Company's localised Gas Insulated (GIS) technology based substations are the key to solving such issues. GIS could be built in 20% of land foot print, typically required by Air Insulated Substations (AIS). This is expected to drive the growth of GIS technology in the country.

Considering the depleting domestic fossil fuel reserves in the country and increasing demand for cleaner energy consumption, Ministry of Power has plans to develop Green Energy Corridors based on renewable power across the country. In the high renewable penetration scenario, strengthening and expansion of grid interconnection is an essential requirement for dealing with the challenges of renewable grid integration.

With the integration of southern grid in December 2013, India has become the largest synchronised grid in the world today, with one robust grid across the country. Government of India is also supporting the development of inter-regional grid with neighbouring countries like Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives and Pakistan to develop a strong SAARC grid network. This opens new opportunity avenues for the Company to utilise its local manufacturing base and expand to SAARC markets.

Your Company has already localised most of these advanced technologies, which are going to drive the growth of T&D in Power Grid, SEBs, Industries and Infrastructure segments.

Threats

The power generation sector continues to be adversely impacted by inadequate supply of fuel linkages, low demand and suffering from constraints of land availability, delayed

environmental clearances, etc. Industry and Infrastructure are looking for revival under more conducive economic environment. Limited market growth opportunities coupled with oversupply are driving down market prices, increasing the threat factors. Your Company is well aware of the adverse circumstances and is prepared to deal with the challenges, as it did in the last three years.

BUSINESS PROJECTIONS

The overall business environment is expected to remain challenging for the next fiscal year. Pricing pressure on margins and cash flow would be amongst the key challenges. Your Company having regard to good order book and expectation of easing of constraints is confident that it will continue to reach new milestones and deliver value to its shareholders and other stakeholders.

SUPPORT FUNCTIONS - BUSINESS PARTNERS

Human Resources

During the year, the talent management and development practices of your Company were continuously aligned with Company's business priorities under its institutionalised HR Governance framework. Initiatives, such as effective employee engagement, HR Communication and capability building were undertaken. Your Company showed a greater resilience and readiness in addressing location specific business challenges and priorities about consolidation, implementation of new initiatives. During the year under review, the industrial relations (IR) scenario was peaceful and conducive to the business changes. The employees of the company are fully aware of the market challenges and are strongly contributing in improving productivity, efficiency of industrial production and minimisation. As a result of these efforts, the attrition level is well below the industry benchmark. The total

employee strength of the Company was 3,399 and, during the year under review, 224 new employees were inducted.

Finance

During the year, your Company took appropriate measures to manage the working capital in a focused approach to mitigate the risk of difficult cash situation with some of our customers and reduced capital expenditure by power companies. Our actions resulted in reduction in inventories by 9 days of sales, other current assets and loans and advances by 11 days and 6 days respectively. However, significant delay in customer payment and drying up of advances in the new orders booked during the year resulted in an overall increase in working capital to 100 days of sales compared to 68 days of sales during March 2013.

Additional manufacturing capacities are added for the new products to meet the customer needs on new technology. The capital expenditure has been fully met through internal resources and borrowings maintaining the finance cost of the company at the same levels as last year.

During the year, in order to maintain a minimum public shareholding of 25% as required under Equity Listing Agreement with Stock Exchanges, your Company issued and allotted 16,942,500 equity shares of Rs. 2 each to Qualified Institutional Buyers at a price of Rs. 165 per share (including premium of Rs. 163 per equity share) under Institutional Placement Programme. The issue was subscribed by more than two times, reinforcing the confidence of the investors. The amount raised through the issue, aggregating Rs. 2,796 million, was primarily used for repayment of loans.

The long term credit rating for the Company for fund based and non-fund based limits has been reaffirmed as [ICRA] AA-with negative outlook

which means high degree of safety regarding timely servicing of financial obligations and such instruments carry very low credit risk. For short term, credit rating has been reaffirmed as [ICRA]A1+ which means a very strong degree of safety regarding timely payment of financial obligations and such instruments carry lowest credit risk.

INVESTOR RELATIONS

With stakeholder engagement being a priority, your Company continued its communication with quarterly interactive investors' conference calls. These calls created interface for the senior management with analysts and investors to communicate Company's operational and financial performance, major developments and overall business environment. Investor Relations Head of the Company addresses queries of Investors and Analysts.

Your Company also kept investors informed of major developments by disseminating information through press releases and Stock Exchange communications. In addition, all presentations made to investors/analysts and financial results are hosted on website www.alstom.com/india.

RISK AND INTERNAL CONTROLS

The Company has an internal control process which aims at providing reasonable assurance about the realisation of objectives in terms of - reliability of financial information, compliances with laws and regulations in force and realisation and optimisation of operations.

Internal Control assessments by the company and review by the independent auditors/ internal auditors bring out the areas of control

weakness and remediation. Internal control assessments cover all the aspects of business processes under 13 chapters. Each chapter contains identification of key controls and non-key controls. Manufacturing and project activities of the Company are classified in terms of volumes of transactions and are accordingly subject to relative rigour of testing controls. Every process is identified into one of four categories namely unreliable, informal, standardised and monitored.

The assessment happens based on the current status of the process and for further improvement time bound action plans are laid down. The progress of such action plans are monitored through a web based tool.

OUTLOOK

Overall, transmission sector outlook is positive as well as challenging, driven by Power Grid and SEB led investments, to evacuate/ transport power generated by capacity added in the 11th Plan.

Your Company, with a good order book, localised footprint, high technology based products and solutions and balanced portfolio of products and projects, is well placed to capture the market growth and retain its leadership position in the transmission sector.

As the Indian grid evolves, investments in Super Grids and Smart Grids will offer increased opportunities for high technology solutions like HVDC, STATCOM, SVC and grid stability equipments. Alstom T&D India, with its localised portfolio of products and solutions backed by new investment plans in capacity building and technologies, is focused on enhancing its customer base by being the preferred choice for grid

technologies and increase its market share in existing as well as in the emerging market opportunities.

The Company, however, recognises that the market conditions in India would pose challenges like, pressure on margins, delayed customer projects, impacting timely sales and cash realisation. Notwithstanding, the Company's management team remains holistically focused and committed to deliver increased value for its stakeholders.

With the formation of the new government at the centre, the company is optimistic that actions will be taken to revive the economy through increase in capital expenditure in utilities, power generation, industry and infrastructure. This augurs well for the Company's future prospects. Your Company is fully ready to address such growth opportunities in the near future.

CAUTIONARY STATEMENT

This Management Discussion and Analysis statement contains, what could be regarded as forward-looking statements and information. These statements include forecasts and estimates as well as the assumptions on which they are based, statements related to projects, objectives and expectations concerning future operations, products and services or future performance. The readers are hereby cautioned and advised that these forward-looking statements are subject to numerous risks and uncertainties that are difficult to foresee and actual outcomes might differ significantly.

For and on behalf of the Board

New Delhi
June 16, 2014

T.S. Vishwanath
Chairman

REPORT ON CORPORATE GOVERNANCE

In terms of the clause 49 of the Listing Agreement with the Stock Exchanges, this Report along with the chapter on Management Discussion and Analysis reports on Company's (Alstom T&D India Limited, hereinafter also referred to as the 'Company' or 'Alstom T&D India') compliance on Corporate Governance provisions applicable to Listed Companies in India.

Company's philosophy on Corporate Governance

In rapidly changing business and technological environment, your Company regularly reviews its strategic direction; operational efficiency and effectiveness; reliable reporting and compliances and such measures so as to meet various stakeholders' expectations and long term sustainability.

Your Company continues to maintain its industry leadership, by pursuing excellence in everything it does including standards of business conduct. The Company's philosophy on Corporate Governance revolves around principles of ethical governance and is aimed at conducting of business in an efficient and transparent manner and in meeting its obligations to shareholders and other stakeholders. This objective is achieved by adopting corporate practices based on principles of transparency, accountability, fairness and integrity to create long term sustainable value for all its stakeholders.

Board of Directors

For Alstom T&D India corporate governance begins at the top of its Governance structure, its Board of Directors, which comprises of eminent experts who are committed to the key underlying principles and values that constitute the best standards of corporate governance.

A. Composition of the Board

The present strength of the Board of Directors is six. Of the total six Directors, four Directors are non-executive including two independent Directors, one of whom is Chairman of the Board. The composition of the Board is in conformity with the clause 49 of the Listing Agreement, which stipulates that at least 50 per cent of the Board should consist of non-executive Directors and in case the Chairman is a non-executive independent Director, at least one-third of the Board should be independent. The Company also has one Alternate Director to Mr. Pierre Laporte.

B. Brief particulars of the Directors

Mr. T.S. Vishwanath- Chairman (Non-executive - Independent)

Mr. T.S. Vishwanath, 66, is a Bachelor of Commerce (Honours) from Delhi University and a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He is a distinguished Alumni Awardee-Shriram College of Commerce, Delhi University(1996).

Mr. Vishwanath is a Practicing Chartered Accountant and served as President of ICAI during 1996-1997 and as President of South Asian Federation of Accountants in 1999. He is the Chairman of the Standing Committee on Accounting Issues (SCAI) of the Insurance Regulatory & Development Authority and Co-Chairman of Indo-UK Accountancy Task Force. He was on the Board of International Accounting Standards Board (IASB) of International Accounting Standards Committee (IASC) during 1998-2000.

He was a member of Committee on Substantial Acquisition of Shares and Takeover Regulations (constituted by Securities and Exchange Board of India (SEBI) and Advisory Committee on the Primary Markets (constituted by SEBI) in 1996. He has also served on many committees constituted by the Government of India, regulatory authorities, professional bodies and chambers of commerce from time to time.

He is Chairman of the Audit Committee and Stakeholders Relationship Committee of the Company. He has also been appointed as a member of Nomination and Remuneration Committee.

He is also on the Board of The Karnataka Bank Limited and LIC NOMURA Mutual Fund Asset Management Company Limited. He is chairman of the Audit Committee of LIC NOMURA Mutual Fund Asset Management Company Limited and also chairman of Shareholders/ Investors Grievance Committee (now known as Stakeholders Relationship Committee) of The Karnataka Bank Limited.

Mr. Rathindra Nath Basu - Managing Director

Mr. Rathindra Nath Basu, 59, is Country President and Managing Director of Alstom T&D India Limited since February 1, 2007. Mr. Basu holds B.Tech (Electronics) from Science College, Calcutta University and B.Sc (Honours in Physics) from St Xavier's, Calcutta University. He has also attended the Advanced Management Program at Insead, France and a program on Global Electricity Markets at London Business School.

He has 36 years of rich experience in organisations, which include, AREVA group and NTPC Limited. He started his career in 1978 with NTPC. He joined Cegelec India in 1985 as the Head of the Energy Division and he was appointed as the CEO of Cegelec India in June 1989. In 1998, post Cegelec's merger with ALSTOM (erstwhile GEC ALSTHOM), he was nominated as the Managing Director of two separate business divisions of your Company - the Turnkey Systems and Automation business. He then moved to Alstom T&D, Paris in a global role where he led the Power Distribution Product Line during 2003-2007 as Vice President (Power Distribution).

He is also member of National Committee on Power, Capital Goods Committee and National Manufacturing Council in Confederation of Indian Industry. He is also Executive Council member in Federation of Indian Chambers of Commerce and Industry.

He is member of the Stakeholders Relationship Committee and Corporate Social Responsibility Committee of the Company.

Mr. Basu is Country President India & South Asia for Alstom and is also on the Board of Alstom India Limited, Alstom Transport India Limited and Alstom Boilers India Limited.

He is member of Audit Committee and Stakeholders Relationship Committee of Alstom India Limited; and also member of Audit Committee and Remuneration Committee of Alstom Transport India Limited.

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

Mr. S.M. Momaya, 58, is a Chartered Accountant with 34 years of extensive experience acquired through various positions in Power, Transmission & Distribution and Instrumentation businesses. He has been working with Alstom group since 1987.

He has been Chief Financial Officer of Alstom India Limited from August 2000 to August 2013, Chief Financial officer to ALSTOM Power Boilers Limited during 1998 to 2000 and Chief Financial Manager of ABB Instrumentation Limited during 1995 to 1998.

He is member of Corporate Social Responsibility Committee of the Company.

At present, he is also on the Board of Alstom India Limited, Alstom Power Boilers Services Limited, Alstom Manufacturing India Limited and Grid Equipments Limited.

He is also member of Corporate Social Responsibility Committee of Alstom India Limited and Audit Committee of Grid Equipments Limited.

REPORT ON CORPORATE GOVERNANCE

Mr. Michel Augonnet - Director (Non-executive)

Mr. Michel Augonnet, 63, is a Graduate in Electrical Engineering from Ecole Supérieure d'Electricité (France). His career started in 1974 at Cegelec Energy Division. In a career span of 38 years, he has held several key positions in Cegelec, ALSTOM and ABB ALSTOM. At present, he is Senior Vice President - Commercial Solutions, ALSTOM Grid.

Mr. Augonnet is member of Nomination and Remuneration Committee of the Board of Directors of the Company.

Mr. Pierre Laporte - Director (Non-executive)

Mr. Pierre Laporte, 52, has a Masters Degree in Business Law from University of Paris I Pantheon Sorbonne. His career started in 1987 as an Attorney specialising in Business Law. He has held several key positions in Baker Mackenzie, General Electric and AREVA T&D, where he was the General Counsel. He has worked in Europe, Middle East, Africa and in Asia Pacific. Currently, he is working as Senior Vice President Legal with Alstom Grid.

Mr. Laporte is a member of the Audit Committee of the Company.

Mr. Chandan Roy - Director (Non-executive - Independent)

Mr. Chandan Roy, 63, is a graduate in Mechanical Engineering from Nagpur University. He has served in NTPC for 33 years and retired as one of the Board Member - Director (Operations), wherein he was responsible for the operation and maintenance of more than 30,000 MW power station fleet. Under his leadership, the NTPC plant performance levels achieved record breaking plant load factors and plant availability of more than 92%.

Mr. Roy has held other senior management positions in the subsidiary companies and Joint Venture companies of NTPC like, Chairman of Ratnagiri Power Project Limited (earlier known as Dhabol Power Project Limited) and Bhartiya Rail Bijlee Company Limited, Board Member of NTPC Vidyut Vyapar Nigam Limited, Nuclear Power Corporation of India Limited and West Bengal Power Development Corporation Limited.

Mr. Roy has been in the power sector for more than 37 years and has exposure in all facets of Power Sectors, viz, Project Appraisal, Engineering, Contract Management, Construction Project Management, Operation and Maintenance, Regulatory Advocacy, etc.

Mr. Roy currently serves with Boards of several well known companies such as L&T Power Development Limited, Maithon Power Limited, DC Industrial Plant Services Limited, Coastal Gujarat Power Limited and IL&FS Tamil Nadu Power Company Limited.

He also holds directorship in PLF Energy Maxima Pvt. Ltd. and Feedback Power Operations & Maintenance Services Pvt. Ltd.

He is member of Audit Committee and Stakeholders Relationship Committee of the Company. He has been appointed as chairman of Corporate Social Responsibility Committee and Nomination and Remuneration Committee of the Company.

He is also member of Nomination & Remuneration Committee, Corporate Social Responsibility Committee & Committee of Directors of IL&FS Tamil Nadu Power Company Limited.

Mr. Ravi Kumar Krishnamurthy (Alternate Director to Mr. Pierre Laporte)

Mr. Ravi Kumar Krishnamurthy, 46, is a member of the Institute of Cost Accountants of India and Institute of Company Secretaries of India and has rich experience of 21 years in finance, legal, sourcing, Information Technology and Human Resource functions. He is working as Head of the Air Insulated Substation business of the Company.

C. Attendance of Directors at Board Meetings, last Annual General Meeting and their directorships and committee positions

Details of attendance of the Directors at Board Meetings, last Annual General Meeting and their directorships and committee positions during the financial year under report is as under:

Sl. No.	Name of Director	Category	Number of Board Meetings attended		Attendance at the last AGM held on 10.07.2013	Number of outside directorships of public companies ¹ (As on March 31, 2014)	Number of Outside Board-level Committees ² where chairperson or member (As on March 31, 2014)	
			Held during their tenure	Attended			Member	Chairman
1	Mr. T.S. Vishwanath (Chairman)	Non-executive - Independent	13	12	Yes	2	-	2
2	Mr. Rathindra Nath Basu (Managing Director)	Executive	13	13	Yes	-	-	-
3	Mr. S.M. Momaya (Whole-time Director & CFO) ³	Executive	8	8	N.A.	4	1	-
4	Mr. Michel Augonnet	Non-executive	13	2	Yes	-	-	-
5	Mr. Pierre Laporte	Non-executive	13	2	-	-	-	-
6	Mr. Chandan Roy	Non-executive - Independent	13	11	Yes	5	-	-
7	Mr. Ravi Kumar Krishnamurthy (Alternate Director) ⁴	Executive	13	-	-	-	-	-
8	Mr. Michel Serra ⁵	Non-executive	5	2	Yes	N.A.	N.A.	N.A.

¹ Excludes foreign directorships and private limited companies

² Audit Committee and the Shareholders' Grievance Committee/ Stakeholders Relationship Committee

³ Appointed as a Director w.e.f. August 19, 2013 and as Whole-time Director & Chief Financial Officer w.e.f. September 1, 2013

⁴ Alternate Director to Mr. Pierre Laporte. Due to Mr. Laporte's presence in India on April 29, 2013, Mr. Krishnamurthy ceased to be an Alternate Director for short spell of time and was re-appointed as an alternate Director to Mr. Pierre Laporte w.e.f. April 30, 2013.

⁵ Ceased to be a Director w.e.f. August 19, 2013

As mandated by the clause 49 of the Listing Agreement, none of the Directors is a member of more than ten Board-level committees of public limited Indian companies; nor are they Chairperson of more than five committees in which they are members. Moreover, none of the Directors of the Company is related to the other, or to any other employee of the Company.

D. Number of Board Meetings

During the financial year ended March 31, 2014, the Company held 13 Board meetings on - April 16, 2013, April 29, 2013, May 27, 2013, July 10, 2013, July 27, 2013, August 19, 2013, September 27, 2013, October 31, 2013, November 21, 2013, November 27, 2013, November 30, 2013, December 4, 2013, and January 31, 2014.

E. Code of Conduct and Ethics

In line with the clause 49 of the Listing Agreement, the Company's Board of Directors have laid down a 'Code of Conduct and Ethics for Directors and Senior Executives' of the Company. The Code is posted on the Company's website - www.alstom.com/india.

The purpose of this 'Code of Conduct' is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders.

As part of Alstom Group, all employees of the Company and whoever represents the Company in whatever capacity, is required to create and maintain a strong culture of integrity and compliance in all activities, in all places, and at all times. The employees of the Company re-affirm and reiterate their long-standing commitment to ethics, compliance and corporate values.

REPORT ON CORPORATE GOVERNANCE

Under Ethics and Compliance, the Company continues to educate its employees and make them aware of Alstom Integrity Programme and policies, importance of reporting violations of anti-corruption, competition or securities or accounting laws and regulations. As a part of the Alstom Integrity Programme, all employees acknowledge their commitment to abide by Alstom Integrity Programme as set forth in Code of Ethics that is provided to all the employees, holding each of them accountable and responsible for compliance. Employees receive trainings through e-learning modules and classroom trainings to help them apply integrity policies to their particular job functions. During the year ended March 31, 2014, the Ethics and Compliance Department trained 153 people across locations.

Compliance with the 'Code of Ethics' is regularly monitored by the Company.

The Managing Director, Mr. Rathindra Nath Basu has made a declaration that members of the Board and Senior Management Executives have affirmed compliance with the Companies "Code of Conduct and Ethics for Directors and Senior Executives" for the financial year ended March 31, 2014.

Remuneration to Directors

Details of remuneration to Directors, both executive and non-executive, during the financial year ended March 31, 2014 are as under:

A. Non-executive Directors

(Amount in Rs.)

Sl. No.	Name of the Director	Position	Sitting Fee	Commission	Total
1	Mr. T.S. Vishwanath	Chairman-Non-executive	490,000	5,400,000	5,890,000
2	Mr. Chandan Roy	Director	435,000	600,000	1,035,000
3	Mr. Michel Augonnet	Director	Nil	Nil	Nil
4	Mr. Pierre Laporte	Director	Nil	Nil	Nil
5	Mr. Michel Serra*	Director	Nil	Nil	Nil

* Ceased to be a Director w.e.f. August 19, 2013

Notes:

- In addition to the sitting fees, for attending the Board and/or Committee meetings, in terms of the approval of Shareholders by way of Special Resolution at its meeting held on July 27, 2012, such of the non-executive Directors resident in India are entitled to remuneration by way of commission of such amount, proportion and manner, as may be determined by the Board; not exceeding in the aggregate 1% (one percent) of the net profits of the Company in a financial year computed in the manner laid down in section 198 of the Companies Act, 1956.
- The criteria for payments, including the extent, amount, proportion and manner of payment, to non-executive Directors, resident in India, is determined by the Board having regard to the time spent by such Directors for the Company's business and in the case of non-executive Chairman, also the time spent in discharging the said role, over and above the time ordinarily spent by other non-executive Directors.
- No sitting fees was paid to the non-executive Directors employed within Promoter Group for attending Board or Committee Meetings.

B. Executive Directors

(Amount in Rs.)

Sl. No.	Name of the Director	Designation	Salary	Allowances	Bonus	Retiral Benefits	Perquisites	Total
1	Mr. Rathindra Nath Basu	Managing Director	8,845,587	3,281,536	3,133,274	2,807,050	521,776	18,589,223
2	Mr. S.M. Momaya	Whole-time Director & CFO	2,068,899	3,083,450	-	649,324	4,140	5,805,813
3	Mr. Ravi Kumar Krishnamurthy*	Head - AIS Business	2,487,000	4,154,569	1,266,328	786,096	30,186	8,724,179

*Alternate Director to Mr. Pierre Laporte. Due to Mr. Laporte's presence in India on 29.04.2013, Mr. Krishnamurthy ceased to be an Alternate Director for short spell of time and was re-appointed as an Alternate Director to Mr. Pierre Laporte w.e.f. 30.04.2013.

Notes:

- At the Annual General Meeting held on July 10, 2013, Mr. Rathindra Nath Basu was re-appointed as the Managing Director of the Company for a period of two years with effect from February 1, 2014 commencing immediately after the expiry of his tenure on January 31, 2014
- Mr. S.M. Momaya was appointed as Whole-time Director & Chief Financial Officer of the Company with effect from September 1, 2013.
- Notice period and severance fees: Three months' notice or three months' salary in lieu of notice may be given by the Company; and three months' notice may be given by the Executive Directors (or such shorter notice as may be agreed) subject to terms of their employment.
- Bonus to Executive Directors is paid in terms of the Alstom group/ Company policy and is determined based on the performance of the Company and the Executive Directors within the limits laid down in the Companies Act, 1956.
- Remuneration to Executive Directors excludes cost of employee share based payments for stocks of Alstom SA France, the ultimate parent company, as the same is not recharged to the Company.
- Remuneration to Executive Directors excludes expenditure for compensated leave, as the expense is booked based on actuarial valuation done on a total Company basis.

Shareholding of Directors

None of the Directors holds any equity shares or convertible instruments in the Company.

CEO/ CFO Certification

In terms of clause 49 of the listing agreement, the Managing Director, Mr. Rathindra Nath Basu and the Whole Time Director and Chief Financial Officer, Mr. S.M. Momaya have given annual certification on financial reporting and internal controls to the Board. The said annual certificate given by them is published in this report.

Committees of the Board of Directors

A. Audit Committee

The Company has an adequately qualified and independent Audit Committee. As on March 31, 2014, the composition of the Committee was as under:

Sl. No.	Name of Director	Category
1	Mr. T.S. Vishwanath	Independent Director with Financial Management Expertise - Chairman
2	Mr. Chandan Roy	Independent Member
3	Mr. Pierre Laporte	Member

The above composition duly meets the requirement under amended clause 49 of the Listing Agreement.

Mr. Rathindra Nath Basu, Managing Director, is a permanent invitee to all Audit Committee meetings. The Whole-time Director & Chief Financial Officer, Director Finance, Internal Auditors and the representatives of Statutory Auditors and Cost Auditors are invitees to the relevant meetings of the Audit Committee.

The terms of reference of the Audit Committee during the year under review were in accordance with clause 49 of the Listing Agreement and the Companies Act, 1956.

The Board of Directors of the Company at its meeting held on April 14, 2014 have effected changes to the terms of reference of the Audit Committee in terms of section 177 of the Companies Act, 2013 read with the rules framed thereunder, clause 49 of the Listing Agreement or any other laws/rules, as applicable or amended from time to time.

The Audit Committee acts as a link between the management, external and internal Auditors and the Board of Directors.

During the financial year ended March 31, 2014, the Company held seven Audit Committee meetings on - April 29, 2013, May 27, 2013, July 27, 2013, August 19, 2013, October 31, 2013, January 30, 2014, and January 31, 2014. The attendance of the Audit Committee Members at the said meetings is detailed below:

Sl. No.	Name of Director	Number of Meetings attended
1	Mr. T.S. Vishwanath	7
2	Mr. Pierre Laporte	1
3	Mr. Chandan Roy	7

Mr. T. S. Vishwanath, Chairman of Audit Committee attended the last Annual General Meeting of the Company.

B. Share Transfer and Shareholders/ Investors Grievance Committee (now re-named as "Stakeholders Relationship Committee")

The Board of Directors have constituted a "Share Transfer and Shareholders/ Investors Grievance Committee" in terms of the Listing Agreement which has since (April, 2014) been re-named as Stakeholders Relationship Committee.

REPORT ON CORPORATE GOVERNANCE

The present composition of the Committee is as under:

Sl. No.	Name of Director	Category
1	Mr. T.S. Vishwanath	Chairman
2	Mr. Rathindra Nath Basu	Member
3	Mr. Chandan Roy	Member

During the financial year ended March 31, 2014, the Company held 22 Stakeholders Relationship Committee meetings on - April 4, 2013, April 29, 2013, May 9, 2013, May 27, 2013, June 5, 2013, June 25, 2013, July 27, 2013, August 6, 2013, August 19, 2013, September 13, 2013, September 27, 2013, October 14, 2013, October 24, 2013, November 11, 2013, November 27, 2013, December 11, 2013, December 24, 2013, January 13, 2014, January 28, 2014, February 20, 2014, March 12, 2014 and March 31, 2014.

The Committee is responsible for all matters concerning the share transfers, transmissions, issue of duplicate share certificates and attending to the grievances of the shareholders. Effective from April 14, 2014, the terms of reference of the committee, in addition to those which are already entrusted by the Board, also includes terms of reference, as per section 178 of the Companies Act, 2013, clause 49 of the Listing Agreement or any other laws/rules, as applicable or amended from time to time.

The Company has appointed Mr. Manoj Prasad Singh, Company Secretary as the 'Compliance Officer', who may be contacted for any matter relating to share transfers/ transmissions, non-receipt of Annual Reports, Dividend, etc.

There was one complaint pending for resolution as at April 1, 2013 which stood resolved on April 16, 2013. During the financial year ended March 31, 2014, the Company received twelve complaints from shareholders. These were replied suitably to the satisfaction of the shareholders, barring one complaint received on March 31, 2014, which has since been resolved on April 08, 2014.

There were no shares pending for transfer as at March 31, 2014.

C. Nomination and Remuneration Committee

In terms of recently notified section 178 of the Companies Act, 2013 read with the rules framed thereunder, the Board of Directors of the Company at its meeting held on April 14, 2014 have constituted Nomination and Remuneration Committee.

Sl. No.	Name of Director	Category
1	Mr. Chandan Roy	Independent Director- Chairman of the Committee
2	Mr. T.S. Vishwanath	Independent Director- Member
3	Mr. Michel Augonnet	Non-executive Director- Member

The terms of reference of the Nomination and Remuneration Committee are as per section 178 of the Companies Act, 2013 read with the rules framed thereunder, clause 49 of the Listing Agreement or any other laws/rules, as applicable or amended from time to time.

D. Corporate Social Responsibility (CSR) Committee

Your Company is focused to address the objectives and requirements set for CSR both in letter and spirit of the provisions of the Companies Act, 2013 and intends to be a significant and durable contributor to CSR initiatives in India by devising and implementing social improvement projects, wherein it could employ technological innovation(s) in favour of disadvantaged communities, towns and villages.

In terms of recently notified section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted Corporate Social Responsibility Committee on April 14, 2014.

The composition of the committee is as under:-

Sl. No.	Name of Director	Category
1	Mr. Chandan Roy	Independent Director- Chairman of the Committee
2	Mr. Rathindra Nath Basu	Managing Director - Member
3	Mr. S.M. Momaya	Whole-time Director & CFO – Member

The terms of reference of the Corporate Social Responsibility Committee are as per section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014 or any other laws/rules, as applicable or amended from time to time. It's mandate include recommending to the Board of Directors a CSR Policy, expenditure to be incurred on CSR and monitor CSR activities.

E. Other Committees of the Board

In addition to above referred committees, the Board of Directors of the Company have also constituted Committee of Directors on Valuation and Disposal of Assets.

General Body Meetings

The details of General Body Meetings held during the last three years are given below:

Sl.No.	Date	Time	Venue
Annual General Meetings			
1	May 4, 2011	9:30 a.m.	Air Force Auditorium, Subroto Park, New Delhi-110 010
2	July 27, 2012	9:30 a.m.	Air Force Auditorium, Subroto Park, New Delhi-110 010
3	July 10, 2013	9:30 a.m.	Air Force Auditorium, Subroto Park, New Delhi-110 010
Extra-ordinary General Meetings			
1	July 30, 2011*	10:00 a.m.	The Auditorium, Iskcon Temple Complex, Sant Nagar, East of Kailash, New Delhi-110 065
2	January 23, 2012	9:30 a.m.	The Auditorium, Iskcon Temple Complex, Sant Nagar, East of Kailash, New Delhi-110 065
3	October 31, 2013	9:30 a.m.	Sri Sathya Sai International Centre, Pragati Vihar, Lodhi Road, New Delhi-110 003.

*convened as per direction of Hon'ble High Court of Delhi for approving Scheme of Arrangement for Demerger

A. Special resolutions passed in General Meetings during last three years

Annual General Meetings (AGM)

May 4, 2011

- Appointment of Mr. Arvind Pachauri, already holding the position of Associate Director-Human Resource, as Alternate Director to Mr. Pierre Laporte.

July 27, 2012

- Payment of commission to Non-executive Directors resident in India, such sum not exceeding in the aggregate one percent of the net profits of the Company in a financial year for a period of 5 (five) years commencing from January 1, 2011.
- Appointment of Mr. Ravi Kumar Krishnamurthy, already holding the position of Head-AIS Business, as Alternate Director to Mr. Pierre Laporte.

July 10, 2013

- Appointment of Mr. Ravi Kumar Krishnamurthy, already holding the position of Head-AIS business, as Alternate Director to Mr. Pierre Laporte.

Extra-ordinary General Meetings

July 30, 2011

- Approval of Scheme of Arrangement for Demerger under section 391 to 394 of the Companies Act, 1956 (with requisite majority).

January 23, 2012

- Change in name of the Company from AREVA T&D India Limited to Alstom T&D India Limited.
- Appointment of Mr. Ravi Kumar Krishnamurthy, already holding the position of Head of Hosur Unit, as Alternate Director to Mr. Pierre Laporte.

October 31, 2013

- Creation and issue of Equity Shares of the Company under Institutional Placement Programme to Qualified Institutional Buyers in terms of Chapter VIII-A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the purpose of achieving minimum level of public shareholding as required under Securities Contracts (Regulation) Rules, 1957.

REPORT ON CORPORATE GOVERNANCE

B. Resolutions by Postal Ballot

None of the resolutions was required to be passed through postal ballot during the year under report.

Disclosures

Materially significant related party transactions

There were no materially significant related party transactions during the year under report having conflict with the interests of the Company.

Institutional Placement Programme (IPP)

During the year, in order to comply with the Securities Contracts (Regulation) Rules, 1957 and clause 40A of the Equity Listing Agreement with Stock Exchanges, which requires the Company to maintain a minimum public shareholding of 25%, the Company issued and allotted 16,942,500 equity shares of face value of Rs. 2 each at an Issue Price of Rs. 165 per equity share (including a premium of Rs. 163 per equity share) by way of an Institutional Placement Programme (IPP) to Qualified Institutional Buyers in terms of Chapter VIII-A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, details whereof have been detailed in the Directors' Report and in Notes to the Financial Statements.

Details of non-compliance

The Company has complied with all the requirements of the Listing Agreement with the Stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any other statutory authority on matters relating to capital markets during the last three years.

Whistle Blower policy

The Company has not adopted any formal Whistle Blower policy, but no personnel has been denied access to the Audit Committee. As a part of Alstom Group, employees of the Company have access to the Global Alstom Alert Procedure to report concerns about potential corruption, competition, securities and accounting laws violations.

The Company is in the process of formulating a policy for Vigil Mechanism (Whistle Blower Policy) which shall be formally adopted in due course in line with the provisions of Companies Act, 2013 and the terms of listing agreements with the Stock Exchanges.

Compliance with clause 49

The Company has complied with all the applicable mandatory requirements of the clause 49. The Company has adopted non-mandatory requirements wherever necessary. Also, the Company's financial statements are free from any qualifications by the Auditors.

Code of Conduct for Prevention of Insider Trading

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 1992, the Company has adopted a 'Code of Conduct' for its Directors, management and staff. The Code lays down guidelines which advise management and staff on procedures to be followed and disclosures to be made while dealing with Securities of the Company, and cautions them of the consequences of violations.

Management Discussion and Analysis

Management Discussion and Analysis report forms part of the Directors' Report.

Means of Communication

Financial Results:

The Company intimates un-audited as well as audited financial results to the Stock Exchanges, immediately after the Board meetings at which they are approved. The results of the Company are also published in at least one prominent national and one regional newspaper having wide circulation. Normally the results are published in The Economic Times (English) in all editions and Nav Bharat Times (Hindi) in Delhi. The financial results are also displayed on the Company's website www.alstom.com/india.

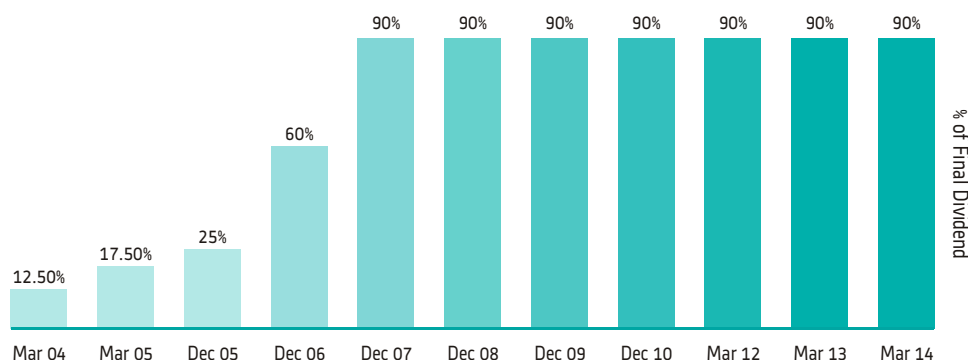
News Release, Analyst Presentation, etc.:

The official news releases, detailed presentations made to institutional investors, financial analysts, etc. are displayed on the Company's website www.alstom.com/india.

Website:

The website www.alstom.com/india contains a separate dedicated section for the Company's 'Investor Relations' where shareholders' information is available. The full Annual Report, shareholding pattern and Corporate Governance Report is also available in the 'Investor Relations' sections on the website of the Company.

Dividend History of the Company



Unclaimed Dividend

The amount of Dividends lying unclaimed for a period of seven years in the Unpaid Dividend Accounts of the Company will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

During the year ended March 31, 2014, an amount of Rs. 1,088,240 was transferred to IEPF in respect of Dividend for the Financial Year ended on December 31, 2005.

The due dates for the transfers of unclaimed dividends to IEPF are as follows:

Financial Year ended	Amount outstanding as on 31.03.2014 (Rs.)	Due date for transfer
31.12.2006	2,472,942.00	11.12.2014
31.12.2007	3,743,667.00	31.05.2015
31.12.2008	3,847,199.40	17.06.2016
31.12.2009	4,148,780.40	29.05.2017
31.12.2010	3,651,049.80	09.06.2018
31.03.2012	3,687,741.00	01.09.2019
31.03.2013	3,847,235.40	15.08.2020

The Company shall respond to all valid requests received from the shareholders before the amounts are statutorily transferred on the above mentioned dates.

REPORT ON CORPORATE GOVERNANCE

General Shareholder Information

A Annual General Meeting (AGM)

Date	: Wednesday, the 23rd day of July, 2014
Time	: 9:30 A.M.
Venue	: Air Force Auditorium, Subroto Park, New Delhi-110 010

B Financial Calendar

	: April to following March
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Announcement of Financial Results for

• Quarter ending June 30, 2014	: Upto August 14, 2014
• Quarter ending September 30, 2014	: Upto November 14, 2014
• Quarter ending December 31, 2014	: Upto February 14, 2015
• Financial year ending on March 31, 2015 and for the fourth quarter ending on that date	: Upto May 30, 2015

C Dates of Book Closure

	: From Friday, June 27, 2014 to Wednesday, July 23, 2014 (both days inclusive)
--	--

D Dividend Payment Date

	: Dividend of Rs. 1.80 per share on Equity Shares of Rs. 2/- each has been recommended by the Board. Dividend, if approved at the AGM, will be paid within 30 days of the AGM
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E Listing on Stock Exchanges

	: BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001.
	: National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai-400 051.
	: The Calcutta Stock Exchange Limited 7, Lyons Range, Kolkata-700 001.

F Listing Fee

	: Annual Listing Fee for the year 2013-14 and 2014-15, as applicable has been paid to the three Stock Exchanges.
--	--

G Company Identification Number

	: L31102DL1957PLC193993
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H Stock Code/ Symbol

BSE Limited	: 22275 for physical and 522275 for demat scrips
National Stock Exchange of India Limited	: ALSTOM T&D
The Calcutta Stock Exchange Limited	: 17035 for physical and 10017035 for demat scrips
ISIN Number for NSDL and CDSL	: INE200A01026

I Market Price Data

(a) Monthly High-Low price of Equity Shares at BSE and comparison with BSE Sensex :

Month	ALSTOM T&D India Limited Share prices on BSE		BSE SENSEX	
	High (Rs.)	Low (Rs.)	High	Low
April'13	167.00	142.20	19622.68	18144.22
May'13	185.80	153.35	20443.62	19451.26
June'13	175.00	147.10	19860.19	18467.16
July'13	174.20	133.15	20351.06	19126.82
August'13	151.00	110.00	19569.20	17448.71
September'13	156.50	137.60	20739.69	18166.17
October'13	153.40	138.00	21205.44	19264.72
November'13	193.00	151.20	21321.53	20137.67
December'13	205.15	169.65	21483.74	20568.70
January'14	210.00	180.00	21409.66	20343.78
February'14	198.00	170.00	21140.51	19963.12
March'14	251.00	182.10	22467.21	20920.98

(Source www.bseindia.com)

(b) Monthly High-Low price of Equity Shares at NSE and comparison with S&P CNX Nifty:

Month	ALSTOM T&D India Limited Share prices on NSE		S&P CNX Nifty	
	High (Rs.)	Low (Rs.)	High	Low
April'13	166.50	145.40	5962.30	5477.20
May'13	186.00	153.05	6229.45	5910.95
June'13	174.75	148.10	6011.00	5566.25
July'13	178.70	132.00	6093.35	5675.75
August'13	151.90	108.95	5808.50	5118.85
September'13	157.70	137.40	6142.50	5318.90
October'13	153.00	137.00	6309.05	5700.95
November'13	193.00	150.20	6342.95	5972.45
December'13	207.00	168.80	6415.25	6129.95
January'14	210.00	181.00	6358.30	6027.25
February'14	198.10	170.00	6282.70	5933.30
March'14	255.15	182.15	6730.05	6212.25

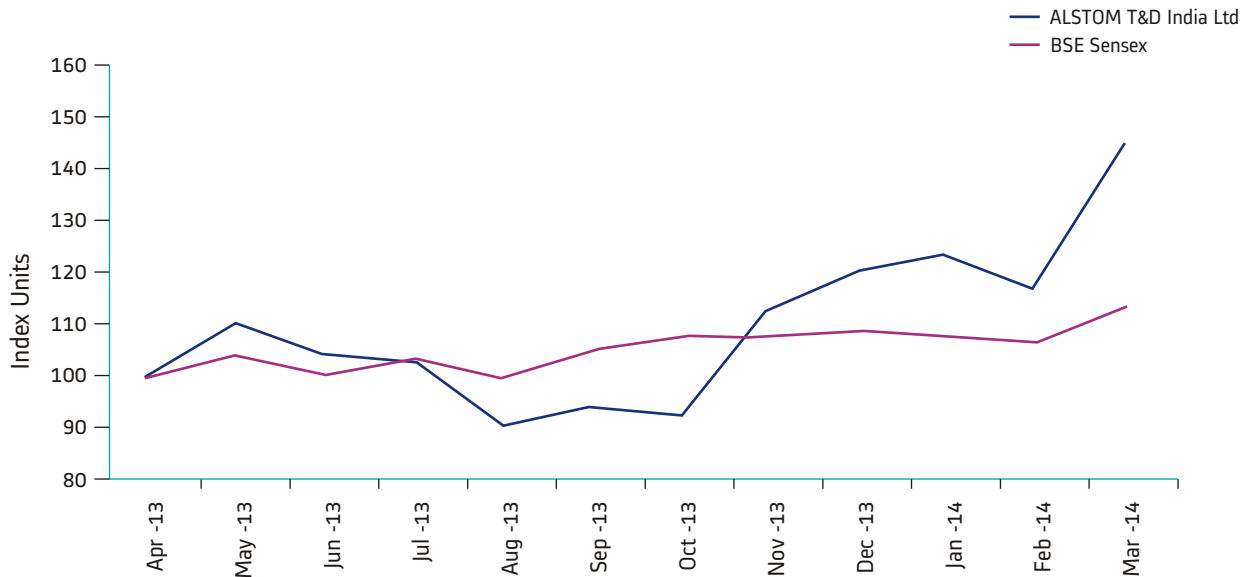
(Source www.nseindia.com)

(c) Since no trade of the Equity Shares has been executed on the trading platform of the Calcutta Stock Exchange Limited during the financial year ended March 31, 2014, no stock market data is available for the same.

REPORT ON CORPORATE GOVERNANCE

J Stock Performance of Alstom T&D India Limited vs. BSE Sensex

Monthly High Indexed comparison - ALSTOM T&D India Limited Share Price with BSE Sensex

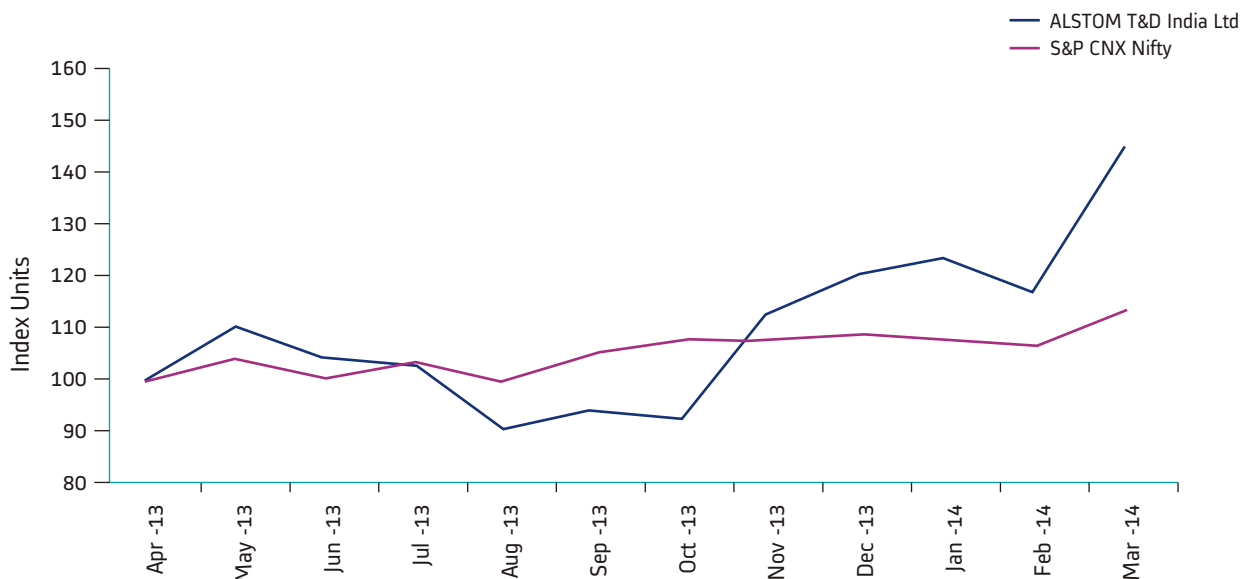


Alstom T&D India Limited Share price as in April 2013 Rs. 167.00 = 100 units

BSE Sensex as in April 2013 19622.68 = 100 units

Stock Performance of ALSTOM T&D India Limited vs. S&P CNX Nifty

Monthly High Indexed comparison - Alstom T&D India Limited Share Price with S&P CNX Nifty



Alstom T&D India Limited Share price as in April 2013 Rs. 166.50 = 100 units

S&P CNX Nifty as in April 2013 5962.30 = 100 units

K Shareholding pattern as on March 31, 2014

Sl.No.	Category	Number of Equity Shares held	Percentage (%)
1	Promoter - Grid Equipments Limited	175,492,524	68.54
	Alstom Holdings, France	16,542,372	6.46
	Total Promoter's Holding	192,034,896	75.00*
2	Insurance Companies	15,199,969	5.94
3	Financial Institutions and Banks	13,7940	0.05
4	UTI and other Mutual Funds	24,166,000	9.44
5	Foreign Institutional Investors	1,457,004	0.57
6	Corporate Bodies	1,464,724	0.57
7	Non-resident Indians, Overseas Corporate Bodies and Foreign Nationals	508,693	0.20
8	Directors and their Relatives	--	--
9	General Public	18,523,223	7.23
10	Others - Clearing Member	457,580	0.18
	Others - Trust	4,425	0.00
	Others - State Government	605	0.00
	Venture Capital Funds	2,091,476	0.82
	Total	256,046,535*	100.00

* During the year, in order to comply with the Securities Contracts (Regulation) Rules, 1957 and clause 40A of the Equity Listing Agreement with Stock Exchanges, which requires the Company to maintain a minimum public shareholding of 25%, the Company issued and allotted 16,942,500 equity shares of face value of Rs. 2 each at an issue price of Rs. 165 per equity share (including a premium of Rs. 163 per equity share) by way of an Institutional Placement Programme to Qualified Institutional Buyers in terms of Chapter VIII-A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Upon issue and allotment of the above mentioned equity shares, the promoters shareholding in the Company got reduced from 80.314% as hitherto to 74.999998% and public shareholding increased from 19.686% to 25.000002%.

L Distribution of Holdings as on March 31, 2014

Category	Number of Shareholders	Percentage (%)	Number of Shares	Percentage (%)
1-500	40409	85.64	4933758	1.93
501-1000	3051	6.46	2385242	0.93
1001-2000	1763	3.74	2646744	1.03
2001-3000	718	1.52	1845308	0.72
3001-4000	355	0.75	1288038	0.50
4001-5000	230	0.49	1080429	0.42
5001-10000	415	0.88	3009145	1.17
10001-50000	185	0.39	3213823	1.26
50001-100000	15	0.03	1114400	0.44
100001-and above	46	0.10	234529648	91.60
Total		100.00	256046535	100.00

REPORT ON CORPORATE GOVERNANCE

M Registrars and Share Transfer Agents

: C B Management Services (P) Limited
P-22, Bondel Road, Kolkata-700 019.
Tel. No.: 91 33 40116700 (100 lines)
Fax : 91 33 40116739
E-mail : rta@cbmsl.com

N Share Transfer System

A Committee of Directors - Stakeholders Relationship Committee, is constituted to approve, inter-alia the transfer and transmission of shares, issue of duplicate share certificates and allied matters. In addition to the above, to expedite the share transfer process, Mr. Manoj Prasad Singh, Company Secretary and the Registrars and Share Transfer Agents, CB Management Services (P) Limited have been severally authorised to approve share transfers and transmission requests upto a limit of 10,000 Shares. Such transfer and transmission requests are attended once in a fortnight.

The Company has appointed CB Management Services (P) Limited as its Registrars and Share Transfer Agents. All share transfers and related operations are conducted by CB Management Services (P) Limited, which is registered with the SEBI.

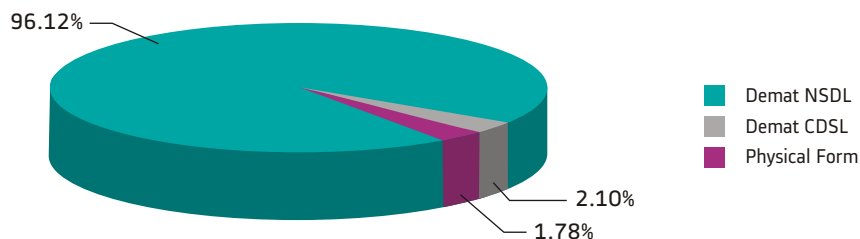
The Company's Registrars, CB Management Services (P) Limited have adequate infrastructure to serve the shareholders and process the share transfers. In compliance with the Listing Agreement, every six months the share processing system is audited by a practicing Company Secretary and a Certificate to that effect is issued. The Company's scrip forms part of the SEBI's compulsory demat segment.

Investor correspondence should be addressed to the Registrars and Share Transfer Agents or the Company, as per contact details as given at the end of the Report.

O Dematerialisation of shares and liquidity

The Company's scrip forms part of the compulsory demat segment for all investors effective June 26, 2000. To facilitate the investors in having an easy access to the Demat System, the Company has signed up with both the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The connectivity has been established through the Company's Registrars CB Management Services (P) Limited. As at March 31, 2014, a total of 251,481,618 equity shares of the Company, constituting 98.22% of the paid-up share capital, stand dematerialised

Dematerialisation of Shares



P Share Capital Reconciliation Report

As stipulated by the SEBI, a qualified Practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with NSDL and CDSL and the total issued and listed capital. The Audit is carried out every quarter and the Report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Report inter-alia confirms the total listed and paid up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in the physical mode.

Q Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

The Company does not have any outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments.

R Plant Locations

The Company has works/ manufacturing locations listed hereunder:

Hosur : Plot No. 46, SIPCOT Industrial Complex, Hosur-635 126, Tamil Nadu.

Naini : Naini Works, Mirzapur Road, Naini, Allahabad-211 008, Uttar Pradesh.

Noida : A7, Sector 65, Noida-201 301, Uttar Pradesh.

Padappai : 142, Salamangalam Village, Vandalur-Wallajabad High Road, Padappai-601 301, Kanchipuram Dist., Tamil Nadu.

Pallavaram : 19/1, GST Road, Pallavaram, Chennai-600 043, Tamil Nadu.

Vadodara : Milestone-87, Vadodara-Halol Highway, Village-Kotambi, Post-Jarod, Vadodara-391 510, Gujarat.

S Address for Correspondence/ Investor Complaints

Registrars and Share Transfer Agents
C B Management Services (P) Limited
P-22, Bondel Road, Kolkata-700 019.
Tel. No. : 91 33 40116700 (100 lines)
Fax No. : 91 33 40116739
E-mail : rta@cbmsl.com

Company

Registered Office:

A-18, First Floor, Okhla Industrial Area,
Phase II, New Delhi-110 020.
Tel. No.: 91 11 41610660
Fax No.: 91 11 41610659
www.alstom.com/india

Contact Person:

Mr. Manoj Prasad Singh
Company Secretary
Tel. No. : 91 120 4790000
Fax No. : 91 120 4790286/ 88
E-mail : company.secretary@alstom.com

For and on behalf of the Board

New Delhi
June 16, 2014

T.S. Vishwanath
Chairman

CEO/ CFO CERTIFICATE

The Board of Directors,
ALSTOM T&D India Limited

We, Rathindra Nath Basu, Managing Director and Subhashchandra Manilal Momaya, Whole-time Director & Chief Financial Officer, certify that:

- a) We have reviewed the financial statements and cash flow statement for the financial year ended on March 31, 2014 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the financial year ended on March 31, 2014 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take, to rectify these deficiencies.
- d) i. There has not been any significant change in internal control over financial reporting during the financial year ended on March 31, 2014;
 - ii. There has not been any significant change in accounting policies during the financial year ended on March 31, 2014, requiring disclosure in the notes to the financial statements; and
 - iii. We are not aware of any instance of significant fraud during the financial year ended on March 31, 2014 with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi
Date : June 16, 2014

Rathindra Nath Basu
Managing Director

Subhashchandra Manilal Momaya
Whole-time Director & Chief Financial Officer

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

I, Rathindra Nath Basu, Managing Director of Alstom T&D India Limited, hereby declare that all the members of the Board of Directors and the Senior Management Executives have affirmed compliance with the Company's "Code of Conduct and Ethics for Directors and Senior Executives" for the financial year ended on March 31, 2014.

Place: New Delhi
Date : June 16, 2014

Rathindra Nath Basu
Managing Director

AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the Members of ALSTOM T&D India Limited

We have examined the compliance of conditions of Corporate Governance by ALSTOM T&D India Limited ('the Company'), for the year ended March 31, 2014, as stipulated in clause 49 of the Listing Agreement(s) of the Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S.N. Dhawan & Co.**

Firm Registration Number: 000050N
Chartered Accountants

Rajeev K. Saxena

Partner

Membership No.: 77974

Place : New Delhi
Date : June 16, 2014

INDEPENDENT AUDITORS' REPORT

To the Members of Alstom T&D India Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of Alstom T&D India Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
 - (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'The Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of section 227(4A) of the Act (hereinafter referred to as the "Order"), we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

8. **As required by section 227(3) of the Act, we report that:**

- (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
- (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **S.N.Dhawan & Co.**
Chartered Accountants
Registration No.: 000050N

Place : New Delhi
Date : April 29, 2014

Vijay Dhawan
Partner
Membership No.: 12565

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(referred to in paragraph 7 of Independent Auditors' Report of even date on the financial statements of Alstom T&D India Limited for the year ended March 31, 2014)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us, the Company has not disposed of a substantial part of fixed assets during the year.
- ii. (a) The inventory [excluding stocks with third parties] has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, the provisions of clause 4 (iii) (b), (c), and (d) of the Order are not applicable to the Company.
- (e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Act. Therefore, the provisions of clause 4 (iii) (f), and (g) of the Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under section 301 of the Act. Accordingly, the question of commenting on transactions made in pursuance of such contracts or arrangements does not arise.

- vi. The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues including income tax, provident fund, investor education and protection fund, employees' state insurance, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable to the Company, have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed statutory dues including income tax, provident fund, investor education and protection fund, employees' state insurance, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable to the Company were in arrears as at March 31, 2014 for a period of more than six months from the date those became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of wealth tax and custom duty which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax and excise duty as at March 31, 2014 which have not been deposited on account of a dispute, are as follows:

Name of the Statute	Nature of dues	Amount of demand (in Rs. millions)	Period (FY)	Forum where dispute is pending
The Central Excise Act, 1944	Excise duty including interest and penalty as applicable	2.8 28.3 ⁽¹⁾ 7.7 ⁽²⁾	1990-91, 1996-97, 1998-99, 2003-04, 2013-14 2008-09 to 2012-13 2008-09, 2009-10, 2010-11, 2011-12	Appellate Authority- upto Commissioner level CESTAT Madras High Court
Service Tax (Finance Act, 1994)	Service tax including interest and penalty as applicable	8.5 ⁽³⁾ 0.2 576.3 ⁽⁴⁾	2012-13 2009-10 2005-06, 2007-08, 2008-09, 2010-11, 2011-12, 2012-13, 2013-14	Appellate Authority- upto Commissioner level Madras High Court CESTAT
Central Sales Tax Act and Local Sales Tax Acts (including works contract tax)	Sales tax including interest and penalty as applicable	743.7 ⁽⁵⁾ 60.6 ⁽⁶⁾	1988-89, 1989-90, 1990-91, 1992-93, 1993-94, 1998-99, 2000-01 to 2012-13 1983-84, 1986-87, 1987-88, 1988-89, 1991-92, 2008-09	Appellate Authority- upto Commissioner level Sales Tax Appellate Tribunal
Income tax Act, 1961	Income tax including interest as applicable	325.7 ⁽⁷⁾ 367.9	2008-09 2009-10	Commissioner of Income Tax (Appeals)

⁽¹⁾ Amount deposited against the demand is Rs. 4.3 million. ⁽²⁾ Amount deposited against the demand is Rs. 0.2 million. ⁽³⁾ Amount deposited against the demand is Rs. 4.2 million. ⁽⁴⁾ Amount deposited against the demand is Rs. 269.6 million. ⁽⁵⁾ Amount deposited against the demand is Rs. 332.2 million.

⁽⁶⁾ Amount deposited against the demand is Rs. 19.1 million. ⁽⁷⁾ Out of the above Rs. 199.5 million has been adjusted against refund due for various previous assessment years.

- x. The Company does not have accumulated losses as at the end of the financial year and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- xi. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or banks. Further, the Company has not issued any debentures during the year.
- xii. According to the records of the Company examined by us and the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities. Accordingly, the provisions of clause 4(xii) of the Order are not applicable to the Company.

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

(referred to in paragraph 7 of Independent Auditors' Report of even date on the financial statements of Alstom T&D India Limited for the year ended March 31, 2014)

- xiii. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the provisions of clause 4(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year. Accordingly, the provisions of clause 4(xviii) of the Order are not applicable to the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has raised an amount of Rs. 2,795.5 million through an Institutional Placement Programme (IPP) to Qualified Institutional Buyers in terms of Chapter VIII-A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 during the year. The Company has disclosed the end use of the money, which has been verified by us.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

For **S.N.Dhawan & Co.**
Chartered Accountants
Registration No.: 000050N

Place : New Delhi
Date : April 29, 2014

Vijay Dhawan
Partner
Membership No.: 12565

BALANCE SHEET

All figures in Rs. Million unless otherwise stated

	Note	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	512.1	478.2
Reserves and surplus	4	11,975.5	8,623.6
		12,487.6	9,101.8
Non - current Liabilities			
Long term borrowings	5	-	660.5
Deferred tax liabilities (net)	6	40.3	123.4
Other long term liabilities	7	-	1.5
Long term provisions	8	382.3	326.5
		422.6	1,111.9
Current Liabilities			
Short term borrowings	9	4,151.6	3,516.1
Trade payables	10	19,772.8	18,154.3
Other current liabilities	11	8,473.6	8,239.4
Short term provisions	12	1,688.2	1,330.1
		34,086.2	31,239.9
Total		46,996.4	41,453.6
ASSETS			
Non - current Assets			
Fixed assets			
Tangible assets	13A	6,394.1	6,197.6
Intangible assets	13B	-	-
Capital work-in-progress		1,100.7	535.4
Non - current investments	14	0.1	0.1
Long term loans and advances	15	206.5	228.2
		7,701.4	6,961.3
Current Assets			
Inventories	16	6,829.8	6,941.8
Trade receivables	17	22,960.8	17,146.4
Cash and bank balances	18	364.4	781.2
Short term loans and advances	19	3,421.1	3,566.2
Other current assets	20	5,718.9	6,056.7
		39,295.0	34,492.3
Total		46,996.4	41,453.6

This is the Balance Sheet referred to in our report of even date.

For S.N. Dhawan & Co.

Firm Registration Number: 000050N
Chartered Accountants

Vijay Dhawan

Partner
Membership Number: 12565

Place: New Delhi
Date : April 29, 2014

The accompanying notes 1 to 47 form an integral part of these financial statements.

For and on behalf of the Board of Directors

Rathindra Nath Basu
Managing Director

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

Manoj Prasad Singh
Company Secretary

Place: New Delhi
Date : April 29, 2014

STATEMENT OF PROFIT AND LOSS

All figures in Rs. Million unless otherwise stated

	Note	For the year ended March 31, 2014	For the year ended March 31, 2013
INCOME			
Revenue from operations (gross)	21	37,107.8	33,318.5
Less: Excise duty		(1,872.4)	(1,799.8)
Revenue from operations (net)		35,235.4	31,518.7
Other income	22	435.1	168.5
Total		35,670.5	31,687.2
EXPENSES			
Cost of raw materials and components consumed and project bought outs	23	23,858.6	22,288.6
Changes in inventories of finished goods and work-in-progress	24	77.7	(1,336.0)
Employee benefits expense	25	3,433.8	3,245.9
Finance costs	26	787.7	774.6
Depreciation and amortisation expense	13	870.2	813.3
Other expenses	27	4,868.1	4,844.8
Total		33,896.1	30,631.2
Profit before exceptional items and tax		1,774.4	1,056.0
Exceptional items	46	-	170.2
Profit before tax		1,774.4	1,226.2
Tax expense:			
Current tax		(687.3)	(411.3)
Deferred tax credit	6	83.1	26.2
Profit for the year		1,170.2	841.1
Earnings per equity share (EPS) [Nominal value per share Rs.2/- each]			
Basic and diluted EPS (Rs.)	35	4.78	3.52

This is the Statement of Profit and Loss referred to in our report of even date.

The accompanying notes 1 to 47 form an integral part of these financial statements.

For S.N. Dhawan & Co.

Firm Registration Number: 000050N
Chartered Accountants

For and on behalf of the Board of Directors

Rathindra Nath Basu
Managing Director

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

Vijay Dhawan

Partner
Membership Number: 12565

Manoj Prasad Singh
Company Secretary

Place: New Delhi
Date : April 29, 2014

Place: New Delhi
Date : April 29, 2014

CASH FLOW STATEMENT

All figures in Rs. Million unless otherwise stated

	For the year ended March 31, 2014	For the year ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	1,774.4	1,226.2
Adjustments for:		
Exceptional items	-	(170.2)
Provision for contract losses	(22.7)	119.7
Provision for doubtful debts	44.7	5.5
Provisions/ liabilities no longer required written back	(326.8)	(72.3)
Bad debts written off (net)	2.7	628.0
Foreign exchange fluctuation unrealised (net)	25.8	(104.0)
Depreciation and amortisation expense	870.2	813.3
Fixed assets retirement/ written off	169.0	-
Interest income	(32.1)	(14.9)
Interest expense	717.0	655.6
Profit on sale of fixed assets (net)	(1.1)	(23.6)
Operating profit before working capital changes	3,221.1	3,063.3
Changes in working capital:		
Change in Trade Receivables	(5,617.2)	503.1
Change in Other Current Assets	337.8	(2,232.5)
Change in Short Term Loans and Advances	145.1	(624.7)
Change in Long Term Loans and Advances	(2.0)	15.8
Change in Inventories	112.0	(1,388.3)
Change in Trade Payables	1,571.2	2,444.9
Change in Other Current Liabilities	(892.0)	1,928.9
Change in Other Long Terms Liabilities	(1.5)	(6.7)
Change in Short term provisions	201.2	328.3
Change in Long term provisions	55.8	173.6
Cash generated from operations	(868.5)	4,205.7
Income tax paid, net of refunds	(543.3)	(82.0)
Net cash (used)/ generated from operating activities (A)	(1,411.8)	4,123.7
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure (including capital advances)	(1,779.3)	(1,035.2)
Advance received against sale of property	600.0	50.0
Repayment of advance received against sale of property	(50.0)	-
Proceeds from sale of fixed assets - Exceptional items	-	223.6
Proceeds from sale of fixed assets - Other items	3.1	33.6
Interest received	32.1	14.9
Net cash used in investing activities (B)	(1,194.1)	(713.1)

CASH FLOW STATEMENT

All figures in Rs. Million unless otherwise stated

	For the year ended March 31, 2014	For the year ended March 31, 2013
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/ (repayments) of borrowings (net)	94.5	(2,270.4)
Proceeds from inter corporate deposits	14,056.2	13,639.0
Repayments of inter corporate deposits	(13,515.2)	(13,170.0)
Proceeds from issue of shares [Refer Note 45]	2,751.5	-
Interest paid	(699.6)	(661.6)
Dividend and dividend distribution tax paid	(498.3)	(497.4)
Net cash (used)/ generated in financing activities (C)	2,189.1	(2,960.4)
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	(416.8)	450.2
Opening balance of cash and cash equivalents	781.2	331.0
Closing balance of cash and cash equivalents	364.4	781.2

Notes:

1. Proceeds from short term borrowings (net) represent net amount of multiple borrowings and repayments during the year.
2. Cash and cash equivalents includes unclaimed dividend and margin money against Bank Guarantees. [Refer note 18]
3. Figures in brackets represent cash outflows.

This is the Cash Flow Statement referred to in our report of even date.

The accompanying notes 1 to 47 form an integral part of these financial statements.

For S.N Dhawan & Co.

Firm Registration Number: 000050N
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Dhawan

Partner
Membership Number: 12565

Place: New Delhi
Date : April 29, 2014

Rathindra Nath Basu

Managing Director

Manoj Prasad Singh

Company Secretary

Place: New Delhi
Date : April 29, 2014

S.M. Momaya

Whole-time Director &
Chief Financial Officer

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

ALSTOM T&D India Limited ('ATDIL' or 'the Company') is a publicly listed company, incorporated on March 13, 1957 as The English Electric Company of India (Private) Limited with its registered office at NCT of Delhi and Haryana. The Company's operations encompass the operations of some of the erstwhile companies (inter-alia including the operations of The General Electric Company of India Limited formed in the year 1911) which merged into the Company.

The Company has been building the power transmission and distribution infrastructure to support economic growth in the country. It has a portfolio of products, solutions and services, comprising the entire range of transmission equipment up to Extra and Ultra High Voltages (765 kV and beyond) including air-insulated switchgear (AIS) and locally manufactured power transformers and gas-insulated switchgear (GIS). It also provides power electronics solutions (HVDC, FACTS) to create super highways and offers highly advanced power management Smart Grid solutions for transmission and distribution including renewable energies integration.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting principles (GAAP), to comply with the applicable mandatory Accounting Standards notified under Section 211(3C) [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). These financial statements have been prepared under the historical cost convention on accrual basis, except for certain tangible assets which are being carried at revalued amounts

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities except for projects business. The projects business comprises of long-term contracts which have an operating cycle exceeding one year and for classification of current assets and liabilities related to projects business, the Company decided to use the duration of the individual life cycle of the contracts as its operating cycle.

2.2 Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of the financial statements and the results of operations during the reporting year. Actual results could differ from these estimates and the difference between the actual results and the estimates are recognised in the period in which the results known/ materialise.

2.3 Tangible Assets and Depreciation

Tangible assets are stated at acquisition cost (or revalued amounts, which are shown at estimated replacement cost as determined by the valuers), net of accumulated depreciation and accumulated impairment losses, if any. Special tools are capitalised as plant and machinery. Cost comprises purchase price and any other attributable cost of bringing the asset to its working place and condition for its intended use.

Subsequent expenditures related to an item of fixed asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

The cost of fixed assets not ready for their intended use is recorded as capital work-in-progress before such date. Cost of construction that relate directly to specific fixed assets and that are attributable to construction activity in general and can be allocated to specific fixed assets are included in capital work-in-progress.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are shown separately in the financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

Losses arising from the retirement of, and gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS

All figures in Rs. Million unless otherwise stated

Tangible assets, other than land, are depreciated on a pro-rata basis based on the straight-line method over the estimated useful lives of the assets, at the following annual rates which are equal to or higher than the rates specified under Schedule XIV to the Companies Act, 1956:

Assets	Percentage
Buildings	2.50 - 4.00
Leasehold improvements	33.33
Plant and machinery	10.00, 20.00 and 33.33
Furniture and fittings	20.00
Computers	33.33 and 50.00
Office equipments	10.00 and 20.00
Motor vehicles	25.00

Leasehold assets are amortised over the period of the lease or the estimated useful life whichever is lesser. Assets costing less than or equal to Rs.5,000/- each are fully depreciated in the month of capitalisation of the asset. In respect of the revalued assets, the difference between the depreciation calculated on the revalued amount and that calculated on the original cost is recouped from the revaluation reserve account.

2.4 Intangible Assets and Amortisation

Intangible Assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over their estimated useful lives.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Gains or losses arising from the retirement or disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised as income or expense in the Statement of Profit and Loss.

The amortisation rate used is:

Asset	Percentage
Goodwill	20.00

2.5 Impairment

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made. Assets whose carrying value exceed their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

2.6 Foreign currency transactions

Initial Recognition and Settlement: On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Any gain or loss arising due to exchange fluctuation at the time when such transactions are settled is recognised in the Statement of Profit and Loss.

Subsequent Recognition: As at the reporting date, non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. All non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

All monetary assets and liabilities in foreign currency are restated at the end of accounting period using the closing rate. Exchange differences on restatement of monetary items are recognised in the Statement of Profit and Loss.

Translation of foreign operations: Project offices located outside India have been classified as "integral foreign operation". The financial statements of an integral foreign operation are translated using the principles and procedures as if the transactions of the foreign operation are those of the Company itself.

2.7 Forward Exchange Contracts/ Derivative Instruments

The Company uses derivative financial instruments, such as forward exchange contracts, to hedge the risks associated with foreign currency fluctuations relating to certain firm commitments and highly probable transactions. The use of forward contracts is governed by the Company's policies on the use of such financial derivatives consistent with the Company's risk management strategy.

In cases where the Company has entered into forward exchange contracts, which are not intended for trading or speculative purposes and covered under Accounting Standard 11 on 'The Effects of Changes in Foreign Exchange Rates', the difference between the forward rate and the initial spot rate is recognised as an income or expense over the life of the contract. Exchange gains/ losses on intermediary forward contracts relating to firm commitments are recognised in the Statement of Profit and Loss based on fair value changes as at the Balance Sheet date.

In line with the principle of prudence as enunciated in Accounting Standard 1 on 'Disclosure of Accounting Policies' and as per the Announcement of the Institute of Chartered Accountants of India issued on March 29, 2008, the other foreign exchange contracts entered into and not intended for trading or speculative purposes, are valued on the basis of a fair value on marked to market basis and any loss on valuation is recognised in the Statement of Profit and Loss, on a portfolio basis. Any gain arising on this valuation is not recognised by the Company.

Any profit or loss arising on cancellation or renewal of the forward exchange contracts is recognised as income or expense for the year.

2.8 Inventories

Inventories comprising of raw materials and components, work-in-progress, finished goods and stores and spares are valued at lower of cost and net realisable value. Cost includes cost of purchase (net of CENVAT, where applicable), cost of conversion and other costs incurred in bringing the inventories to their present location and condition. The cost of various categories of inventories is arrived at as follows:

- Stores, spares, raw materials and components - at cost determined on the weighted average cost method.
- Work-in-progress and finished goods - based on weighted average cost of production, including appropriate proportion of costs of conversion. Excise duty payable on despatch is included in the value of finished goods inventory.
- Packing materials, loose tools and consumables, being immaterial in value terms, and also based on their being purchased mostly on need basis, are expensed to the Statement of Profit and Loss at the point of purchase.

Contracts work-in-progress is valued at cost or net realisable value, whichever is lower. Cost includes direct materials, labour and appropriate proportion of overheads including depreciation.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

Provisions/ write-downs for obsolescence, damaged and slow-moving inventory are made, wherever necessary and inventory is stated net of such provisions/ write-downs.

2.9 Revenue recognition

2.9.1 Revenue from long-term contracts

Contract prices are either fixed or subject to price escalation clauses. Revenues are recognised on a percentage completion method measured by segmented portions of the contract, i.e. "Contract Milestones". The relevant cost is recognised in the financial statements in the year of recognition of revenues. Recognition of profit is adjusted to ensure that it does not exceed the estimated overall contract margin. Contract revenue earned in excess of billing has been included under "Other Current Assets" and billing in excess of contract revenue has been included under "Other Current Liabilities" in the Balance Sheet.

If it is expected that a contract will make a loss, the estimated loss is provided for in the books of account immediately. Such losses are based on technical assessments and on management's analysis of the risks and exposures on a case to case basis.

Amounts due in respect of price escalation claims and/ or variation in contract work are recognised as revenue only if the contract allows for such claims or variations and/ or there is evidence that the customer has accepted it and it is probable that these will result in revenue and are capable of being reliably measured.

Liquidated damages/ penalties, warranties and contingencies are provided for, based on management's assessment of the estimated liability, as per contractual terms and/ or acceptance.

2.9.2 Revenue from sale of products and services

Sale of products are recognised in accordance with the terms of contract which corresponds to transfer of significant risk and rewards of ownership and are net of sales tax and trade discounts. Sale of services are recognised when such services are rendered as per contract terms which may be either percentage of completion method or completed service method.

2.10 Other Income

2.10.1 Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

2.10.2 Export benefits are accounted for to the extent there is reasonable certainty of utilisation of the same, at the estimated realisable value/ actual credit earned during the year.

2.11 Employee Benefits

Provident Fund: Contributions towards provident fund for certain employees are made to the Regional Provident Fund Commissioner under a defined contribution plan and are expensed to the Statement of Profit and Loss as and when such contributions are due. The Company has no further obligation under the above fund plans beyond its monthly contributions.

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All figures in Rs. Million unless otherwise stated

In respect of certain other employees, Provident Fund contributions are made to a Trust administered by the Company. The Company's liability is actuarially determined (using the projected unit credit method) at the end of the year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise. The contributions made by the Company are invested by the Trust and recognised as plan assets. The defined benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets.

Gratuity: Gratuity liability is a defined benefit obligation and is provided on the basis of its actuarial valuation based on the projected unit credit method made at each Balance Sheet date. The Company funds gratuity benefits for its employees within the limits prescribed under The Payment of Gratuity Act, 1972 through contributions to a Scheme administered by the Life Insurance Corporation of India ('LIC'). In case of managerial employees, in addition to the ceiling defined under the Gratuity Act, certain additional amounts are paid depending upon the period served for the Company. This additional gratuity liability is also determined on the basis of its actuarial valuation based on the projected unit credit method as on the Balance Sheet date. Such liability is not funded.

Superannuation Fund: Contributions are made to a scheme administered by the Life Insurance Corporation of India to discharge superannuating liabilities to the employees, a defined contribution plan, and the same is expensed to the Statement of Profit and Loss. The Company has no liability other than its annual contribution.

Compensated Absences: Long term compensated absences are provided for on the basis of its actuarial valuation as per the projected unit credit method as on the Balance Sheet date. Actuarial gains and losses arising from effects of changes in actuarial valuations are recognised in the Statement of Profit and Loss in the period in which they arise.

Voluntary Separation Schemes: In the case of Voluntary Separation Schemes which may be offered to employees on closure of Business Units, lump sum separation payouts are expensed when the Scheme is accepted by an employee. In respect of Schemes where payments are to be made over a longer period till the age of retirement or death of an employee, whichever is earlier, the liability is estimated at each Balance Sheet date and interest implicit in the payout is expensed during the period.

Long term Incentive Plans: The Company has two incentive plans namely 'Deferred Incentive Plan' and 'Critical Skill Retainer Scheme' for different categories of managerial employees to retain and attract experienced talent. Under these plans, employees will receive certain annual grants, which will be paid over pre-determined future periods. Each pay-out is independently amortised over a period from grant date to final pay-out date. Additionally, the Company's liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains and losses arising from effects of changes in actuarial valuations are recognised in the Statement of Profit and Loss in the year in which they arise.

2.12 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease.

2.13 Investments

Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of the investments.

2.14 Current and Deferred Tax

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in the respective jurisdictions.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In a situation where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

2.15 Provisions and Contingencies

Provisions: Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingencies: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Contingent assets are not recognised in the financial statements.

2.16 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.17 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until the month in which such assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the year in which they are incurred.

2.18 Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

3. SHARE CAPITAL

Authorised

627,500,000 (Previous year - 627,500,000) equity shares of Rs.2/- each

Issued

256,049,135 (Previous year - 239,106,635) equity shares of Rs.2/- each

Subscribed and paid up

256,046,535 (Previous year - 239,104,035) equity shares of Rs.2/- each fully paid up

	As at March 31, 2014	As at March 31, 2013
	1,255.0	1,255.0
	512.1	478.2
	512.1	478.2
	512.1	478.2

a. Reconciliation of number of shares

	As at March 31, 2014		As at March 31, 2013	
	Number of shares	Amount	Number of shares	Amount
Balance at the beginning of the year	239,104,035	478.2	239,104,035	478.2
Add: Shares issued	16,942,500	33.9	-	-
Less: Shares bought back	-	-	-	-
Balance at the end of the year	256,046,535	512.1	239,104,035	478.2

b. Rights, preferences and restrictions attached to equity shares:

The Company has one class of equity shares having a par value of Rs.2/- per share. Each equity share holder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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All figures in Rs. Million unless otherwise stated

c. Number of equity shares held by immediate holding Company and holding Company

	As at March 31, 2014	As at March 31, 2013
Grid Equipments Limited (Immediate Holding Company)	175,492,524	175,492,524
ALSTOM Holdings, France (Holding Company)	16,542,372	16,542,372
Total	192,034,896	192,034,896

d. Details of shareholders holding more than 5 percent shares in the Company

	As at March 31, 2014		As at March 31, 2013	
	Number of shares	Percentage	Number of shares	Percentage
Grid Equipments Limited	175,492,524	68.5	175,492,524	73.4
ALSTOM Holdings, France	16,542,372	6.5	16,542,372	6.9
Reliance Capital Trust Company Limited A/c through its various schemes	18,172,551	7.1	14,314,639	5.9

- e. Pursuant to the 'Open Offer' made by Alstom Holdings, France (Acquirer) in terms of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 which was completed in February 2013, the Acquirer/ Promoter Group shareholding increased from 73.40% to 80.31% as a result of their acquisition of 16,542,372 equity shares. Consequently, the public shareholding reduced to 19.69%.

During the current year, in order to comply with the Securities Contracts (Regulation) Rules, 1957 and clause 40A of the Equity Listing Agreement with Stock Exchanges, which requires the Company to maintain a minimum public shareholding of 25%, the Company issued and allotted 16,942,500 equity shares of face value of Rs.2 each at an Issue Price of Rs.165 per equity share (including a premium of Rs.163 per equity share) by way of an Institutional Placement Programme (IPP) to Qualified Institutional Buyers in terms of Chapter VIII-A of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Upon issue and allotment of the above mentioned equity shares,

- the promoters shareholding in the Company got reduced from 80.314% as hitherto to 74.999998% and public shareholding increased from 19.686% to 25.000002%.
 - the Company's paid up share capital and securities premium account stood at Rs.512.1 million and Rs.2,761.6 million, respectively.
- f. The original equity shares of Rs.10/- each of the Company were sub-divided into five shares of Rs.2/- each with effect from October 31, 2008.
- g. Prior to sub-division of shares:
- 15,750,000 equity shares of Rs.10/- each were allotted as fully paid bonus shares by capitalisation of General Reserve, Securities Premium Account and Surplus in Statement of Profit and Loss.
 - 19,871,327 equity shares of Rs.10/- each were issued and allotted as fully paid up shares pursuant to the scheme of amalgamation with The General Electric Company of India Limited in 1992-93 (11,520,000 shares), GEC Power Engineering Services of India Limited (PESIL) in 1993-94 (330,000 shares), ALSTOM T&D Distribution Transformers Limited in 2000-01 (87,992 shares) and with AREVA T&D Systems India Limited, AREVA T&D Instrument Transformers India Private Limited and AREVA T&D Lightning Arresters Private Limited in 2007 (7,933,335 shares) without payment being received in cash.
 - During 1994-95, the Company offered 9,950,000 equity shares of Rs.10/- each to the existing shareholders in the ratio of 1 share for every 3 shares held at a premium of Rs.40/- per share as per letter of offer dated May 10, 1994. The shares, barring 1,034 shares, which were kept in abeyance for technical reasons, were allotted at the meeting of Committee of Directors held on July 28, 1994. Of the 1,034 shares of Rs.10/- each, kept in abeyance, 514 shares of Rs.10/- each, were allotted upto 2001-02.

	As at March 31, 2014	As at March 31, 2013
4. RESERVES AND SURPLUS		
Securities premium account		
Opening balance	-	-
Additions during the year	2,761.6	-
Less: Share issue expenses [Refer note 45]	44.0	-
Closing balance	2,717.6	-

	As at March 31, 2014	As at March 31, 2013
Fixed assets revaluation reserve		
Opening balance	4.6	4.6
Additions during the year	-	-
Withdrawals during the year	-	-
Closing balance	4.6	4.6
General reserve		
Opening balance	710.6	625.6
Additions during the year	118.0	85.0
Withdrawals during the year	-	-
Closing balance	828.6	710.6
Surplus in Statement of Profit and Loss		
Opening balance	7,908.4	7,655.9
Profit for the year	1,170.2	841.1
Less: Appropriations		
Proposed dividend for the year	460.9	430.4
Dividend distribution tax on proposed dividend	75.0	73.2
Transfer to General reserve	118.0	85.0
Closing balance	8,424.7	7,908.4
	11,975.5	8,623.6
Dividend per share (Rs.)	1.80	1.80
5. LONG TERM BORROWINGS		
Unsecured loans from Related Party:		
External Commercial Borrowings ("ECB") [Refer note 11]	-	660.5
	-	660.5

ECB loan from Alstom Holdings, availed by the Company for financing its expansion plans at its manufacturing units, repayable on 30th June 2014. The borrowing carries a rate of interest of 37.5 basis points over six months EURIBOR.

6. DEFERRED TAX LIABILITIES (NET)

Deferred tax assets arising on timing differences on account of:		
Voluntary separation schemes	6.1	12.8
Disallowances under Section 43B of the Income tax Act, 1961	186.3	122.8
Provisions	92.1	110.5
Others	14.5	19.3
	299.0	265.4
Deferred tax liabilities arising on timing differences on account of:		
Depreciation on fixed assets	339.3	388.8
	339.3	388.8
Deferred tax liability (net)	(40.3)	(123.4)

NOTES TO THE FINANCIAL STATEMENTS

All figures in Rs. Million unless otherwise stated

	As at March 31, 2014	As at March 31, 2013
7. OTHER LONG TERM LIABILITIES		
Voluntary separation liabilities	-	1.5
	-	1.5
8. LONG TERM PROVISIONS		
Provision for Employee benefits:		
Compensated leaves	220.1	221.1
Gratuity [Refer note 28.1]	78.3	92.4
Incentive plans	83.9	13.0
	382.3	326.5
9. SHORT TERM BORROWINGS		
Unsecured loans from banks	691.6	597.1
Unsecured loans from related parties		
Working Capital Loans [Refer note 36.2 (ii)]	3,460.0	2,919.0
	4,151.6	3,516.1
ALSTOM Holdings, France, has provided comfort letter to the bankers for loans taken by the Company.		
Loans from related parties represents Inter corporate deposits from ALSTOM India Limited and Grid Equipments Limited and are repayable on demand.		
10. TRADE PAYABLES		
Acceptances	977.4	557.1
Trade payables [Refer note 43]	18,795.4	17,597.2
	19,772.8	18,154.3
11. OTHER CURRENT LIABILITIES		
Current maturities of long term debt [Refer note 5]	783.0	-
Interest accrued but not due on borrowings	51.4	34.0
Unclaimed dividends*	25.4	23.4
Statutory dues	321.2	782.8
Employee benefits payable	275.6	268.0
Voluntary separation liabilities	4.7	7.2
Payments received in advance from customers	6,318.4	6,924.1
Billing in excess of contract revenue	79.8	96.1
Others **	614.1	103.8
	8,473.6	8,239.4

* Unclaimed dividends represent dividend warrants issued but not encashed. It does not include any amount due to be deposited to the Investor Education and Protection Fund under Section 205C of the Companies Act, 1956.

** The Company has received Rs.600.0 million upon execution of agreement for sale in respect of land and building at Bengaluru for a consideration of approximately Rs.1200.0 million during the current year.

12. SHORT TERM PROVISIONS

Provision for employee benefits

Compensated leaves	27.4	13.8
Incentive plans	94.9	21.0

Other Provisions

Contract losses	132.5	156.6
Warranty	634.1	500.5
Tax litigations/ disputes	103.1	101.9
Proposed dividend	460.9	430.4
Dividend distribution tax on proposed dividend	78.3	73.2
Provision for Income tax (net of advance income tax Rs.5,582.0 million [Previous year Rs.5,038.7 million])	157.0	32.7

1,688.2 **1,330.1**

Disclosures as required by Accounting Standard 29 Provisions, Contingent Liabilities and Contingent Assets

Movement of provision for warranty

Opening balance	500.5	302.6
Additions	231.0	158.0
Releases	75.2	-
Application/ adjustments	22.2	(39.9)
Closing balance	634.1	500.5

Warranty costs are estimated on the basis of contractual agreement, technical evaluation and past experience. The timing of outflows is expected to be as per warranty periods as specified in various contracts. Provision for warranty is treated as current since the Company does not have an unconditional right to defer settlement of obligation beyond the period of twelve months.

Movement of provision for contract losses

Opening balance	156.6	36.9
Additions	202.0	271.0
Releases	224.7	151.3
Application	1.4	-
Closing balance	132.5	156.6

Provision for contract losses are based on difference between total estimated revenues and total estimated costs.

Movement of provision for tax litigations/ disputes

Opening balance	101.9	82.6
Additions	20.3	21.5
Releases	9.9	-
Application	9.2	2.2
Closing balance	103.1	101.9

Provision for tax litigation/ disputes is based on the assessment of liability arising from non-collection of sales tax declaration forms.

NOTES TO THE FINANCIAL STATEMENTS

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13. FIXED ASSETS

13 A. Tangible assets

Particulars	As at April 1, 2013	Additions during the year	Disposals/ Adjustments during the year [Refer note c]	As at March 31, 2014
GROSS BLOCK				
Freehold land	429.5	-	-	429.5
Leasehold land	7.4	-	-	7.4
Buildings (including those on leasehold land)	3,050.2	370.5	125.3	3,295.4
Leasehold improvements	207.1	-	1.2	205.9
Plant and machinery	5,219.2	713.9	134.5	5,798.6
Furniture and fittings	333.0	17.0	10.1	339.9
Computers	502.9	43.0	20.3	525.6
Office equipments	266.3	88.7	(8.1)	363.1
Motor vehicles	16.9	4.6	4.8	16.7
	10,032.5	1,237.7	288.1	10,982.1
Previous year	9,639.9	527.6	135.0	10,032.5
ACCUMULATED DEPRECIATION				
Freehold land	-	-	-	-
Leasehold land	7.3	-	-	7.3
Buildings (including those on leasehold land)	592.1	127.6	19.0	700.7
Leasehold improvements	201.5	-	1.2	200.3
Plant and machinery	2,206.1	599.9	73.4	2,732.6
Furniture and fittings	216.6	67.4	9.8	274.2
Computers	433.8	41.0	20.2	454.6
Office equipments	161.0	33.7	(11.0)	205.7
Motor vehicles	16.5	0.6	4.5	12.6
	3,834.9	870.2	117.1	4,588.0
Previous year	3,152.7	813.3	131.1	3,834.9
NET BLOCK				
Freehold land	429.5			429.5
Leasehold land	0.1			0.1
Buildings (including those on leasehold land)	2,458.1			2,594.7
Leasehold improvements	5.6			5.6
Plant and machinery	3,013.1			3,066.0
Furniture and fittings	116.4			65.7
Computers	69.1			71.0
Office equipments	105.3			157.4
Motor vehicles	0.4			4.1
	6,197.6			6,394.1
Previous year	6,487.2			6,197.6

13 B. Intangible assets

Particulars	As at April 1, 2013	Additions during the year	Disposals during the year	As at March 31, 2014
GROSS BLOCK				
Goodwill	323.5	-	-	323.5
	323.5	-	-	323.5
Previous year	323.5	-	-	323.5
ACCUMULATED DEPRECIATION				
Goodwill	323.5	-	-	323.5
	323.5	-	-	323.5
Previous year	323.5	-	-	323.5
NET BLOCK				
Goodwill	-	-	-	-
	-	-	-	-
Previous period	-	-	-	-

Notes:

- a) Land and buildings were revalued on March 31, 1992, based on the estimated current replacement cost after considering depreciation upto that date as per valuers' reports, and the resultant surplus of Rs.343.7 million (Previous year - Rs.343.7 million) was credited to fixed asset revaluation reserve. Of this reserve, Rs.339.1 million (Previous year - Rs.339.1 million) relating to reserves with respect to buildings has been transferred to Statement of Profit and Loss as an adjustment of depreciation/ sale of assets. The balance represents revaluation reserve with respect to land.

- b) Renewal of lease agreement (for which the Company has an option) in respect of 4.84 acres of land at Chennai (which expired on September 13, 1989) is still under process. The Company has contested the hike in rent by the State Government and the matter is sub-judice. An application of the Company for specific performance of the Lease Agreement was rejected by the Trial Court, and the Company has preferred an appeal against the said Judgement, which is pending, before the District Court, Kancheepuram.
- c) The Company's technical evaluation of the economic value of some of the assets necessitated retirement/ write off of net book value of under mentioned assets:
- | | |
|---------------------|------------------|
| Building | Rs.104.2 million |
| Plant and machinery | Rs.64.8 million |

	As at March 31, 2014	As at March 31, 2013
14. NON - CURRENT INVESTMENTS (Long term unquoted at cost, unless otherwise stated)		
Non-trade:		
1,000 (Previous year - 1,000) equity shares of Rs.10/- each fully paid up in The English Electric Company Employees' Co-operative Stores Limited*	-	-
4,555 (Previous year - 4,555) equity shares of Rs.10/- each fully paid up in Woodlands Multispeciality Hospital Limited*	0.1	0.1
	0.1	0.1
*The total amount in absolute value is Rs.33,500, but for reporting purpose rounded up to Rs.0.1 million		
15. LONG TERM LOANS AND ADVANCES (Unsecured considered good, unless otherwise stated)		
Capital advances	139.0	162.7
Security deposits	67.5	65.5
	206.5	228.2
16. INVENTORIES (At lower of cost or net realisable value)		
Raw materials and components [including Rs.202.8 million (Previous year - Rs.197.0 million) lying with third parties] [Goods in transit Rs.257.2 million (Previous year - Rs.209.5 million)]	1,634.3	1,668.6
Work-in-progress	2,882.8	2,898.2
Finished goods	2,312.7	2,375.0
	6,829.8	6,941.8
17. TRADE RECEIVABLES (Unsecured considered good, unless otherwise stated)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	2,847.3	3,568.8
Considered doubtful	124.4	219.7
Less: Provision for doubtful debts	(124.4)	(219.7)
	2,847.3	3,568.8
Other receivables	20,113.5	13,577.6
	22,960.8	17,146.4
18. CASH AND BANK BALANCES		
Cash and cash equivalents		
Bank balances in current accounts	336.8	755.6
Other bank balances		
Unpaid dividend accounts	25.4	23.4
Deposit accounts*	2.2	2.2
	364.4	781.2

* Margin money against Bank Guarantees.

NOTES TO THE FINANCIAL STATEMENTS

All figures in Rs. Million unless otherwise stated

	As at March 31, 2014	As at March 31, 2013
19. SHORT TERM LOANS AND ADVANCES		
(Unsecured considered good, unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good	1,263.1	1,667.5
Considered doubtful	41.4	38.7
Less: Provision for doubtful advances	(41.4)	(38.7)
Security deposits	36.3	21.7
Balances with Government authorities	2,121.7	1,877.0
	3,421.1	3,566.2
20. OTHER CURRENT ASSETS		
Contract revenue in excess of billing	5,618.0	5,913.7
Unamortised premium on forward contracts	14.1	56.2
Assets held for sale [Refer note 11]	86.8	86.8
	5,718.9	6,056.7
	For the year ended March 31, 2014	For the year ended March 31, 2013
21. REVENUE FROM OPERATIONS		
Sale of products	18,998.4	17,814.1
Revenue from execution of contracts for projects and services	16,948.7	14,524.3
Sale of services	1,096.7	911.5
	37,043.8	33,249.9
Other operating revenue		
Scrap sales	64.0	68.6
	37,107.8	33,318.5
Less: Excise duty	(1,872.4)	(1,799.8)
	35,235.4	31,518.7
Details of sale of products		
Switchgear all types	7,229.4	6,913.6
Control Panels	1,489.9	1,253.9
Transformers	7,484.7	6,874.5
Others	2,794.4	2,772.1
Total	18,998.4	17,814.1
22. OTHER INCOME		
Interest earned on deposits with banks (gross) and others	32.1	14.9
Profit on sale of fixed assets (net)	1.1	23.6
Provisions/ liabilities no longer required written back*	326.8	72.3
Miscellaneous income	75.1	57.7
	435.1	168.5

* Current year includes Rs.197.5 million being liability no longer payable, towards trade mark fee written back.

	For the year ended March 31, 2014	For the year ended March 31, 2013
23. COST OF RAW MATERIALS AND COMPONENTS CONSUMED AND PROJECT BOUGHT OUTS		
Raw materials and components consumed	10,001.3	10,625.9
Project bought outs	13,857.3	11,662.7
	23,858.6	22,288.6
24. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS		
Work-in-progress		
Opening stock	2,898.2	2,594.5
Less: Closing stock	2,882.8	2,898.2
(Increase)/ Decrease in Work-in-progress	15.4	(303.7)
Finished goods		
Opening stock	2,375.0	1,342.7
Less: Closing stock	2,312.7	2,375.0
(Increase)/ Decrease in Finished goods	62.3	(1,032.3)
	77.7	(1,336.0)
25. EMPLOYEE BENEFITS EXPENSE		
Salaries, wages and bonus	2,945.1	2,760.1
Contribution to provident and other funds	281.7	268.7
Staff welfare expenses	207.0	217.1
	3,433.8	3,245.9
26. FINANCE COST		
Interest	717.0	655.6
Foreign exchange fluctuation (net)	70.7	119.0
	787.7	774.6
27. OTHER EXPENSES		
Consumption of stores and spare parts	81.2	92.5
Power and fuel	317.0	283.1
Rent	105.6	111.7
Rates and taxes	150.3	88.8
Repairs and maintenance		
Buildings	83.0	124.7
Plant and machinery	113.6	144.0
Others	173.2	174.0
Insurance	140.5	86.0
Directors' sitting fees	0.9	1.0
Commission to non-executive directors	6.0	6.0
Technology licence fee including cess	396.6	309.1
Freight and octroi	729.0	580.6
Travelling	569.0	566.4
Postage and telephone	81.8	63.7
Auditors remuneration [Refer note 44]	13.6	14.8
Bank charges	129.3	141.4
Foreign exchange fluctuation (net)	182.9	169.6
Provision for doubtful debts	44.7	5.5
Bad debts written off (net)	2.7	628.0

NOTES TO THE FINANCIAL STATEMENTS

All figures in Rs. Million unless otherwise stated

	For the year ended March 31, 2014	For the year ended March 31, 2013
Trade mark fees and Research and Development services	606.4	594.3
Data management charges	242.6	231.0
Provision for warranty cost (net)	155.8	158.0
Fixed assets retirement/ written off [Refer note 13 c]	169.0	-
Miscellaneous expenses	373.4	270.6
	4,868.1	4,844.8

28. DEFINED CONTRIBUTION PLANS AND DEFINED BENEFIT PLANS

28.1 Gratuity

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is entitled to gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The details of actuarial valuation as per the certificate furnished by independent actuary are given below:

	For the year ended March 31, 2014	For the year ended March 31, 2013
(I) Change in Defined Benefit Obligation		
Liability at the beginning of the year	449.4	374.0
Interest Cost	38.0	33.2
Current Service Cost	37.0	28.1
Past Service Cost	-	12.1
Benefits Paid	(46.7)	(31.0)
Actuarial (gain)/loss on Obligations	8.3	33.0
Liability at the end of the year	486.0	449.4
(II) Fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	357.0	351.1
Expected Return on Plan Assets	33.0	30.4
Contribution	61.6	5.1
Benefits Paid	(42.2)	(31.0)
Actuarial gain/(loss) on Plan Assets	(1.7)	1.4
Fair value of Plan Assets at the end of the year	407.7	357.0
(III) Actual Return on Plan Assets		
Expected Return on Plan Assets	33.0	30.4
Actuarial gain/(loss) on Plan Assets	(1.7)	1.4
Actual Return on Plan Assets	31.3	31.8
(IV) Amount Recognised in the Balance Sheet		
Defined Benefit Obligation	486.0	449.4
Fair value of Plan Assets	407.7	357.0
Amount recognised in the Balance Sheet	78.3	92.4
(V) Expenses Recognised in the Statement of Profit and Loss		
Current Service Cost	37.0	28.1
Interest Cost	38.0	33.2
Expected Return on Plan Assets	(33.0)	(30.4)
Net Actuarial (gain)/loss to be recognised	10.0	31.6
Past Service Cost (Vested Benefit) recognised	-	12.1
Expense recognised in the Statement of Profit and Loss	52.0	74.6

	For the year ended March 31, 2014	For the year ended March 31, 2013
(VI) Reconciliation of Amounts Recognised in the Balance Sheet		
Opening Net Liability	92.4	22.9
Direct payouts	(4.5)	-
Expense as above	52.0	74.6
Employer Contribution	(61.6)	(5.1)
Amount recognised in the Balance Sheet	78.3	92.4
(VII) Actuarial Assumptions		
Discount Rate	9.2%	8.2%
Expected Rate of Return on Plan Assets	9.0%	9.0%
Attrition Rate		
Upto 30 years	3.2%	7.9%
31 to 40 years	3.3%	3.5%
41 to 50 years	0.9%	1.2%
Above 50 years	2.0%	0.3%
Salary Escalation	8.0%	8.0%
Mortality Table	LIC (1994-96)	LIC (1994-96)

Details	For the year ended		For the period ended March 31, 2012	For the year ended	
	March 31, 2014	March 31, 2013		December 31, 2010	December 31, 2009
Fair value of Plan Assets	407.7	357.0	351.1	311.5	287.9
Defined Benefit Obligation	486.0	449.4	374.0	477.5	431.3
(Surplus)/ Deficit in the Plan	78.3	92.4	22.9	166.0	143.4
Experience adjustment on Plan Assets	(1.7)	1.4	13.5	2.6	8.0
Experience (gain)/ loss on Defined Benefit Obligation and change in assumptions	8.3	33.0	(32.5)	(62.0)	49.0
The major categories of plan assets as a percentage of the fair value of total plan assets are as follow					
Investments with insurer under cash accumulation scheme	100%	100%	100%	100%	100%
Expected Company contribution for the next year Rs.58.3 million (Previous year 10.0 million)					

28.2 Provident Fund

a) Provident Fund - defined contribution plan

The Company contributes Provident Fund for certain eligible employees to the Regional Provident Fund Commissioner. The amounts debited to the Statement of Profit and Loss in this regard during the current year were Rs.20.1 million (Previous year - Rs.19.6 million).

b) Provident Fund - defined benefit plan

The Company also contributes Provident Fund for other employees into a recognised Provident Fund Trust set up for the Company and contributions to the Trust are expensed to the Statement of Profit and Loss when such amounts are due. The Company has an obligation to make good the shortfall of income on investments earned by the Trust, if any, with regard to the interest due on contributions as per the rate notified by the Government.

The details of actuarial valuation as per the certificate furnished by independent actuary are given below:

NOTES TO THE FINANCIAL STATEMENTS

All figures in Rs. Million unless otherwise stated

	For the year ended March 31, 2014	For the year ended March 31, 2013
(I) Change in Defined Benefit Obligation		
Liability at the beginning of the year	1,089.3	906.6
Interest Cost	95.6	77.7
Current Service Cost	78.0	68.4
Transfer In/ (Out)	(41.3)	27.8
Employees Contributions	159.8	141.7
Benefits Paid	(109.3)	(148.9)
Change in Reserves	-	2.4
Actuarial (gain)/ loss on Obligations	(18.0)	13.6
Liability at the end of the year	1,254.1	1,089.3
(II) Fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	1,096.7	913.4
Expected Return on Plan Assets	110.1	85.2
Employer Contribution	78.0	68.4
Transfer In/ (Out)	(41.3)	27.8
Employees Contributions	159.8	141.7
Benefits Paid	(109.3)	(148.9)
Change in Reserves	-	-
Actuarial gain/ (loss) on Plan Assets	(34.9)	9.1
Fair value of Plan Assets at the end of the year	1,259.1	1,096.7
(III) Actual Return on Plan Assets		
Expected Return on Plan Assets	110.1	85.2
Actuarial gain/ (loss) on Plan Assets	(34.9)	9.1
Actual Return on Plan Assets	75.20	94.3
(IV) Amount Recognised in the Balance Sheet		
Defined Benefit Obligation	1,254.1	1,089.3
Fair value of Plan Assets	1,259.1	1,096.7
Liability recognised in the Balance Sheet [Refer note (ii)]	-	-
(V) Expenses Recognised in the Statement of Profit and Loss		
Current Service Cost	78.0	68.4
Interest Cost	95.6	77.7
Expected Return on Plan Assets	(110.1)	(85.2)
Net Actuarial (gain)/ loss to be recognised	16.9	4.5
Expense recognised in the Statement of Profit and Loss	80.4	65.4
(VI) Reconciliation of Amounts Recognised in the Balance Sheet		
Incremental Liability [Asset (+)/ Liability (-)]	(2.4)	0.6
Change in Reserves	-	2.4
Statement of Profit and Loss charge	80.4	65.4
Less: Contributions paid	(78.0)	(68.4)
Balance [Income (-)/ Expense (+)]	-	-

	For the year ended March 31, 2014	For the year ended March 31, 2013
(VII) Actuarial Assumptions		
Discount Rate	9.2%	8.2%
Expected Rate of Return on Plan Assets	8.8%	9.0%
Attrition Rate		
Upto 30 years	3.2%	7.9%
31 to 40 years	3.3%	3.5%
41 to 50 years	0.9%	1.2%
Above 50 years	2.0%	0.3%
Salary Escalation	8.0%	8.0%
Mortality Table	LIC (1994-96)	LIC (1994-96)

- c) Total contribution charged to the Statement of Profit and Loss for the aforesaid schemes amounts to Rs.95.6 million (Previous year - Rs.86.4 million).

Notes:

- The composition of Plan Assets are as per the Provident Fund scheme and Act of 1952.
- The excess of the Plan Assets over the liability for the Benefit Obligation has not been recognised in the books in line with the principle of prudence enunciated in Accounting Standard 1 - Disclosure of Accounting Policies.

28.3 Others

In respect of other defined contribution plans, the Company has recognized the following amounts in the Statement of Profit and Loss.

- Employer's Contribution to Superannuation Fund Rs.74.4 million (Previous year Rs.69.4 million)
- Employer's Contribution to ESI Rs 2.0 million (Previous year Rs.1.8 million)

29. EMPLOYEE SHARE BASED PAYMENTS

Certain employees of the Company have been granted stock options, stock appreciation rights and free performance shares by the Company's ultimate parent ALSTOM SA France. However, cost for such grant is not recharged by the ultimate parent to the Company. Accordingly, the Company has not accounted for such options in its books of account.

	As at March 31, 2014	As at March 31, 2013
30. COMMITMENTS		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for in these accounts (net of advances).	418.9	1,458.0
(ii) Export commitments against Export Promotion Capital Goods (EPCG) / Advance Licenses for import of capital goods / raw materials, at concessional rates of duty against which an undertaking to fulfil quantified exports / deemed exports within stipulated time period	1,325.6	465.0
31. CONTINGENT LIABILITIES		
(i) Demands relating to		
Sales tax matters	256.5	125.0
Excise duty and Service tax matters	236.3	211.8
(ii) Claims against the Company not acknowledged as debts pertaining to legal cases and provident fund.	69.9	65.8
32. UNHEDGED FOREIGN CURRENCY EXPOSURE		
(i) Trade Payables	1,077.6	1,069.9
(ii) Trade Receivables	1,213.8	1,185.6

NOTES TO THE FINANCIAL STATEMENTS

All figures in Rs. Million unless otherwise stated

33. DERIVATIVE INSTRUMENTS

	As at March 31, 2014	As at March 31, 2013
(i) Forward cover for export debtors outstanding	1,265.4	778.0
(ii) Forward cover for import creditors/ unsecured loans outstanding	2,077.5	1,551.9
(iii) Forward cover for expected future sales/ purchases or highly probable forecast transactions	2,753.6	1,622.2
Premium on account of forward contracts taken during the year pertaining to future accounting year	14.1	56.2

Significant forward contracts outstanding as at March 31, 2014:

Foreign Currency	Number of Contracts	Amount in Foreign Currency Million	Rupees Million
Imports/ Loans			
Euro (EUR)	339 (180)	32.0 (27.5)	2,638.4 (1,915.6)
US Dollar (USD)	136 (117)	19.4 (25.9)	1,159.4 (1,405.5)
Pound Sterling (GBP)	34 (7)	1.3 (0.3)	124.7 (28.1)
Swiss Franc (CHF)	35 (14)	1.2 (0.4)	83.6 (25.4)
Exports			
Euro (EUR)	60 (45)	5.5 (8.1)	451.8 (563.2)
US Dollar (USD)	177 (70)	23.4 (30.9)	1,401.3 (1,680.6)
Pound Sterling (GBP)	28 (18)	1.6 (1.2)	162.8 (100.3)
Qatari Riyal (Hedged with USD)	3 (3)	11.2 (11.2)	40.9 (40.8)

Note: Figures in brackets are for the previous year.

34. SEGMENT INFORMATION

Based on the dominant source and nature of risks and returns of the Company, management has identified its business segment as its primary reporting format. The Company is engaged in the business relating to products, projects and systems for electricity transmission and related activities only, which has been defined as one business segment and accordingly disclosure requirement as per Accounting Standard 17 on Segment Reporting for primary basis segment are not applicable. Secondary segment information by geographical location is given below:

Segment	Revenue from External Customers	Segment Assets	Capital Expenditure
Domestic	32,222.6 (28,527.4)	44,143.4 (38,752.8)	1,237.7 (527.6)
Overseas	4,885.2 (4,791.1)	2,853.0 (2,700.8)	- (-)
Total	37,107.8 (33,318.5)	46,996.4 (41,453.6)	1,237.7 (527.6)

Note: Figures in brackets are for the previous year.

The accounting policies applicable to the reportable geographical segments are the same as those used in the preparation of the financial statements as set out in note 2. Segment revenue from external customers includes amounts which can be directly identified to the geographical segment or allocated on a reasonable basis and does not include interest income. Segment assets include all operating assets used by the segment and consist primarily of trade receivables, inventories and fixed assets. Capital expenditure comprises additions to fixed assets including capital work-in-progress by geographical area in which assets are located.

35. EARNINGS PER SHARE (EPS)

	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit after tax available for equity shareholders	1,170.2	841.1
Weighted average number of shares outstanding during the year	244,581,336	239,104,035
Basic and diluted EPS [Nominal value per share of Rs.2/- each] (in Rupees)	4.78	3.52

The Company does not have any dilutive potential equity shares.

36. RELATED PARTY DISCLOSURES

36.1 Names of related parties and nature of relationship:

(i) Parties with whom control exist:

ALSTOM, France	Ultimate Holding Company
ALSTOM Holdings, France	Holding Company
ALSTOM Grid Holding BV, Netherlands (formerly ALSTOM Grid Finance BV, Netherlands)	Intermediate Holding Company
Grid Equipments Limited, India	Immediate Holding Company

(ii) Key managerial personnel

Mr. Rathindra Nath Basu
Mr. S.M. Momaya (w.e.f September 1, 2013)
Mr. Ravi Kumar Krishnamurthy

(iii) Fellow Subsidiaries with whom transactions have taken place:

PT ALSTOM Grid, Indonesia	ALSTOM Colombia SA, Colombia
ALSTOM Power Conversion, France	ALSTOM Power Service, France
ALSTOM Transport India Limited, India	Alstom Grid ZAO, Russian Federation
ALSTOM Grid Argentina SA, Argentina	ALSTOM Grid Hellas S.A., Greece
ALSTOM Grid Energia Ltda, Brazil	ALSTOM Grid Canada Inc, Canada
ALSTOM Grid UK Ltd, United Kingdom	ALSTOM Grid Pte Limited, Singapore
ALSTOM Technologie AG, Switzerland	ALSTOM Grid Sa De C.V., Mexico
ALSTOM Grid HVDC India Limited, United Kingdom	ALSTOM Grid Inc, USA
ALSTOM Grid Messwandler GmbH, Germany	PT Unelec Indonesia, Indonesia
ALSTOM Grid Vietnam Co., Limited, Vietnam	ALSTOM Grid Australia Limited, Australia
ALSTOM Technology Limited, Switzerland	ALSTOM Grid (Shanghai) Co., Limited, China
ALSTOM (China) Investment Co., Limited, China	ALSTOM Austria GMBH, Austria
ALSTOM Grid Enerji Endustrisi A.S, Turkey	ALSTOM Grid Maroc, Morocco
ALSTOM Power Construction Sp.zo.o, Poland	ALSTOM Power Systems SA, France
ALSTOM Disconnecter (Wuxi) Co., Limited., China	Cogelux, France
ALSTOM Grid Protection & Contrôle SAS, France	Schneider Electric Austria AG, Austria*
ALSTOM Grid Portugal Ltda, Portugal	Schneider Electric Energy GmbH, Germany*
ALSTOM Grid For Electrical Networks S.A.E, Egypt	Schneider Electric Energy De, Colombia*
ALSTOM Suzhou High Voltage Switchgear Co. Limited, China	Schneider Electric Brasil Ltda, Brazil*
ALSTOM (Yangzhou) High Voltage Bus-Ducts Co., Limited, China	Schneider Enerji Endustrisi San, Turkey*
ALSTOM Instrument Transformers (Shanghai) Co., Limited, China	Schneider Electric India Private Limited, India*
Shanghai Schneider Electric Power Automation Co Ltd, China*	Schneider Electric Energy Spain SI, Spain*
ALSTOM Grid Ltd, Thailand	Schneider Electric Huadian Switchgear, China*
ALSTOM Grid SpA, Italy	Schneider Electric Infrastructure Limited, India*
ALSTOM Grid SAS, France	Schneider Electric Sachsenwerk GmbH, Germany*
ALSTOM Grid SA, Spain	Schneider Electric Energy Austria AG, Austria*
ALSTOM Grid GmbH, Germany	Schneider-Electric Energy Hungary Limited, Hungary*
ALSTOM Belgium SA, Belgium	Schneider Electric Australia Pty Limited, Australia*
ALSTOM Hong Kong Limited, China	Schneider Electric Energy Poland Sp Zoo, Poland*
ALSTOM Grid AG, Switzerland	Schneider Electric Protection & Controle, France*
ALSTOM Grid Japan KK, Japan	PT Schneider Indonesia, Indonesia*
ALSTOM India Limited, India	Schneider Electric Canada Inc, Canada*
ALSTOM Middle East FZE, UAE	

* Upto February 15, 2013.

NOTES TO THE FINANCIAL STATEMENTS

All figures in Rs. Million unless otherwise stated

36.2 Related party transactions and balances:

Description	For the year ended March 31, 2014				For the year ended March 31, 2013			
(I) Transactions during the year	Holding Company	Immediate Holding Company	Fellow Subsidiaries	Key management personnel	Holding Company	Immediate Holding Company	Fellow Subsidiaries	Key management personnel
Sale of Products and Services								
ALSTOM Grid UK Ltd, United Kingdom	-	-	904.7	-	-	-	235.3	-
ALSTOM Grid Energia Ltda, Brazil	-	-	355.6	-	-	-	422.6	-
ALSTOM Grid PTE Ltd, Singapore	-	-	332.1	-	-	-	264.8	-
ALSTOM Grid SAS, France	-	-	808.7	-	-	-	235.7	-
ALSTOM Suzhou High Voltage Switchgear Co.Ltd, China	-	-	275.5	-	-	-	274.0	-
Schneider Electric Infrastructure Ltd, India	-	-	-	-	-	-	145.7	-
Others	-	-	1,901.9	-	-	-	1,441.1	-
Purchase of Raw Materials and Components and Services								
ALSTOM Grid SAS, France	-	-	1,110.0	-	-	-	779.8	-
ALSTOM Grid UK Ltd, United Kingdom	-	-	528.2	-	-	-	666.6	-
ALSTOM Grid AG, Switzerland	-	-	190.6	-	-	-	206.5	-
ALSTOM Grid SpA, Italy	-	-	243.7	-	-	-	144.1	-
Schneider Electric Infrastructure Ltd, India	-	-	-	-	-	-	400.3	-
Others	-	-	395.6	-	-	-	410.4	-
Purchase of Fixed Assets								
ALSTOM Grid UK Ltd, United Kingdom	-	-	12.6	-	-	-	23.6	-
ALSTOM Grid SAS, France	-	-	21.8	-	-	-	0.6	-
ALSTOM Grid AG, Switzerland	-	-	1.2	-	-	-	20.9	-
ALSTOM Grid Australia Ltd, Australia	-	-	76.6	-	-	-	-	-
ALSTOM Instrument Transformers (Shanghai) Co Ltd, China	-	-	38.1	-	-	-	-	-
Others	-	-	-	-	-	-	0.3	-
Technology Licence Fee and Others								
ALSTOM Grid UK Ltd, United Kingdom	-	-	138.2	-	-	-	110.7	-
ALSTOM Grid SAS, France	-	-	18.9	-	-	-	13.9	-
ALSTOM Technology Ltd, Switzerland	-	-	396.6	-	-	-	309.1	-
ALSTOM Grid Inc, USA	-	-	-	-	-	-	36.4	-
Trade Mark Fees								
ALSTOM Holdings, France	339.3	-	-	-	293.0	-	-	-
Interest Expense								
Grid Equipments Limited, India	-	48.6	-	-	-	21.1	-	-
ALSTOM India Limited, India	-	-	216.2	-	-	-	180.0	-
ALSTOM Grid SAS, France	-	-	-	-	-	-	1.0	-
ALSTOM Holdings, France	5.0	-	-	-	6.8	-	-	-
Dividend Remitted								
ALSTOM Holdings, France	29.7	-	-	-	-	-	-	-
Grid Equipments Limited, India	-	315.8	-	-	-	315.8	-	-
Short Term Borrowings Availed								
ALSTOM India Limited, India	-	-	11,860.0	-	-	-	12,580.0	-
Grid Equipments Limited, India	-	2,196.2	-	-	-	1,059.0	-	-
Short Term Borrowings Repaid								
ALSTOM India Limited, India	-	-	10,960.0	-	-	-	12,470.0	-
Grid Equipments Limited, India	-	2,555.2	-	-	-	700.0	-	-
Managerial Remuneration								
Rathindra Nath Basu	-	-	-	18.6	-	-	-	17.5
S.M. Momaya	-	-	-	5.8	-	-	-	-
Ravi Kumar Krishnamurthy	-	-	-	8.7	-	-	-	8.6
	As at March 31, 2014				As at March 31, 2013			
(II) Balances								
Trade Receivables								
ALSTOM Grid SAS, France	-	-	390.9	-	-	-	88.4	-
ALSTOM Grid AG, Switzerland	-	-	1.8	-	-	-	3.2	-
ALSTOM Grid UK Ltd, United Kingdom	-	-	230.0	-	-	-	24.1	-
ALSTOM Grid Energia Ltda, Brazil	-	-	100.3	-	-	-	150.4	-
Others	-	-	691.6	-	-	-	522.3	-
Trade Payables								
ALSTOM Grid SAS, France	-	-	537.2	-	-	-	374.3	-
ALSTOM Grid UK Ltd, United Kingdom	-	-	162.3	-	-	-	288.0	-
ALSTOM Grid AG, Switzerland	-	-	167.9	-	-	-	91.1	-
ALSTOM Holdings, France	133.6	-	-	-	213.8	-	-	-
Others	-	-	363.6	-	-	-	297.9	-
Short Term Borrowings								
ALSTOM India Limited, India	-	-	3,460.0	-	-	-	2,560.0	-
Grid Equipments Limited, India	-	-	-	-	-	359.0	-	-
Long Term Borrowings								
ALSTOM Holdings, France	783.0	-	-	-	660.5	-	-	-

37. CONSTRUCTION CONTRACTS

Amounts in relation to contracts in-progress as at end of year

	For the year ended March 31, 2014	For the year ended March 31, 2013
Contract revenue recognised for the year ended	16,948.7	14,524.3
Aggregate amount of contract costs incurred and recognised profits (less recognised losses) for all contracts-in-progress up to the year ended	62,894.5	59,920.3
Amount of advances received	4,624.4	4,424.6
Amount of retention	6,394.6	6,039.2
Gross amount due from customers for contracts-in-progress	14,655.7	15,293.5

38. CONSUMPTION OF RAW MATERIALS AND COMPONENTS

Raw materials and components

Ferrous Metals	1,311.0	2,034.4
Non Ferrous Metals	1,687.3	1,996.7
Components	20,860.3	18,257.5
Total	23,858.6	22,288.6

Details	For the year ended March 31, 2014		For the year ended March 31, 2013	
	Value	%	Value	%
Imported	4,982.1	21%	3,788.0	17%
Indigenous	18,876.5	79%	18,500.6	83%
Total	23,858.6	100%	22,288.6	100%

39. VALUE OF IMPORTS ON CIF BASIS

Raw materials and components*	5,363.8	3,663.9
Capital goods	712.7	222.4
	6,076.5	3,886.3

* Excludes goods in transit

40. EXPENDITURE IN FOREIGN EXCHANGE

Technology licence fee	396.6	309.2
Interest	47.2	76.1
Trade mark fees	339.3	293.0
Travelling expenses	70.7	65.1
Data management charges	186.5	189.2
Other expenses	520.8	466.0
	1,561.1	1,398.6

NOTES TO THE FINANCIAL STATEMENTS

All figures in Rs. Million unless otherwise stated

	For the year ended March 31, 2014	For the year ended March 31, 2013
41. EARNINGS IN FOREIGN EXCHANGE		
FOB value of exports	4,575.6	4,578.3
Services income	309.6	212.8
	4,885.2	4,791.1
Note: Deemed exports Rs.1,582.2 million (Previous year - Rs.1,564.6 million)		
42. DIVIDEND REMITTED IN FOREIGN EXCHANGE		
Number of non-resident shareholders	One	-
Number of equity shares held (at Rs.2/- each)	16,542,372	-
Amount remitted	29.8	-
Year to which the dividend relates	March 31, 2013	-
43. MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ("MSMED")		
The Company has amounts due to suppliers under MSMED Act. The disclosure pursuant to the said Act is as under:		
(i) The principal amount and the interest due thereon remaining unpaid to any supplier		
Principal amount	1,362.2	1,699.2
Interest thereon	29.2	26.3
(ii) The amount of interest paid by the buyer in terms of section 18, along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iii) The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
(iv) The amount of interest accrued and remaining unpaid	29.2	26.3
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small investor	-	-
Note: The information relates to such vendors identified as micro, small and medium enterprises, on the basis of information available with the Company.		
44. AUDITORS REMUNERATION*		
Statutory audit	4.3	4.3
Tax audit	1.6	1.6
Quarterly review	3.3	3.3
Other audit services/ certification**	5.0	3.4
Out of pocket expenses	1.0	2.2
	15.2	14.8

* Excluding service tax.

**Certification fees amounting to Rs.1.6 million towards share issue, has been set off against securities premium account during the current year.

45. UTILISATION OF IPP PROCEEDS AND SHARE ISSUE EXPENSES

Out of the proceeds of Rs.2,795.5 million from the issue of shares, Rs.2,493.2 million has been utilised for repayment of loans (including interest) and balance proceeds was used to meet the working capital requirement as envisioned in the Prospectus dated 30th November 2013.

Expenses amounting to Rs.44.0 million incurred in connection with the issue is set off against securities premium account.

46. EXCEPTIONAL ITEMS

Exceptional item in previous year represents profit on sale of land and building at Perungudi for a consideration of Rs.223.6 million.

47. PREVIOUS YEAR CORRESPONDING FINANCIAL INFORMATION

Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year's classification.

For S.N. Dhawan & Co.

Firm Registration Number: 000050N
Chartered Accountants

Vijay Dhawan

Partner
Membership Number: 12565

Place: New Delhi
Date : April 29, 2014

For and on behalf of the Board of Directors

Rathindra Nath Basu
Managing Director

Manoj Prasad Singh
Company Secretary

Place: New Delhi
Date : April 29, 2014

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

GLOSSARY

AGM	Annual General Meeting	ITR	Instrument Transformers
AIS	Air Insulated Substations	L&T	Larsen & Toubro
APS	Alstom Production System	MMS	Market Management System
CDSL	Central Depository Services (India) Limited	MSETCL	Maharashtra State Electricity Transmission Company Limited
CSR	Corporate Social Responsibility	MVA	Mega Volt Ampere
CVT	Capacitive Voltage Transformer	MV	Medium Voltage
DCS	Digital Control Systems	MW	Mega Watt
DMS	Distribution Management System	MWH	Mega Watt Hour
DSO	Distribution System Operators	NABL	National Accreditation Board for Testing & Calibration Laboratories
e-BOP	Electrical Balance of Plants	NCT	National Capital Territory
ECB	External Commercial Borrowing	NHPC	National Hydro Power Corporation
EHS	Environmental Health and Safety	NSDL	National Securities Depository Limited
EHV	Extra High Voltage	NTPC	National Thermal Power Corporation
EMS	Energy Management System	OHSAS	Occupational Health and Safety Advisory Services
EPC	Engineering, Procurement and Construction	PTR	Power Transformers
EPCG	Export Promotion Capital Goods	R&D	Research and Development
ERP	Enterprise Resource Planning	R&M	Renovation & Modernisation
FACTS	Flexible Alternating Current Transmission Systems	RTU	Remote Terminal Unit
FRP	Financial Restructuring Package	SAIL	Steel Authority of India Limited
GDP	Gross Domestic Product	SAS	Substation Automation Solution
GCB	Generator Circuit Breaker	SCADA	Supervisory Control and Data Acquisition Systems
GENCOS	Generation Companies	SEB	State Electricity Boards
GIS	Gas Insulated Switchgear	SEBI	Securities & Exchange Board of India
GETCO	Gujarat Energy Transmission Corporation Limited	SQCD	Safety, Quality, Cost and Delivery
GW	Giga Watt	STATCOM	Static Synchronous Compensator
HV	High Voltage	SVC	Static VAR Compensators
HVDC	High Voltage Direct Current	T&D	Transmission and Distribution
ICT	Inter Connected Transformer	TSO	Transmission System Operators
IEC	International Electrotechnical Commission	UHV	Ultra High Voltage
IED	Intelligent Electronic Device	VSC	Voltage Source Converter
IEPF	Investor Education and Protection Fund	WAMS	Wide Area Monitoring System
IMS	Integrated Management System	WBSETCL	West Bengal State Electricity Transmission Company
IPP	Independent Power Producers		
ISO	International Organization for Standardization		

PRODUCTS

AIR INSULATED SWITCHGEAR

Circuit Breakers

(Key to Substation safety & Security used for isolation of a live network)

Live Tank Breaker
72.5 kV - 800 kV

Disconnectors

(Offline switches providing safety for people working on HV networks with reliable air-gap isolation)

Centre/ Double Break/ Pantograph/ Knee Type
72.5 kV - 1200 kV

Instrument Transformers

(Essential link for efficient operation of transmission network providing reliable current & voltage measurements)

Current Transformer

Voltage Transformer

Non-Conventional ITR

Capacitive Voltage Transformer

Combined Metering Units
72.5 kV - 1200 kV



GAS INSULATED SWITCHGEAR

Gas Insulated Switchgear

(Compact HV Switchgear permits realisation of simple & complex station layouts with minimum Floor space needs)

1 phase SF6 filled HV metal enclosed
72.5 kV - 400 kV



POWER TRANSFORMERS

Power Transformers

(Connects AC network at different voltages allowing power exchange for Power transmission & industrial applications)

Industrial Application

Electric Arc furnace

Rectifier Transformers

Transmission Application

HVDC Transformer

Shunt Reactors
1 phase, 3 phase

Large Range > 120 MVA,
500 - 1200 kV

Medium Range
40 - 120 MVA

Small Range 5 - 40 MVA



SUBSTATION SOLUTIONS

Engineering & Project Management Solutions for large turnkey transmission projects & power supplies for electro-intensive industries & infrastructure

AIS Substations
66 kV - 765 kV

GIS Substations
66 kV - 400 kV



AUTOMATION SOLUTIONS

NETWORK MANAGEMENT SOLUTIONS

Smart Grid solutions bridging the gap between information technologies & operational technologies providing centralized & distributed power management

Asset management & Asset Condition monitoring

Demand Response

Distributed management Systems

Generation Portfolio Management

Energy Management Systems

Market Management Systems

WAMS & Online Stability Solutions

Oil & Gas Pipeline Solutions



SUBSTATION AUTOMATION

Key installations in the power grid monitoring and controlling power flows, identifying System faults and isolate the faulty systems from the grid for un-interrupted operation

Protection Relays and Intelligent Devices

Measurement Recording PMUs & merging Units

DCS Centric Systems

RTU Centric Systems & CCS

SAS Support



SERVICES

Service support through the lifetime of the supplied products and systems and reduce maintenance requirements, across the value chain

Network Consulting

Long Term Operation & Maintenance

Customer Trainings

Renovation & Modernisation

GIS Product Cycle Services

AIS Product Cycle Services

PTR Product Cycle Services



SUPERGRID SOLUTIONS

Solutions for Bulk Power transfer driven by triple imperative: reliability, safety and efficiency, allowing higher and more stable power flows on alternating current grids

HVDC - LCC & VSC

FACTS - SVC Solutions

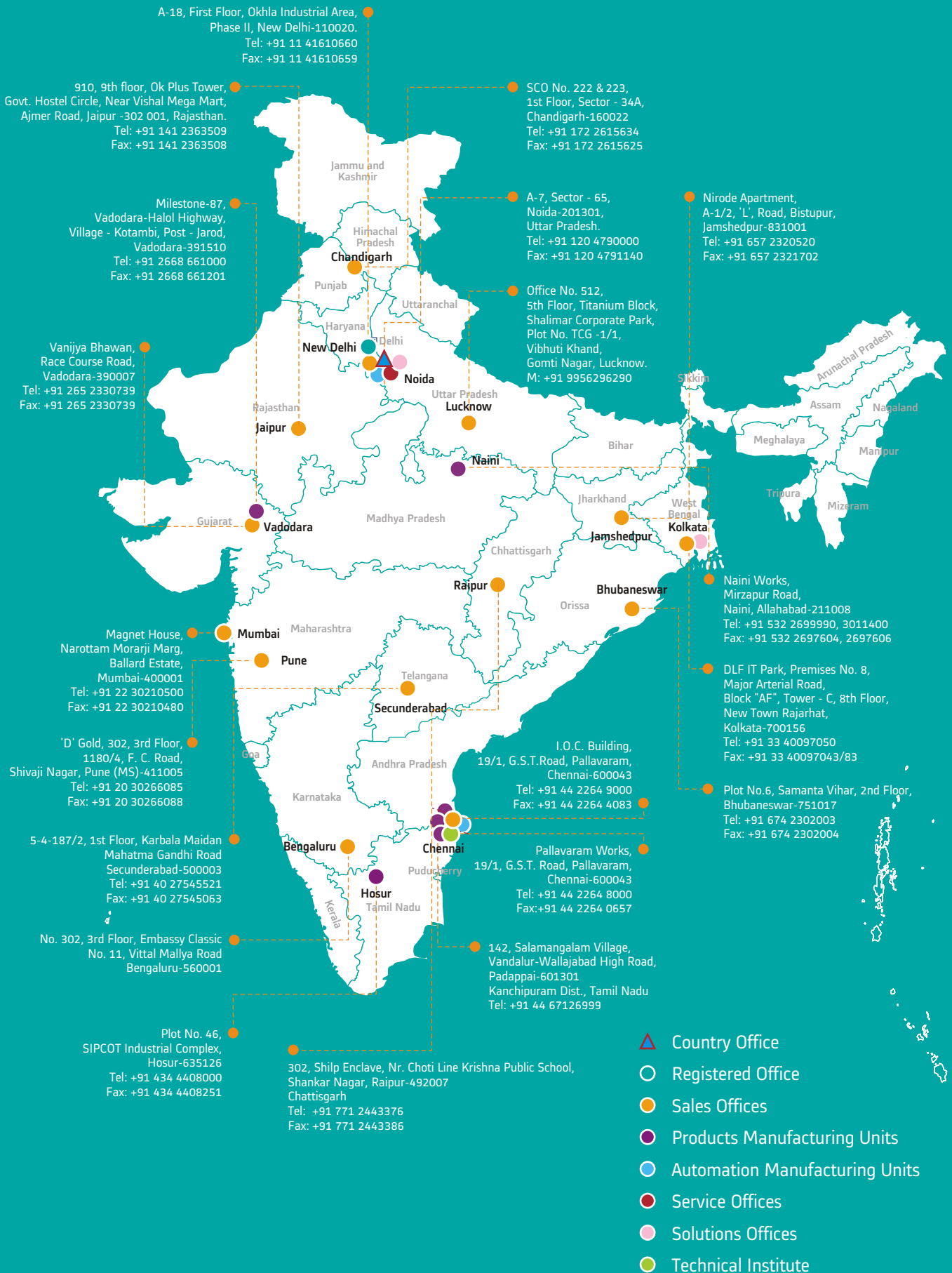
FACTS - STATCOM

Reactive Power Compensation Solutions

AC/ DC Rectifier



OUR GEOGRAPHICAL SPREAD IN INDIA



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The ALSTOM logo, featuring the word "ALSTOM" in a bold, blue, sans-serif font. The letter "O" is stylized as a red circle with a white dot in the center, resembling an eye or a stylized zero.