

# ALSTOM INDIA LIMITED

CIN - L74140MH1992PLC068379

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Churchgate, Mumbai – 400020, Maharashtra

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**Recommendations of the Independent Directors Committee (“IDC”) of Alstom India Limited (“TC”) on the open offer (“Offer”) made by GE Energy Europe B.V. (“Acquirer”) and (i) General Electric Company (“GE”); and (ii) GE Albany Global Holdings B.V. (“GEAlbany”) and, together with GE, the “Purchasers” or the “PACs”, in their capacity as persons acting in concert with the Acquirer to the public shareholders of the TC, under Regulation 26(7) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI (SAST) Regulations”)**

1	Date	January 13, 2016
2	Name of the Target Company (TC)	ALSTOM India Limited
3	Details of the Offer pertaining to TC	Offer for acquisition of up to 17,479,143 fully paid-up equity shares of face value of Rs. 10/- each, (“Equity Share”) representing 26% of the fully diluted voting equity share capital of the TC, as of the 10th working day from the closure of the tendering period, from the public shareholders of the TC, by the Acquirer and the PACs under Regulations 3(1), 4 and 5(1) of the SEBI (SAST) Regulations. Offer Price: Rs.440.32 (Rupees four hundred forty and thirty two paise only) per Equity Share. Mode of payment: Cash
4	Name(s) of the Acquirer and PAC with the Acquirer	Acquirer: GE Energy Europe B.V. PACs: General Electric Company and GE Albany Global Holdings B.V.
5	Name of the Manager to the offer	Credit Suisse Securities (India) Private Limited 9th floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli Mumbai – 400 018, India Tel: +91 22 6777 3777 Email: list.alstomindiaopenoffer@credit-suisse.com Contact Person: Shashank Sinha SEBI Registration Number: INM00011161
6	Members of the Committee of Independent Directors (IDC)	1. Dr. Uddesh Kohli, Chairman 2. Mr. K. Vasudevan 3. Mr. Arun K. Thiagarajan
7	IDC Member’s relationship with the TC (Director, Equity shares owned, any other contract/relationship), if any	All the members of the IDC are independent and non-executive directors on the Board of Directors of the TC. Mr. Arun K. Thiagarajan holds 13,415 Equity Shares in the TC. Other than Mr. Arun K. Thiagarajan’s shareholding in the TC, there is no other relationship of IDC members with the Company or its directors.
8	Trading in the Equity shares/other securities of the TC by IDC Members	None of the IDC members have traded in equity shares of the TC in the preceding twelve months.
9	IDC Member’s relationship with the Acquirer (Director, Equity shares owned, any other contract/relationship), if any	No member of the IDC (i) holds any directorship; (ii) holds any shares; or (iii) has any relationship/contract with the Acquirer or the PACs.
10	Trading in the Equity shares/other securities of the Acquirer by IDC Members	None of the IDC members have traded in equity shares/other securities of the Acquirer during the preceding three years.
11	Recommendation on the Open offer, as to whether the offer is fair and reasonable	The IDC is of the opinion that the open offer price to the public shareholders of the TC is in accordance with the guidelines prescribed by the SEBI (SAST) Regulations. At close of January 12, 2016, the market price of the shares of the TC as traded on the BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”) was Rs.655.85 (Rupees six hundred fifty five and eighty five paise only) and Rs.654.00 (Rupees six hundred fifty four only) respectively, which is more than the Offer Price. The shareholders should independently evaluate the Offer and take an informed decision in this regard.
12	Summary of reasons for recommendation (IDC may also invite attention to any other place, e.g. company’s website, where its detailed recommendations along with written advice of the independent adviser, if any, can be seen by the shareholder)	IDC has perused the Letter of Offer (“LO”), the Detailed Public Statement (“DPS”), the Public Announcement (“PA”) and other documents as released by Credit Suisse Securities (India) Private Limited (as the Manager to the Offer) on behalf of the Acquirer and the PACs. Deloitte Haskins & Sells LLP, Chartered Accountants have provided a report dated January 8, 2016 commenting that the open offer price is in compliance with Regulations 8(3) read with Regulation 8(12) of the SEBI SAST Regulations. Based on the above, the IDC is of the opinion that the Offer price of Rs.440.32 (Rupees four hundred forty and thirty two paise) per Equity Share is in accordance with the guidelines prescribed by the SEBI (SAST) Regulations. The IDC has taken into consideration the following for making this recommendation: <ol style="list-style-type: none"><li>The Offer is a mandatory open offer in compliance with Regulation 3(1), Regulation 4 and Regulation 5(1) of the SEBI (SAST) Regulations pursuant to the indirect acquisition of the voting rights and control of the TC.</li><li>Deloitte Haskins &amp; Sells LLP, Chartered Accountants appointed by the TC on behalf of the IDC vide its report dated January 8, 2016 provided an opinion that:<ol style="list-style-type: none"><li>as per Regulation 2(1)(zb) of the SEBI (SAST) Regulations, the Volume Weighted Average Market Price (“VWAMP”) works out to Rs.382.20 (Rupees three hundred eighty two and twenty paise only) per Equity Share.</li><li>as per Regulation 8(3) read with Regulation 8(12) of SEBI (SAST) Regulations, the Offer Price of TC’s shares works out to Rs.440.32/- (Rupees four hundred forty and thirty two paise only) per Equity Share, which consists of Rs. 382.20 (Rupees three hundred eighty two and twenty paise only) per Equity Share plus interest of Rs. 58.12 (Rupees fifty eight and twelve paise only) per Equity Share, which has been calculated @ 10% per annum for the period from April 30, 2014 (being the date on which the intention to make the primary acquisition was announced in the public domain) to November 6, 2015 (being the date of the DPS).</li><li>the Open Offer Price of Rs.440.32/- per Equity Share of TC is in accordance with Regulation 8(3) read with Regulation 8(12) of the SEBI (SAST) Regulations.</li></ol></li></ol>
13	Details of Independent Advisors, if any	Deloitte Haskins & Sells LLP, Chartered Accountants Indiabulls Finance Centre, Tower 3, 27th-32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400013
14	Any other matter(s) to be highlighted	None

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the SEBI (SAST) Regulations.

For and on behalf of Independent Directors Committee of  
ALSTOM India Limited

Sd/-

Place : Noida

Dr. Uddesh Kohli, Chairman - IDC

Date : January 13, 2016

Chairman – Committee of Independent Directors