Background
ALSTOM is in the business of designing, building and servicing technologically advanced products and systems for the world’s energy and transport infrastructure. ALSTOM commenced operations in India in Kolkata in the 1910s and later in Chennai in the 1950s. It has been a long-term player in India and is active in three major areas of business

Power: ALSTOM’s power sector division forms a major part of ALSTOM’s business operations in India. It is engaged in various activities as an equipment supplier, engineering procurement and construction contractor and products/services supplier for central and state public sector utilities and for independent power producers.

Transport: ALSTOM’s transport division in India manufactures traction drives, auxiliary converters, control electronics, electro-mechanical products and safety systems. The factory is located at Coimbatore in Tamil Nadu.

Transmission & Distribution: ALSTOM’s transmission and distribution division has manufacturing facilities in Chennai, Kolkata, Noida, Bangalore, Pondicherry and Naini. It manufactures electrical equipment and caters to turnkey T&D Projects (HVDC, Telecom, EMS/SCADA & HVS) as well as other Industry, Oil/Gas and Infrastructure markets.
Well established in India

ALSTOM has established a strong presence in India in all the sectors it operates in. For example, ALSTOM’s power division in India helps generate nearly 40 per cent of the total power produced in the country. It has contributed towards more than 15,000 MW to India’s power generation capacity with a successful track record in the execution of supplies & services for many important power projects in the country.

In India, ALSTOM companies together have a turnover of about US$ 300 million with about 6,500 employees and 18 offices. The power sector accounts for nearly 50 per cent (US$ 147 million) of that turnover, followed by Transmission and Distribution (US$ 141 million) and Transport (US$ 12 million).

Factors for success

Growing energy and transport needs of India

India’s focus on infrastructure development through increasing power generation and the road and rail networks have helped ALSTOM establish itself and grow in India. The rising demand for energy in India and the second-generation power reform measures currently underway give ample opportunities for growth. Also, the ongoing Metro project in Delhi and other major cities offer abundant potential for ALSTOM’s transport segment. ALSTOM is embarking on a wide-ranging plan to grow its India operations in the Power Generation Sector where the opportunities for growth are high in the thermal, nuclear and hydro areas with the advent of second generation power sector reforms.

Leveraging IT

ALSTOM believes that computing and communication are one of their prime requirements to conduct business. ALSTOM has deployed Very Small Aperture Terminals (VSATs) across their offices since most of them are remote sites. They have implemented SAP for Enterprise Resource Planning (ERP) with a view to streamline the complete pre-award activities of supply chain management including vendor registration, maintaining vendor database, assessment/classification of vendors, automatic mailing and accessing new product information. They run their IT department with 13 people, and have outsourced facility management, support and the helpdesk.

Leveraging the India Advantage

IT capabilities

ALSTOM has a software centre at Bangalore for handling the design of the Train Control System and Application Software.

R&D centre

The ALSTOM Group is planning to set up an R&D centre at Bangalore. The R&D centre would undertake activities linked to information technology for products like turbines and generators, and technology control of power plants. These activities would include both in-house and out-sourced components.

Global engineering and manufacturing centre

ALSTOM is planning to upgrade its Vadodara factory to make it one of the global engineering and manufacturing centres for hydropower and rotating machines (turbines and generators). ALSTOM is also planning to enhance its plant engineering, project management and procurement functions located at Delhi. The company plans to make India an ALSTOM
hub not just to address the Indian market but also to utilise India’s competence and industrial capabilities for its global operations.

**Future plans**

- ALSTOM is planning to double production capacity in India to generate more business over the next two to three years.
- The company plans to increase its outsourcing capabilities.
- ALSTOM has implemented SAP for Enterprise Resource Planning (ERP). In addition, the company is planning development of a contract management module. This module will focus on post-award activities with vendors, and web-enable supply chain management, thus creating more transparency in execution and making complete project information available online to authorised persons from vendors and ALSTOM.
- ALSTOM is planning on enhancing capabilities for boiler engineering and manufacturing.
Over the next 20 years, the world’s population could grow by 2 billion. This growth would cause worldwide energy consumption to double and the demand for transportation to increase. ALSTOM is one of the three world leaders in the fast-growing energy and transportation markets. ALSTOM represents 20,000 employees in 70 countries working each day to bring you transportation, energy and related services.

ALSTOM, the global specialist in energy and transport infrastructure.

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