



NUMERIC POWER SYSTEMS LIMITED

NUMERIC POWER SYSTEMS LIMITED

Registered Office : 'NUMERIC HOUSE' 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai - 600 004

NOTICE OF THE NINTH ANNUAL GENERAL MEETING

Notice is hereby given that the Ninth Annual General Meeting of M/s NUMERIC POWER SYSTEMS LIMITED will be held on Saturday the 29th November 2003 at 4:00 P.M at the Registered Office at 'NUMERIC HOUSE' No.5, Sir P.S.Sivasamy Salai, Mylapore, Chennai - 600 004 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Ninth Annual Report of the Directors, Balance Sheet as at 30th September 2003 and Profit and Loss Account for the financial year ended on that date and the Report of the Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Mr. Siva C Paramasivam who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mr. K.P.Sivanandam who retires by rotation and being eligible, offers himself for reappointment.
5. To appoint a Director in place of Mr. Donald Gene Fair who retires by rotation and being eligible, offers himself for reappointment.
6. To appoint a Director in place of Mr. John J Dhyanchand who retires by rotation and being eligible, offers himself for reappointment.
7. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
"RESOLVED that the retiring Auditors of the Company, M/s.Gopal & Murthi, Chartered Accountants, Chennai and M/s.S.K.Ram Associates, Chartered Accountants, Chennai, being eligible for reappointment, be and are hereby reappointed as Auditors of the Company, to hold office till the conclusion of the next Annual General Meeting, on such terms and conditions as to remuneration, out-of-pocket expenses etc. as may be fixed in consultation with the Board of Directors of the Company."

SPECIAL BUSINESS

8. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-
RESOLVED that Mr. V. M. Sivasubramanian, Director, who was appointed as an additional Director under the provisions of Section 260 of the Companies Act, 1956 in the meeting of the Board of Directors of the Company held on 20th October 2003 and who holds his office as such upto the date of this Ninth Annual General Meeting and in respect of whom notice under Section 257 of the Companies Act, 1956, has been received from some members signifying their intention to propose Mr. V.M. Sivasubramanian as a candidate for the office of Director, be and is hereby appointed as a Director of the Company."
9. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:-
RESOLVED that subject to Sections 198, 269, 309 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr. R. Chellappan, Managing Director, as revised within the ceiling limit prescribed under the Companies Act, 1956 as per the Resolution passed by the Board of Directors on 20th October 2003, and as set out in the Explanatory Statement annexed to this Notice, be and is hereby approved.

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

RESOLVED that subject to Sections 198, 269, 309 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr. A. Balan, a whole-time Director, as revised within the ceiling limit prescribed under the Companies Act, 1956 as per the Resolution passed by the Board of Directors on 20th October 2003, and as set out in the Explanatory Statement annexed to this Notice, be and is hereby approved.

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

RESOLVED that subject to Sections 198, 269, 309 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr. G. Ramasubramanian, a whole-time Director, as revised within the ceiling limit prescribed under the Companies Act, 1956 as per the Resolution passed by the Board of Directors on 20th October 2003, and as set out in the Explanatory Statement annexed to this Notice, be and is hereby approved.

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

RESOLVED that subject to Sections 198, 269, 309 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the remuneration payable to Mr. K.V. Nachiappan, a whole-time Director, as revised within the ceiling limit prescribed under the Companies Act, 1956 as per the Resolution passed by the Board of Directors on 20th October 2003, and as set out in the Explanatory Statement annexed to this Notice, be and is hereby approved.

By Order of the Board
For **NUMERIC POWER SYSTEMS LIMITED,**

Chennai
28.10.2003

S.KRISHNAMURTHY
Company Secretary

1. The relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 in respect of the business under Item No.8 to 12 set out above is annexed herewith.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Instrument of proxies must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of Members and the Transfer Books will remain closed from 27th November 2003 to 29th November 2003 (both days inclusive).
4. The dividend for the year ended 30.09.2003, as recommended by the Board and approved by the shareholders at the Meeting shall be payable on or before 27th December 2003 to those members whose names appear on the Company's Register of Members on 27th November 2003.
5. Members are requested to inform immediately in their own interest, the Bank Account number/ Name of the Bank/ Branch and change if any, in their address registered with the Company, so as to incorporate the same while making payment of dividend.

ANNEXURE TO NOTICEExplanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

This Explanatory Statement sets out the material facts relating to Item Nos. 8 to 12 of the accompanying Notice.

Item No.8:

At the meeting of the Board held on 20th October 2003, Mr. V. M. Sivasubramanian was appointed as an additional Director on the Board of Directors of the Company. He is 66 years of age and has held a very high respectable professional career. Mr. V. M. Sivasubramanian holds his office upto the date of this Annual General Meeting under Section 260 of the Companies Act, 1956. Notice under Section 257 of the Companies Act, 1956 has been received from some members signifying their intention to propose Mr. V. M. Sivasubramanian as a candidate for the office of Director of the Company.

None of the Directors, except Mr. V. M. Sivasubramanian, is interested or concerned in this Resolution. The resolution is placed before the shareholders for approval.

Item No.9:

At the meeting held on 20th October 2003, the Board of Directors passed a Resolution revising the remuneration payable to Mr. R. Chellappan, Managing Director, with effect from 1st October 2003, and the remuneration, benefits and perquisites which are within the limits prescribed in Schedule XIII of the Companies Act, 1956, are set out hereunder:-

1. Remuneration by way of Salary, Dearness Allowance and Perquisites and Other allowances such as House Rent Allowance, Personal Accident Insurance and LIC Group Insurance Scheme, Club Fees (subject to a maximum of two Clubs), and Gas, Electricity, Water and Furnishings, not to exceed Rs.1,25,000/- per month or Rs.15,00,000/- per annum.
2. In addition, he will be eligible for the following:-
 - (a) Reimbursement of Medical Expenses: For Self and family, subject to a maximum of one month's salary in a year.
 - (b) Leave Travel Concession: For Self and family, once in a year, subject to a maximum of one month's salary.
3. The perquisites and Commission as approved by the Shareholders at the Fifth Annual General Meeting held on 3rd March 2000 remain unaltered.

None of the Directors, except Mr. R. Chellappan, is interested or concerned in this Resolution.

The Resolution is recommended for approval of the shareholders.

Item No. 10

At the meeting held on 20th October 2003, the Board of Directors passed a Resolution revising the remuneration payable to Mr. A. Balan, a whole-time Director, with effect from 1st October 2003, and the remuneration, benefits and perquisites which are within the limits prescribed in Schedule XIII of the Companies Act, 1956, are set out hereunder:-

1. Remuneration by way of Salary, Dearness Allowance and Perquisites and Other allowances such as House Rent Allowance, Personal Accident Insurance and LIC Group Insurance Scheme, Club Fees (subject to a maximum of two Clubs), and Gas, Electricity, Water and Furnishings, not to exceed Rs.1,00,000/- per month or Rs.12,00,000/- per annum.
2. In addition, he will be eligible for the following:-
 - (a) Reimbursement of Medical Expenses: For Self and family, subject to a maximum of one month's salary in a year.
 - (b) Leave Travel Concession: For Self and family, once in a year, subject to a maximum of one month's salary.

3. The perquisites, as approved by the Shareholders at the Fifth Annual General Meeting held on 3rd March 2000 remain unaltered.

None of the Directors, except Mr. A. Balan, is interested or concerned in this Resolution.

The Resolution is recommended for approval of the shareholders.

Item No. 11

At the meeting held on 20th October 2003, the Board of Directors passed a Resolution revising the remuneration payable to Mr. G. Ramasubramanian, a whole-time Director, with effect from 1st October 2003, and the remuneration, benefits and perquisites which are within the limits prescribed in Schedule XIII of the Companies Act, 1956, are set out hereunder:-.

1. Remuneration by way of Salary, Dearness Allowance and Perquisites and Other allowances such as House Rent Allowance, Personal Accident Insurance and LIC Group Insurance Scheme, Club Fees (subject to a maximum of two Clubs), and Gas, Electricity, Water and Furnishings, not to exceed Rs.1,00,000/- per month or Rs.12,00,000/- per annum.
2. In addition, he will be eligible for the following:-
 - (a) Reimbursement of Medical Expenses: For Self and family, subject to a maximum of one month's salary in a year.
 - (b) Leave Travel Concession: For Self and family, once in a year, subject to a maximum of one month's salary.
3. The perquisites, as approved by the Shareholders at the Fifth Annual General Meeting held on 3rd March 2000 remain unaltered.

None of the Directors, except Mr. G. Ramasubramanian, is interested or concerned in this Resolution.

The Resolution is recommended for approval of the shareholders.

Item No. 12

At the meeting held on 20th October 2003, the Board of Directors passed a Resolution revising the remuneration payable to Mr. K.V. Nachiappan, a whole-time Director, with effect from 1st October 2003, and the remuneration, benefits and perquisites which are within the limits prescribed in Schedule XIII of the Companies Act, 1956, are set out hereunder:-.

1. Remuneration by way of Salary, Dearness Allowance and Perquisites and Other allowances such as House Rent Allowance, Personal Accident Insurance and LIC Group Insurance Scheme, Club Fees (subject to a maximum of two Clubs), and Gas, Electricity, Water and Furnishings, not to exceed Rs.85,000/- per month or Rs.10,20,000/- per annum.
2. In addition, he will be eligible for the following:-
 - (a) Reimbursement of Medical Expenses: For Self and family, subject to a maximum of one month's salary in a year.
 - (b) Leave Travel Concession: For Self and family, once in a year, subject to a maximum of one month's salary.
 - (c) Car: Car will be provided by the Company. The expenses connected with the operation will be reimbursed as per the Rules of the Company from time to time.
3. The perquisites, as approved by the Shareholders at the Fifth Annual General Meeting held on 3rd March 2000 remain unaltered.

None of the Directors, except Mr. K.V.Nachiappan, is interested or concerned in this Resolution.

The Resolution is recommended for approval of the shareholders.

By Order of the Board
For NUMERIC POWER SYSTEMS LIMITED,

Chennai
28.10.2003

S.KRISHNAMURTHY
Company Secretary

NUMERIC POWER SYSTEMS LIMITED

Registered Office : 'NUMERIC HOUSE' 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai - 600 004

PROXY FORM

I / We.....

of

a member / members of NUMERIC POWER SYSTEMS LIMITED hereby appoint

..... of

or failing him of

or failing him of

as my/our proxy to attend and vote for me/our behalf at the Annual General Meeting of the Company, to be held on 29th November 2003 at 4.00 p.m. and at any adjournment thereof.

Signed this day of 2003.

30
Paise
Revenue
Stamp

Note : The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.

NUMERIC POWER SYSTEMS LIMITED

Registered Office : 'NUMERIC HOUSE' 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai - 600 004

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting place)

I hereby record my presence at the Annual General Meeting of the Company to be held on 29th November 2003 at 4.00 p.m.

Name of the attending member (in block letters).....

Name of the proxy.....

Member's / Proxy's Signature

(To be signed at the time of handing over this slip)

NUMERIC POWER SYSTEMS LIMITED

CHAIRMAN	:	Mr. R. VEERAMANI
DIRECTORS	:	Mr. R. CHELLAPPAN, <i>Managing Director</i> Mr. SIVA C. PARAMASIVAM, <i>Director</i> Mr. K.P. SIVANANDAM, <i>Director</i> Mr. DONALD GENE FAIR, <i>Director</i> Mr. JOHN J. DHYANCHAND, <i>Director</i> Mr. A. BALAN, <i>Director</i> Mr. G. RAMASUBRAMANIAN, <i>Director</i> Mr. M.K. BALASUBRAMANIAN, <i>Director</i> Mr. K.V. NACHIAPPAN, <i>Director</i>
COMPANY SECRETARY	:	Mr. S. KRISHNAMURTHY
AUDITORS	:	M/s. GOPAL & MURTHI <i>Chartered Accountants</i> 157, Luz Church Road Mylapore, Chennai – 600 004 M/s. S.K. RAM ASSOCIATES <i>Chartered Accountants</i> 57-A, Sullivan Garden Road Mylapore, Chennai – 600 004
BANKERS	:	STATE BANK OF MYSORE Santhome and Industrial Finance Branch Chennai BNP PARIBAS Prince Towers, 3 rd Floor 25/26, College Road Chennai – 600 006 STATE BANK OF INDIA Industrial Finance Branch 103, Anna Salai, Chennai – 600 002 HDFC BANK Limited Mariam Centre Branch 751-B Anna Salai, Chennai – 600 002
REGISTERED OFFICE	:	'NUMERIC HOUSE' 5, Sir P.S. Sivasamy Salai Mylapore, Chennai – 600 004
FACTORY	:	33/1, Sedarpet Industrial Estate Pondicherry – 605 101 Plot No.B-69, Door No.47 PIPDIC Industrial Estate Sedarpet, Pondicherry – 605 101 122/1, Old Mhabalipuram Road Semmancherry, Chennai – 600 119

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NUMERIC POWER SYSTEMS LIMITED

DIRECTORS' REPORT

It is our great pleasure to thank all the Investors who have been with NUMERIC all these years and we welcome all the new investors for their good support for having become the shareowners of NUMERIC POWER SYSTEMS LIMITED.

GROWTH OF THE COMPANY:

NUMERIC has achieved a respectable growth of 37% in Revenue and this performance has also translated into an EPS growth of over 66% during the Financial Year 2002-2003 concluded at 30th September 2003.

MANUFACTURING FACILITIES & OFFICE DETAILS:

For the benefit of all the new and existing shareowners we are very pleased to list below the facilities and activities of our company NUMERIC:

Unit – I (MAGNETICS PLANT AT PONDICHERRY): Design & Manufacture of Transformers and wound components / coils for our own captive consumption. This plant was purchased during 1995 and own property of NUMERIC located at Sedarapet - PIPDIC Estate, Pondicherry.

Unit – II (UPS PLANT AT PONDICHERRY): Design, Manufacture, Sales & Service of NUMERIC brand UPS systems. This plant is equipped with modern assembly systems and conveyor line. NUMERIC purchased the land and built and inaugurated it during July 1995. This plant is located at Sedarapet - PIPDIC Estate, Pondicherry.

Unit – III (UPS PLANT AT PONDICHERRY): This is our new plant that supplies the recently launched NUMERIC Digital HP range of UPS systems to the IT / Distribution and the fast growing banking markets in good volumes. This is a leased facility.

CNC FABRICATION PLANT (CHENNAI – OLD MAHABALIPURAM ROAD): This is a modern sheet metal process and powder coating facility equipped with Murata – Japan CNC (Computer Numerical Control) punching system, DARLEY – Holland CNC forming & press brake and GEMA – Switzerland made Powder Coating work station; established during December 1995.

STABILIZER MANUFACTURING PLANT (CHENNAI – OLD MAHABALIPURAM ROAD): The stabilizer and Power Conditioning accessories are manufactured in this plant and this unit supports NUMERIC as a total Power conditioning Systems company in India.

The above two plants are also owned by NUMERIC with free space / additional land available for future expansion.

NUMERIC HOUSE: We have made our dream come true - built our own corporate office at a very prime location in Chennai city and inaugurated this modern office building during January 2003. Mr. Claude GRAFF, CEO of MGE UPS SYSTEMS, France with US and FRENCH Consulate Generals were the chief guests with other Executives from leading Industries.

SALES & SERVICE LOCATIONS: In order to increase the market reach and efficient services to all our customers we have established our presence in India at 80 locations and most of these are performing as Sales & Service offices. We expect to increase the NUMERIC locations to 100 by the FY 2003-04.



EXTERNAL GROWTH:

NUMERIC LANKA TECHNOLOGIES PRIVATE LTD (OUR NEW PLANT IN SRI LANKA):

Our long-term mission on external growth has become a reality through NUMERIC LANKA (a wholly owned subsidiary of NUMERIC POWER SYSTEMS LTD – approved by RBI under ODA) in Colombo - Sri Lanka. We signed an agreement with the BOI (Board of Investment of Sri Lanka) and established our new manufacturing plant in a record time of sixty days for the export of UPS systems and utilize the benefits of ISFTA (Indo Sri Lanka Free Trade Agreement). Incorporated as a Private limited company (NUMERIC LANKA TECHNOLOGIES PRIVATE LTD) in Colombo on 21st January 2003 and exports from Sri Lanka commenced from April 2003.

RANGE OF NUMERIC PRODUCTS, MGE & OTHER PRODUCTS:

0 - 2.2 KVA OFF LINE & LINE INTERACTIVE UPS SYSTEMS
 0 - 6 KVA DIGITAL HP RANGE OF ON-LINE UPS SYSTEMS
 0 - 80 KVA NUMERIC HPL RANGE OF UPS SYSTEMS
 0 – 4800 KVA MERLIN GERIN RANGE OF UPS SYSTEMS
 SEALED LEAD ACID BATTERIES FROM PANASONIC AND GLOBAL & YUASA
 POWER CONDITIONER ACCESSORIES & SERVO STABILISERS
 ELECTRICAL POWER QUALITY AUDITS & SYSTEM DESIGN

MAJOR PROJECTS BEING HANDLED:

POWER SECTOR: NUMERIC had successfully executed the Auxiliary Power Systems project for POWER GRID which is a turn-key project involving design, supply, installation and commissioning of total power conditioning systems (both AC and DC) for their SCADA EMS project in the entire North Eastern states of India. Currently NUMERIC is executing a similar project for POWERGRID in the entire western India region.

IT / COMMUNICATION SECTOR: NUMERIC had the success run going strong with major projects coming from DELL, MICROSOFT, DIGITAL, HP, CTS, ICICI, CONVERGYS and other major MNC groups with a good market share for executing projects with MGE UPS SYSTEMS of High – End Power conditioning solutions.

BANKING AND FINANCIAL SECTOR: NUMERIC has the privilege of winning many prestigious high value orders from all major banks all across India. Currently we are working with most of the Bank projects including Nationalized, Private sector and MNC banks. Majority of the ATM sites are supported by NUMERIC UPS systems.

HEALTHCARE: NUMERIC enjoys a good market share with all major health care and medical instrumentation areas and has the relationship going strong with SIEMENS and PHILIPS medical systems besides several direct hospital projects.

EDUCATION & RESEARCH SECTOR: NUMERIC had won many orders from various IIT (Indian Institute of Technology) and states funded schools and major Technology centres / Engineering college projects.