



The ultimate in clean power

PURE POWER.
PURE PERFORMANCE.



NUMERIC POWER SYSTEMS LIMITED
Sixteenth Annual Report 2010 - 2011

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Solutions for powerful progress

Numeric, since its inception in 1984, has been on the forefront in offering Total Power Quality Management Solutions. The company has remained as the single largest source for a wide range of Power Conditioning Solutions giving it the numero uno status as India's No.1* UPS Company. Constant innovation, state of the art Research & Development, manufacturing facilities backed by highly qualified professionals has helped the company in achieving global leadership based on integrated value chain and competence in all relevant business processes.

Some of the key milestones in the 26 year long journey of the company include

- Ranked as India's No.1* UPS Company for the 18th Consecutive year by SOFT DISK
- ISO 9001: 2008, ISO 14001:2004 and SA 8000:2008 certification.
- Frost & Sullivan Awards for Customer Leadership, Product Leadership & Market Leadership.
- Listing of Numeric Stocks in BSE & NSE after going Public.
- Empanelment with Bureau of Energy Efficiency as an Energy Service Provider.
- Accreditation by MNRE as authorized channel partner for off-grid decentralized solar applications under JNNSM (Jawaharlal Nehru National Solar Mission) scheme.

Numeric's ability to implement small to large scale power management projects with utmost understanding of customer requirements, creating customised solutions has made the Company a trusted partner for Power Management Solutions.

With 13 regional offices, sales, and service network in over 253 locations both in India and Overseas, Numeric is catering to the global demand for power-conditioning products. In doing so, the company has ventured into countries like Singapore, Sri Lanka, and Mauritius through subsidiaries.

Numeric has established itself as the preferred partner for many corporate houses, IT giants, business establishments, financial institutions, government agencies, and thousands of houses across the country.

* Source Soft Disk



Registered and Corporate Office, Chennai

Manufacturing Facilities

Backed by one of the most technologically advanced Research and Development wing, Numeric Power Systems manufacturing facilities hosts the best manufacturing practices and equipment. Continuous innovation by studying the market needs, constant customer feedbacks, and well authenticated quality control measures lay the foundation for creating bench mark products and services for the customers.

Currently there are seven manufacturing units in India and one manufacturing unit in Sri Lanka.



ISO 9001:2000 CERTIFIED
UPS Manufacturing plant, Puducherry



CNC Fabrication Plant in Chennai



Magnetics Division, Chennai (Transformer & Stabilizer Manufacturing Plant)



EHTP, Chennai



UPS Manufacturing plant, Salem



UPS Manufacturing plant, Parwanoo



UPS Manufacturing Plant, Colombo

Products and Services

Numeric Power Systems holds an enviable product portfolio of Power Conditioning Products and Services. NUMERIC's UPS system and power conditioning products conform to International standards such as UL / CE and RoHS.

The Numeric product and services portfolio includes

- 0.5 – 3 kVA Offline and Line Interactive UPS systems
- 0.5 – 60 kVA Online Double Conversion UPS systems (Single and Three phase)
- 10 – 4800 kVA Online Double Conversion UPS systems (Modular and Parallel redundant configurations)
- Source Transfer Switches and Intelligent Power Distribution Units
- Active Harmonic Power Conditioners
- DC Power Supplies / Rectifiers
- 0.5 – 30 kVA Home and Industrial Inverters
- 1 – 2000 kVA Servo Stabilizers and Isolation Transformers
- Special Power Supply racks
- Energy Storage and NUMERIC brand SLA batteries
- Energy Audits and Power Quality Management
- Solar Photovoltaic Solutions ranging from 100 W to Megawatts in off-grid, grid tied and grid interactive range
- Specialised Solar solutions for Banks and ATMs
- Specialised Solar and Wind solution for Telecom applications
- Solar EPC (Engineering Procurement and Construction) Contracts
- Solar O&M (Operation and Maintenance) Services
- Solar Power Converters (Stand-alone, Mini grid and Solar farms)
- Energy Efficient Lighting Products – LED lighting systems



Green Energy Solutions

Numeric Power Systems has recently ventured into offering Green Energy Solutions like Solar Power Systems, Wind Energy Generation and LED lighting systems. The company offers specialised and standardised solar product range to conserve energy under the Renewable Energy Program combined with Energy Efficient LED Lighting Solutions for a wide range of applications.

Numeric has set perfect example of going green by being the first UPS Company to have installed a 1.1 kWp solar power generation system at its Fabrication Plant, Chennai in 1995. In addition to this, NUMERIC has installed about 1 MWp of solar power generation system commissioned successfully for its captive power generation and over 800 installations for many Rural Schools, Banks, ATMs, and other Customer needs.



Product and Solutions

Numeric Solar currently offers the following products and solutions to Clients.

The product range includes

- Solar PV Panels – Thin Film and Crystalline
- MPPT and PWM Solar Charge Controllers ranging from 12 V to 480 V and 5 A to 140 A
- Grid Tied Inverters ranging from 1 kW to 100 kW and higher rating inverter for Solar Energy farms in MW range
- Bi-directional Grid Interactive Inverter ranging from 1 kW to 100 kW
- Energy Storage Batteries 7.2 Ah to 300 Ah (VRLA, Solar Deep Cycle Gel, Tubular)
- Customized Solar Power Conditioning Units as per the load and customer requirements



Amorphous Silicon Panel



Bi-directional Grid Tied Inverter

The Solar Solutions offered by Numeric are

- Stand-alone and mini grid solar power converters
- Hybrid and Grid tied power systems
- Solar energy farms

Energy Efficient lighting products from Numeric Includes

- LED lighting system for office and home applications (Down lights and 2 x 2 lighting)
- LED Street lighting systems
- Solar LED street lighting systems
- LED decorative lighting systems
- Solar LED emergency Lights
- Customized LED Lighting solutions



Solar LED street lights

Solar Photovoltaic (SPV) installations

NUMERIC team's in-depth technical knowhow and expansive service capabilities enables it to provide its customers with high-quality standalone or turnkey solutions, and deliver unparalleled global support. The core principles of flexibility, speed, innovation, reliability, trust, transparency, and accountability has been the growth enablers and has helped develop and nurture long-term relationships with its key stakeholders. There have been implementations of solar projects in India and overseas including Japan, Nigeria, Kenya, etc. In India there have been more than 800 sites in the range 1 kW to 100 kW. With its experience in design, supply and installation of high power systems NUMERIC assures a world class implementation using state-of-the-art SPV products and complete solutions.



10kW Solar Grid installation, Kenya



4kW Standalone Solar installation, Japan



22.4kWp Solar installation at Numeric's Puducherry Plant

With continuous technological innovations, rich expertise, and strong customer centric approach, Numeric's journey in the last 26 years has been a powerful one and will soon set footprints across more countries with its innovative Power Management Solutions.

CORPORATE INFORMATION

CHAIRMAN

Mr. R. VEERAMANI

MANAGING DIRECTOR

Mr. R. CHELLAPPAN

DIRECTORS

Mr. A. BALAN

Mr. K.V. NACHIAPPAN

Mr. V.M. SIVASUBRAMANIAM

Mr. N. NATARAJAN

Mr. B.G. GIRI

Mr. R. VENKATARAGHAVAN

BANKERS

STATE BANK OF MYSORE

Santhome Branch and Industrial Finance Branch,
Chennai.

BNP PARIBAS

Prince Towers, III Floor, 25/26, College Road
Chennai - 600 006.

STATE BANK OF INDIA

Industrial Finance Branch,
103, Anna Salai, Chennai - 600 002

THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED,

Nagabrahma Towers,
76, Cathedral Road, Chennai - 600 086.

HDFC BANK LTD.,

No.115, Dr. Radhakrishnan Salai
Mylapore, Chennai.

AUDITORS

M/s. S.R. BATLIBOI & ASSOCIATES

Chartered Accountants
TPL House, Second Floor, 3 Cenotaph Road,
Teynampet, Chennai - 600 018.

COMPANY SECRETARY

Mr. B. SRINIVASAN

REGISTERED OFFICE

'NUMERIC HOUSE'

No. 5, Sir P.S. Sivasamy Salai, Mylapore, Chennai – 600 004.

FACTORY

UNIT I [EHTP DIV]

Door No.5/1080, Plot No.154, Industrial Estate, Perungudi, Chennai – 600 096.

UNIT II

33/1, PIPDIC Industrial Estate, Sedarapet, Pondicherry - 605 111.

UNIT III S

S. No.58/3, Nachiyur, Salem Main Road, Veerappan Palayam P.O., Idappadi – 637105, Salem District.

UNIT IV

A-85, VI Cross PIPDIC Industrial Estate, Sedarapet, Pondicherry - 605 111.

UNIT VI

Plot-17A, Sector-2, Parwanoo-173220, Himachal Pradesh.

FABRICATION, HIGH ENERGY DIVISION, TRANSFORMER & STABILIZER PLANT

122/1, Old Mahabalipuram Road, Semmanchery, Chennai – 600 119.

DIRECTORS' REPORT

Dear Shareholders,

We have pleasure in presenting the Sixteenth Annual Report together with the Audited Accounts for the year ended March 31, 2011.

GROWTH OF THE COMPANY:

During the Year 2010-11, Numeric Power, with a commitment to achieve a sustainable growth, strived hard and marched successfully through the tough market conditions to put the Company on top of all the Indian UPS Companies for another year in succession. Our Company achieved a growth of 10.55% over the previous financial year on sales and other income, while the PAT is ₹4,021.90 lakhs representing a growth of 9.33%. The EPS for the Financial Year 2010-11 is ₹39.80.

Financial Results:

The Abridged stand-alone financial results are as under:-

(₹ in Lakhs)

Sl.No.	Particulars	for the year ended 31/3/2011	for the year ended 31/3/2010
1	SALES/INCOME FROM OPERATIONS	51,037.97	45,751.92
2	OTHER INCOME	401.10	776.36
3	SALES AND OTHER INCOME (1+2)	51,439.07	46,528.28
4	LESS: TAXES AND DUTIES	2,538.06	1,969.12
5	NET SALES AND OTHER INCOME (3-4)	48,901.01	44,559.16
6	OPERATING EXPENDITURE	42,954.59	38,831.71
7	PROFIT BEFORE DEPRECIATION, INTEREST&TAX (5-6)	5,946.42	5,727.45
8	INTEREST	374.93	338.95
9	DEPRECIATION	489.74	474.42
10	PROFIT BEFORE TAX (7-8-9)	5,081.75	4,914.08
11	TAX EXPENSE	1,059.85	1,235.45
12	PROFIT AFTER TAX (10-11)	4,021.90	3,678.63
13	TRANSFER TO GENERAL RESERVE	402.19	367.86
14	PROPOSED FINAL DIVIDEND	303.18	303.18
15	TAX ON DIVIDEND	49.18	50.35
16	BALANCE CARRIED FORWARD (12-13-14-15)	3,267.35	2,957.24
17	EQUITY CAPITAL	1,010.58	1,010.58
18	RESERVES AND SURPLUS	23,053.80	19,384.26
19	EPS (₹)	39.80	36.40

DIVIDEND

The Board of Directors have pleasure in recommending a Dividend of ₹3/- per equity share of ₹10/- each (@ 30 % on the equity share capital of the Company), free of tax in the hands of the shareholders, for the year ended 31st March 2011, subject to approval of the shareholders.

MANUFACTURING FACILITIES & OFFICE DETAILS IN INDIA:

We list below our existing production facilities.

UNIT - I - ELECTRONIC HARDWARE TECHNOLOGY PARK - EHTP: A 100% EOU registered under the STPI for exports – located in Chennai. The CE mark & UL approved power products are exported to several countries.

UNIT - II - UPS PLANT AT PUDUCHERRY: Equipped with modern assembly systems and conveyor line, this plant deals with Design, Manufacture, Sales & Service of NUMERIC brand of UPS systems and it also caters to a wider range of HPL series.

UNIT III - S - UPS PLANT WITH INTEGRATED CNC SHEET METAL FABRICATION & MAGNETICS AT IDAPPADI, SALEM: This state-of-the-art new plant was built during the FY 2007-08 and has been equipped for a high range of UPS production. This unit also supports the RURAL employment to address the PURA (Providing Urban Resources in Rural Areas) scheme launched by our Past President of India Dr. A.P.J. Abdul Kalam.

UNIT – IV- UPS PLANT AT PUDUCHERRY: Supplies the NUMERIC Digital HPE range of UPS systems.

UNIT – V – UPS PLANT AT HIMACHAL PRADESH – PARWANOO – This unit stands closed and we have adapted higher technological products for a better market reach.

UNIT – VI- UPS PLANT AT HIMACHAL PRADESH – PARWANOO This plant with integrated CNC fabrication facility caters to Mid range UPS requirements.

CNC FABRICATION PLANT- CHENNAI – OLD MAHABALIPURAM ROAD: This modernized Sheet metal process plant has two Fabrication process lines with a fully Automated Powder Coating facility. Expansion of fabrication plant was undertaken to accommodate 3 Phase UPS assembly (HIGH ENERGY DIVISION) at our existing plant.

TRANSFORMERS AND STABILISERS MANUFACTURING PLANT- CHENNAI – 122/1 OLD MAHABALIPURAM ROAD: The Stabilisers and Power Conditioning accessories are manufactured in this plant and this unit supports NUMERIC as a total Power Conditioning Systems Company in India.

SALES & SERVICE LOCATIONS:

The Company, fully understanding the fact that successful sale of any product anywhere in the globe depends upon total Customer satisfaction which can only be achieved by addressing the Customers' requirement in the form of Post-Sale service through Customer Service Outlets which are in close proximity to the Customers, the Company has established a strong network of 255 Service Centres on Pan-India basis. Once again NUMERIC is the First and the only Company with such a strong and large net work, with presence close to Customers which gives an added advantage of reducing the lead-time in attending to the Customers' needs.

EXTERNAL GROWTH:

1. Numeric Lanka Technologies Pvt. Ltd. - Colombo – Sri Lanka
2. Numeric Power Systems Pte. Ltd – Singapore
3. Numeric Power Systems (Mauritius) Private Limited – Mauritius

NUMERIC RANKED - INDIA'S No.1 ON-LINE UPS COMPANY & POWER ELECTRONICS MANUFACTURER

It is our great pleasure to share with all our Investors that our company – NUMERIC has been ranked as NUMERO-UNO Online UPS Manufacturer, Power Electronic company of the year for the 18th year - all in a row. Apart from the above, SOFTDISK(SD) has also awarded us the No.1 Offline / Line Interactive UPS manufacturer for the year 2010. The journals from the Association of Computer Professionals in India - SOFTDISK made a qualitative research on all India basis and publish the data every year.

AWARDS WON

1. SOFT DISK – SD AWARDS 2010

- No.1 On-Line UPS Manufacturer (18th Consecutive Year)
- No.1 Power Electronics Company of the Year (18th Consecutive Year)
- No.1 Off-Line / Line-interactive UPS Manufacturer of the year (5th consecutive Year)
- A++ Soft Disk rating for USER SATISFACTION SURVEY - 2010

2. FROST & SULLIVAN -2005 INDIAN UPS INDUSTRY AWARDS

- MARKET LEADERSHIP AWARD

3. FROST & SULLIVAN -2004 INDIAN UPS INDUSTRY AWARDS

- CUSTOMER SERVICE LEADERSHIP -MANUFACTURING SEGMENT
- PRODUCT LINE LEADERSHIP – BANKING, INSURANCE AND N.B.F.I SEGMENT

4. INTERNATIONAL FACILITY MANAGEMENT ASSOCIATION (IFMA) AWARD FOR EXCELLENCE SURVEY 2004

- BEST SERVICE PROVIDER, Category: M & E Suppliers

5. Awards from NCR, DELL, WIPRO & INFOSYS

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors hereby report under Section 217 (2AA) of the Companies Act, 1956, that:-

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) The directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year;
- (iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
and
- (iv) The directors have prepared the annual accounts on a going concern basis.

DIRECTORS REAPPOINTMENT

Mr. V.M. Sivasubramaniam and Mr. R. Venkataraghavan, Directors retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

The resolutions in respect of the above reappointments are placed before the shareholders for their approval at the ensuing Annual General Meeting.

STATUTORY INFORMATION

The information required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 will be provided on request. In terms of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent to the shareholders.

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

Particulars as required 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, are annexed.

ACQUISITION OF AMEX ALLOYS PRIVATE LIMITED (AMEX)

This Company is situated in Coimbatore and its main activity is Steel Foundry business. This company has an installed capacity of 2400 MT per year to supply stainless steel and low carbon steel castings. In support of the diversification program, our Company has acquired 92% of the equity of this Company during the year under report. This subsidiary has achieved a sales turnover (Gross) of ₹19.68 Crores during the Financial Year 2010-11. Amex exports steel castings to all major European customers, mostly in Germany and some key customers in the US. Amex has drawn a road map to grow the business rapidly.

CLOSURE OF SOUTH AFRICAN OPERATIONS

Numeric Power Systems (Pty) Limited has closed its operations in South Africa and have applied for de-registration formalities with the appropriate authorities during the year under review. The quantum of sales in South Africa is now co-ordinated by the Company's unit at Singapore and Africa's business is handled by established distributors to address the vast geography.

EXPLANATORY NOTE ON QUALIFICATION UNDER SECTION 217(3) OF THE COMPANIES ACT, 1956

The audited financial statements of the subsidiary company namely, Numeric Power Systems Pte. Limited, Singapore, for the year ended March 31, 2011, will form part of the Annual Report.

CORPORATE GOVERNANCE

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement is attached to this Report.

A Compliance Certificate from Mr. R. Kannan, Practicing Company Secretary, regarding compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause, is annexed to this report.

RESULTS OF SUBSIDIARY COMPANIES

Information relating to the following subsidiary companies for the year ended March 31, 2011 are attached to this Report.

S.No.	Name of Subsidiary Company	Place of Incorporation
1.	Numeric Lanka Technologies Pvt. Limited	Colombo, Sri Lanka
2.	Numeric Power Systems Pte. Limited	Singapore
3.	Numeric Power Systems (Mauritius) Private Ltd	Mauritius
4.	Numeric Power Systems (Pty) Limited	South Africa
5.	Numeric Solar Energy Private Limited	Chennai, India
6.	Amex Alloys Private Limited	Coimbatore, India

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on Consolidated Financial Statements read with Accounting Standard AS-23 on Accounting for investments in Associates in consolidated financial statements and AS-27 on Financial Reporting of interests in Joint Ventures, we have attached the consolidated financial statements which form part of the Annual Report and Accounts.

AUDITORS

M/s. S.R. Batliboi & Associates, Chartered Accountants, TPL House, Second Floor, 3, Cenotaph Road, Chennai – 600 018 retire at the ensuing Annual General Meeting, and are eligible for reappointment.

ACKNOWLEDGMENT

Your Board places on record its appreciation for the support and co-operation received from the Government of India, State Governments, Financial Institutions, Banks, Suppliers, Customers and Vendors, whom your company looks upon as valued partners in progress. Your Directors commend the zeal and zest of employees at all levels culminating in the Company setting yet another new record on its operational performance for the year. Your Directors thank all our valuable investors who have been with the Company all these years and are also very much pleased to welcome all the new Investors and thank them for their continued patronage and confidence reposed in the Management.

For and on behalf of the Board of Directors

A.BALAN
Director

R.CHELLAPPAN
Managing Director

Chennai
May 30, 2011