



## Market

In the normal scheme of things dining by candlelight would be an essential ingredient of a romantic evening. However, in most parts of India, it is so common and frequent that the magic has simply gone out of it. Light outs at dinner time instead has become a dreaded nightmare. There is nothing any longer romantic about candles for heat-crazed people faced with the prospect of yet another sleepless night, more food rotting in refrigerators, traffic snarls at intersections and more disruptions in the work place. Each power cut drives home a singular message: India's power infrastructure is woefully inadequate to cater to the current demand.

Over the last decade, power generation in India has increased at a compounded annual growth rate (CAGR) of around 5.50% but demand has outstripped supply by nearly 12% (Source: Centre for Monitoring Indian Economy). Given India's drive towards an expanded role in the comity of nations, uninterrupted power supply is an essential ingredient. To keep the drive from faltering the nation has turned to alternate power solutions.

The market for power back-up is divided into two distinct segments: large organisations opt for generators; smaller offices and households mostly choose the noiseless and non-polluting inverter. Deducing from the fact that inverters are generally more cost-effective than generators

– especially where power requirement is high – Su-Kam has taken the lead in prodding consumers to closely evaluate this equation. Such has been the response that high-capacity products, today, form a very substantial part of the turn over of the company.

Currently, the inverter market is estimated at about Rs. 2000 crore (US\$ 417 million) of which the organised sector accounts for Rs. 1200 crore (US\$ 250 million) (Source: Assocham). With more than 40% share of the organised sector, Su-Kam is India's largest manufacturer of power inverters. In 2008/09, Su-Kam clocked Rs. 410 crore (US\$ 85.40 million) in revenue. With its sights set firmly on the US market, the company expects to touch Rs. 4000 crore (US\$ 830 million) by the end of 2010.

## Achievements

In a country chronically starved of power, providing power back-up would have beckoned many, as a gilt-edged business opportunity. The truth, however, is that even as recently as ten years ago the inverter industry in the country was not even a part of the organised sector.

Since its launch, Su-Kam has played a seminal role in establishing and bringing respectability to this business.

The company not only established itself as a leader in product innovation and design sensibility, it also created a hitherto non-existent sales and distribution network and instituted benchmarks to enable the industry to self-

appraise itself.

Apart from catering to millions of satisfied home users, the company has also marked a remarkable presence in the commercial segment.

Today, the company can boast of clients such as Pfizer, Bharti, HCL, Coca-Cola, Star Cruise, Pizza Hut, Infosys and Britannia.

Su-Kam is the first inverter company from India to foray into the international market. It exports its products to more than 70 countries across all six continents.

In recognition of the pioneering work that it had done, the company received the Non-SSI (Consumer Electronics) 2006/07 award for the highest exports in the field of Electronics and IT from the Export Promotion Council – a Government of India body. The company was the only one in the industry to receive the 2006 National Award from the Government of India for Manufacturing Inverters of Outstanding Quality. Su-Kam was recently also conferred the prestigious Innovation for India 2008 award from Marico Innovation Foundation.

Firmly focused on research and development, Su-Kam, has nearly 80 design and technology registrations, while several others are in the pipeline. The company has also applied for a technology patent in the US for its unique, state-of-the-art, web-based monitoring system.

Su-Kam's robust business model has now attained global recognition. In March 2006, the Reliance India Power Fund, sponsored jointly by R-ADAG (Reliance Anil Dhirubhai Ambani Group) and Temasak Holdings, Singapore invested in Su-Kam. The company is now a part of the fund's global portfolio.

While Su-Kam has had several achievements to its credit, the one that has raised the level of awareness of the inverter as a viable and clean power back-up system is, perhaps, its most significant.

## History

Su-Kam Power Systems has grown on the twin planks of research and marketing. The company was launched by Kunwer Sachdev, a lawyer by education and a first generation entrepreneur, who saw a huge opportunity in the alternate power solutions sector. Starting in 1997 when the inverter business was almost entirely confined to the unorganised sector, Sachdev's initiative helped define and expand the market. From a start-up team of some 65 people, Su-Kam's employee strength now stands at over 2100. The company is supported by a network of 24 offices, 250 service centres, 500 distributors and 10,000 dealers.

Having established its credentials in the market, Su-Kam considered vertical



integration as a means of natural growth. In 2008, it established another state-of-the-art facility at Katha in Himachal Pradesh to manufacture sealed maintenance free (SMF) batteries, supplementing the one that had been set up in Baddi to manufacture lead-acid batteries. The sprawling factory, operating in conformity with stringent environmental norms currently employs 500 people. Apart from this, Su-Kam has four other manufacturing units, three in Himachal Pradesh and one in Gurgaon.

In a short period of ten years, Su-Kam has transformed itself from being just a manufacturer of inverters to a complete solutions provider for the power electronics industry.

## Product

The company has scoured the world for the finest technologies and created an impressive range of products. Su-Kam's product range includes inverters, online UPS systems, line interactive UPS systems, commercial UPS systems, batteries – both lead acid and valve regulated lead acid (VRLA), battery chargers, battery equalisers, power protection systems, static bypass switches, solar range and hand-cranking products. The company also manufactures customised products such as lift inverters, petrol pump inverters, telecom inverters etc.

In 2002 Su-Kam developed an inverter with DSP sine wave technology. Designed especially for high-speed processing applications this is an advanced progression of the earlier technology. Sine wave based inverters generate a superior quality of power.

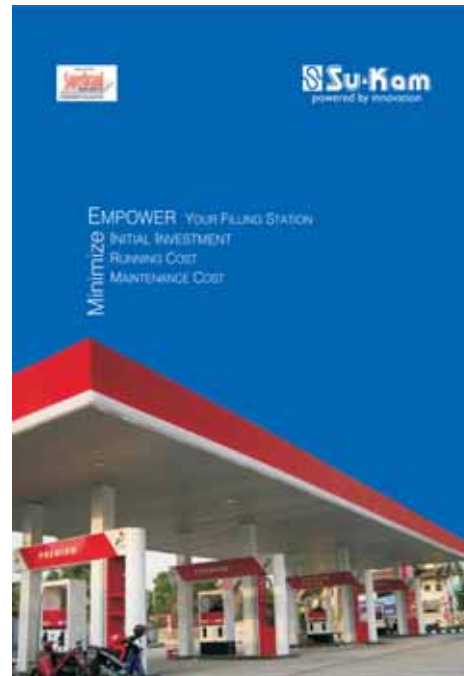
Su-Kam is currently focusing on the alternate energy space. It believes that solar sine wave inverters and solar charge converters are the future and, in the long-term, would prove to be ideal back-up for industrial users of solar energy.

The company has also established a nationwide service and support network manned by trained engineers who provide the entire gamut of services – from site analysis to system maintenance. International customers are serviced through a special support programme, in which Su-Kam engineers regularly visit the concerned countries and train local dealers and technicians.

## Recent Developments

In a world staring at fast-depleting conventional energy sources Su-Kam is committed to providing products powered by alternate energy. The company has already developed a series of solar photo voltaic power electronic products for industrial use. With 3% of its annual turnover being committed to R&D the company is also developing similar systems for wind energy.

Su-Kam is



already a pioneer in the telecom market where increasingly mobile service operators are shifting from generators to inverters, to power their mobile towers. Su-Kam provides specialised inverters to all telecom service providers in India.

Su-Kam is also tapping into developed markets like the US and Europe where global warming is triggering a growing demand for solar powered inverters. The increasing incidence of hurricanes in the coastal areas of the US has also raised the demand for environmentally friendly power back-up systems. In this area of specialisation Su-Kam is already manufacturing a wide range of solar inverters, charge controllers, power conditioning units and mono crystalline solar panels. Recently six basic product packages have been introduced to cater to the needs of – especially – the rural markets where people have a very basic requirement of running a couple of lamps and a fan.



Su-Kam, this is a means to win customer support.

## Brand Values

One of the fundamental operating guidelines at Su-Kam is to provide solutions through cutting edge technology.

The company's tagline – Powered by Innovation – is indicative of its commitment to research and its focus on changing customer needs.

This core value is upfront at every corporate interface – be it with the media, channel partners or workshops for engineers and technicians.

The central working mantra of the company is a deep and abiding commitment to efficiencies and meeting deadlines.

This has translated into Su-Kam products being identified by customers with reliability and top-end service.

In a world increasingly linked and sustained by power, any disruption in this commodity will create mayhem. Clearly, 100% power back-up is here to stay.

Positioned in the midst of a probable crisis-waiting-to-happen Su-Kam has its guns trained on tomorrow. For if the unpleasant side of tomorrow dawns, Su-Kam will have answers to meet it.

[www.su-kam.com](http://www.su-kam.com)

## Things you didn't know about Su-Kam

- MD, Kunwer Sachdev, started Su-Kam after a locally manufactured inverter failed at his residence
- Su-Kam's Katha plant in Himachal Pradesh is the first fully automated manufacturing facility for inverters and batteries in the country
- Su-Kam is the only company in the industry to receive the CE & UL certification for both its inverters and its batteries as also the first to receive the ISO 9001 certification
- Only two companies in the world manufacture 100 KVA inverters. Su-Kam is one of them
- Su-Kam's research and development wing is recognised by the government. It's the only company in the industry to receive this acknowledgement



## Promotion

Su-Kam believes that quality products should be visibly different. In support of this theory the company has re-packaged its offerings and has developed customised product manuals. Most companies discount the power of these efforts; but Su-Kam deems them to be significant contributors to the growth in sales and customer loyalty that the brand posts each year.

As a firm believer in the influence of advertising Su-Kam has also upped its annual ad spends to over Rs. 35 crore (US\$ 7.30 million). Spread across

various media vehicles and accurately targeted to its audience the strategic bursts of advertising have helped reaffirm the quality and reliability of Su-Kam products. In addition to above-the-line advertising, Su-Kam also extensively uses the trade shows and exhibition platforms to increase its reach.

An opportunity to win customers – and ignored by most brands – is product literature. Perhaps, that explains why this medium is usually notorious for convoluted explanations. For