

**PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO  
SUBSIDIARY COMPANIES STATEMENT**

**STATEMENT**

<b>Name of Subsidiary Company</b>	<b>APW Systems MEA FZC LLC</b>
The Financial Period of the Subsidiary Company	April 1, 2009 to March 31, 2010
Number of Shares in the Subsidiary Company held by APW President Systems Ltd. at the above date.	144 shares of UAE Dhs.1,000 each
Holding Company's interest in percentage	96%
The net aggregate of profits/(loss) of the Subsidiary Companies so far as it concern the member of APW President Systems Ltd.	
(1) Dealt with in the accounts of APW President Systems Ltd. amounted to	
(a) For subsidiary's financial year ended March 31, 2010	-
(b) For previous year of the subsidiary	-
(2) Not dealt with in the accounts of APW President Systems Ltd. amounted to	
(a) For subsidiary's financial year ended March 31, 2010	-
(b) For previous year of the subsidiary	-

**E. A. Elias**  
Managing Director

**Sudhir Seth**  
Director

**A. D. Kunte**  
Director

**Shailesh Hemani**  
Director

**K. K. Bhavsar**  
Company Secretary

Mumbai, May 17, 2010

**DIRECTORS' REPORT**

The Shareholders

**APW SYSTEMS MEA (FZC) (Company Under Liquidation)**

**SAIF Zone, Sharjah (UAE)**

Your directors take pleasure in presenting to you the Annual Report together with audited accounts of your company & Auditor's Report thereon for the year ended 31st March 2010

**Legal Status:**

- i. APW Systems MEA (FZC) (Company Under Liquidation) is registered as a Free Zone Company with limited liability in SAIF Zone, Sharjah (U.A.E.) under commercial license no. 01-004790.
- ii. The shareholders of the company as at 31st March 2010 and their interests in the Share Capital of the company was as follows:

Name of the Shareholder	Capital	
	No. of Shares	Amount (AED)
APW President Systems Ltd.	144	144,000
Mr. Ashok Shahani	6	6,000
	150	150,000

**Operations:**

The results are for the period 1st April, 2009 to 31st March, 2010. The result of its operations are as follows:

**Financial Results:**

	<b>March 31st 2010 (AED)</b>	<b>March 31st 2009 (AED)</b>
Commission. Sales and Other Income	645,925	759,134
Add: Closing Stock	29,615	29,615
Less Opening Stock. Purchases. Admin Exp. and Financial Exp	(783,196)	(752,429)
Net Profit/ (Loss) before Depreciation	(107,656)	36,320
Less: Depreciation	(1,192)	(1,072)
Net Profit/(Loss)	(108,848)	35,248

**Dividend:**

In view of conservation of resources, your Directors are unable to recommend any dividend.

**Future Prospects:**

The Holding Company, APW President Systems Ltd. has passed a Board Resolution on 31st March 2010 to liquidate the Company and its operations be wound up as of 31st March 2010.

**Auditors:**

M/s. Kothari Auditors & Accountants, Chartered Accountants, retire as the Auditors of the Company at the forthcoming Annual General Meeting of the Company and being eligible are recommended for reappointment. You are requested to reappoint them as the Auditors and fix their remuneration.

**Acknowledgement:**

Your Directors wish to place on record their sincere thanks for the co-operation given by the Officers of SAIF Zone, its Bankers, staff and Consultants to the Company.

Place: **Sharjah (UAE)**  
Date: **13th May, 2010**

**By Order of the Board of Directors  
For APW President MEA (FZC)  
(Company under Liquidation)**

**ASHOK SHAHANI (Director)**

## AUDITORS' REPORT

The Members Of

APW SYSTEMS MEA (FZC) (Company Under Liquidation)

SAIF Zone, Sharjah (UAE)

1. We have examined the attached Balance Sheet of APW SYSTEMS MEA (FZC) (Company Under Liquidation) as at 31st March 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We draw attention to Note G of the Financial Statements regarding the Major Shareholder APW President Systems decision to wind up the activities of APW Systems MEA FZC (company under liquidation) in SAIF Zone and its intention to apply to SAIF Zone authorities for its closure. Accordingly, the financial statements for the year ended March 31, 2010 are prepared not on a going concern assumption and necessary adjustments have been made to write down its assets & liabilities to net realisable value, wherever applicable.
3. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
4. We report that:
  - a) we have obtained all the information and explanations which, to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion, proper books of accounts as required by law, have been kept by the Company, so far as it appears from our examination of the books;
  - c) the said Balance Sheet and the Profit & Loss Account are in agreement with the Books of Accounts;
  - d) in our opinion, the Balance Sheet and the Profit & Loss Account dealt with this report have been prepared in compliance with the applicable Indian Accounting Standards to the extent applicable;
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes appearing in the Schedule 'A to G' "Notes on Accounts" and elsewhere in the accounts give the information required and gives a true and fair view in conformity with the generally accepted accounting principles.
  - i) in the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;
  - ii) in the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.

**For Kothari Auditors & Accountants**

PLACE: Sharjah (UAE)  
Date: 13th May, 2010

**Vipul R. Kothari**  
Ministry of Economy Reg. No. 0159

**APW SYSTEMS MEA (FZC)**  
**(Company Under Liquidation)**  
**SAIF Zone, Sharjah (U.A.E.)**  
**Balance Sheet as at 31st March, 2010**

Particulars	SCH.	Amount in U.A.E Dhs. (AED)	
		31.03.2010	31.03.2009
<b>SOURCES OF FUNDS:</b>			
Share Capital	<b>A</b>	150,000	150,000
		<u>150,000</u>	<u>150,000</u>
<b>APPLICATION OF FUNDS:</b>			
Fixed Assets	<b>B</b>		
Gross Block		0	4,020
Less: Accumulated Depreciation		<u>0</u>	<u>2,414</u>
Net Block		0	1,606
Current Assets, Loans & Advances	<b>C</b>	192,666	194,956
Less: Current Liabilities & Provisions	<b>D</b>	<u>153,200</u>	<u>48,248</u>
Net Current Assets		39,466	146,708
Profit & Loss Account		<u>110,534</u>	<u>1,686</u>
		<u>150,000</u>	<u>150,000</u>
Notes to Accounts	<b>G</b>		

For and on Behalf of the Board of Directors

**ASHOK SHAHANI**

Director

**JOSEPH RODRICKS**

Director

PLACE: Sharjah (UAE)

DATED: 13th May, 2010

**Profit & Loss Account for the year ended 31st March, 2010**

Particulars	SCH.	Amount in U.A.E Dhs. (AED)	
		01.04.2009 to 31.03.2010	01.04.2008 to 31.03.2009
<b>INCOME:</b>			
Sales		167,664	92,656
Commission		478,261	666,474
Other Income		<u>0</u>	<u>4</u>
<b>Total</b>		<u>645,925</u>	<u>759,134</u>
<b>EXPENDITURE:</b>			
Opening Stock		29,615	0
Purchases		156,070	118,487
Less: Closing Stock		<u>(29,615)</u>	<u>(29,615)</u>
		156,070	88,872
Administrative Expenses	<b>E</b>	586,267	629,565
Financial Expenses	<b>F</b>	11,244	4,377
Depreciation		<u>1,192</u>	<u>1,072</u>
<b>Net Profit/ (Loss) during the year</b>		<u>(108,848)</u>	<u>35,248</u>
Opening Balance		<u>(1,686)</u>	<u>(36,934)</u>
Net Profit/Loss (Carried Forward to Balance Sheet)		<u>(110,534)</u>	<u>(1,686)</u>
Notes to Accounts	<b>G</b>		

For and on Behalf of the Board of Directors

**ASHOK SHAHANI**

Director

**JOSEPH RODRICKS**

Director

PLACE: Sharjah (UAE)

DATED: 13th May, 2010

**APW SYSTEMS MEA (FZC)**  
**(Company Under Liquidation)**  
**SAIF Zone, Sharjah (U.A.E.)**

**Schedules to and forming part of the Balance Sheet as at 31st March, 2010**

Amount in U.A.E Dhs. (AED)

	<u>31.03.2010</u>	<u>31.03.2009</u>
<b>SCHEDULE 'A'</b>		
<b>SHARE CAPITAL:</b>		
ISSUED, SUBSCRIBED AND PAID-UP: 150 Equity Shares of Dhs. 1,000 Each at par	150,000	150,000
	<u>150,000</u>	<u>150,000</u>

**SCHEDULE 'B'**

**FIXED ASSETS:**

Amount in U.A.E Dhs. (AED)

Particulars	Gross Block				Depreciation				Net Block	
	Opening Balance	Additions	Deletions	As on 31.03.10	Opening Balance	For the Period	Deletions	As on 31.03.10	As on 31.03.10	As on 31.03.09
<b>COMPUTER &amp; SOFTWARE</b>										
Computer & Software	4,020	0	4,020	0	2,414	642	3,056	0	0	1,606
<b>LAPTOP &amp; PRINTER</b>										
Laptop & Printer	0	3,299	3,299	0	0	550	550	0	0	
<b>Total</b>	<b>4,020</b>	<b>3,299</b>	<b>7,319</b>	<b>0</b>	<b>2,414</b>	<b>1,192</b>	<b>3,606</b>	<b>0</b>	<b>0</b>	<b>1,606</b>
Previous Year (as on 31.03.2009)	4,020	0	0	4,020	1,342	1,072	0	2,414	1,606	

Amount in U.A.E Dhs. (AED)

	<u>31.03.2010</u>	<u>31.03.2009</u>
<b>SCHEDULE 'C'</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES:</b>		
<b>A. CURRENT ASSETS</b>		
1) Stock In Trade (At Cost) In Transit	29,615	29,615
2) Sundry Debtors (Unsecured, considered good)		
a) Debts outstanding for a period exceeding six months	0	0
b) Other Debts	<u>69,275</u>	<u>48,061</u>
3) Cash & Bank Balances		
a) Cash Balance on Hand	657	657
b) Bank Balances		
(i). With Scheduled Banks	0	0
(ii). With Others	<u>80,536</u>	<u>107,047</u>
<b>Total (A)</b>	<b><u>180,083</u></b>	<b><u>184,723</u></b>
<b>B. LOANS &amp; ADVANCES</b> (Unsecured considered Good)		
1) Advances recoverable in cash or in kind or for value to be received	9,083	6,733
2) Deposits	<u>3,500</u>	<u>3,500</u>
<b>Total (B)</b>	<b><u>12,583</u></b>	<b><u>10,233</u></b>
<b>Total (A) + (B)</b>	<b><u>192,666</u></b>	<b><u>194,956</u></b>
<b>SCHEDULE 'D'</b>		
<b>CURRENT LIABILITIES AND PROVISIONS:</b>		
<b>A. CURRENT LIABILITIES</b>		
Sundry Creditors for Goods	40,998	4,920
Sundry Creditors for Expenses	56,654	32,408
Advance from Debtors	43,848	0
<b>B. PROVISIONS</b>		
Gratuity	<u>11,700</u>	<u>10,920</u>
	<b><u>153,200</u></b>	<b><u>48,248</u></b>

**Schedules to and forming part of the Profit & Loss Account for the year ended 31st March, 2010**
**Amount in U.A.E Dhs. (AED)**

	Year Ended 31.03.2010	Year Ended 31.03.2009
<b>SCHEDULE 'E'</b>		
<b>ADMINISTRATIVE EXPENSES:</b>		
Salary & Staff Expenses	445,257	339,499
Office Lease Rent	52,150	43,767
Fees & Charges	5,380	2,557
Travel & Conveyance	24,005	21,247
Communication Expenses	24,222	26,695
Advertisement & Publicity	2,422	66,096
Entertainment Expenses	1,354	5,236
Vehicle Expenses	15,473	14,352
General Service Fees - Office Maintenance	257	263
Delivery & Freight Charges	0	7,561
Exhibition Expenses	0	84,938
Auditors Remuneration	8,000	8,000
Miscellaneous Expenses	6,034	9,354
Loss on sale of Fixed Assets	1,713	0
	<b>586,267</b>	<b>629,565</b>
<b>SCHEDULE 'F'</b>		
<b>FINANCIAL EXPENSES:</b>		
Bank Charges	3,618	1,828
Foreign Exchange Loss	7,626	33
Interest on Loan	0	2,516
	<b>11,244</b>	<b>4,377</b>

**SCHEDULE "G": Notes on Accounts**

Notes to and forming part of the Accounts for the year ended 31st March, 2010

**1. Legal Status:**

- i. APW Systems MEA (FZC) (Company Under Liquidation) is registered as a Free Zone Company with limited liability in SAIF Zone, Sharjah (U.A.E.) under commercial license no. 010-404790.
- ii. The shareholders of the company as at 31st March 2010 and their interests in the Share Capital of the Company was as follows:

Name of the Shareholder	Capital	
	No. of Shares	Amount (AED)
APW President Systems Ltd.	144	144,000
Mr. Ashok Shahani	6	6,000
	150	150,000

**2. Accounting Period & Currency:**

The financial statement enclosed covers the period from 1st April 2009 to 31st March 2010. Previous year figures are for the period 1st April 2008 to 31st March 2009 and have been regrouped wherever found necessary.

The figures of the statements are in UAE Dirhams and have been rounded off to the nearest UAE Dirham.

**3. Summary of Significant Accounting Policies:**
**i) Basis of Accounting:**

The Holding Company, APW Presidents Systems Ltd., has passed a Board Resolution on 31st March, 2010 to liquidate the Company and its operations be wound up as of 31st March, 2010, and intends to apply to SAIF Zone authorities for its closure. Accordingly the financial statements for the year ended March 31, 2010 are not prepared on a going concern assumption and necessary adjustments has been made to write down its assets and liabilities to net realisable value, wherever applicable.

**ii) Fixed Assets:**

Fixed Assets are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of the asset less accumulated depreciation.

**iii) Depreciation:**

Depreciation has been provided on written down value method @ 40% on Computers.

**iv) Foreign Currency Transactions:**

- a) Foreign currency transactions are translated at the exchange rates prevailing on the date of the transactions.
- b) Realized gains and losses, if any, on settled foreign exchange transactions are recognized in the Profit and Loss Account. Foreign Currency Assets/ Liabilities as at the end of the year are revalued as per the exchange rate prevailing on the last day of the year.

**v) Revenue Recognition:**

- a) Commission is recognized on accrual basis.
- b) In respect of other heads of income, the Company follows the practice of recognizing income on an accrual and prudent basis.

**vi) Provision for contingent liabilities:**

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a realizable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of resources is remote, no provision or disclosure is made.

**4. Contingent Liabilities and Capital Commitments**

	As at 31.03.2010	As at 31.03.2009
Contingent Liabilities:	Nil	Nil
Capital Commitments:		
Estimated amount of contracts remaining to be executed on Capital Account	Nil	Nil

**5. Related Party Transactions:**

Transactions entered into with related parties and their balance as at 31st March, 2010 are:

APW President Systems Ltd., India:

Commission Earned	-	AED	478,261/-
Recovery of Exhibition Expenses	-	AED	52,010/-
Advances	-	AED	43,848/-
Sundry Debtors	-	AED	31,639/-

Signatures to Schedules 'A' TO 'G'

PLACE: Sharjah (UAE)  
 DATED: 13th May, 2010

**ASHOK SHAHANI**  
 Director

**JOSEPH RODRICKS**  
 Director