INFORMATION TO SHAREHOLDERS

Board Of Directors

Rajeshwar Raj Bajaaj, Chairman
Elijah A. Elias, (Vice Chairman and Managing Director)
Sudhir Seth
Ashok D. Kunte
Marc Rutty
Shailesh Hemani
Madhav Joshi
Ms. Shefali Shah
Shrinivas Chebbi
Philippe Arsonneau

Company Secretary

K. K. Bhavsar

Registered Office

R-2, Technopolis Knowledge Park,
Mahakali Caves Road, Andheri East,
Mumbai – 400 093.

Works

PUNE

Plot S-73, 74,MIDC,
Bhosari, Pune 411 026.

BANGALORE

Plot 5,5A,5C/1,6A KIADB Industrial Area,
Attibele, Bangalore 562 107.

Pudducherry

Shed C, Gothi Industrial Complex,
R.S. No. 17/3, Vadhaudavur Road,
Kurambapet,
Pudducherry 605 009.

Main Bankers

Syndicate Bank, Industrial Finance Branch
Manipal Centre, 204-205, North Block
Bangalore – 560 042.

Auditors

Messrs. Price Waterhouse
Chartered Accountants
252, Veer Savarkar Marg, Shivaji Park,
Dadar, Mumbai 400 028.

Listing Details

Company's Equity Shares are listed at:
Pune Stock Exchange Ltd (Scrip Code 160225)
Bangalore Stock Exchange (Scrip Code VEROPNDSYS)
At Bombay Stock Exchange, Company's Shares are permitted to be traded with effect from Jan 7, 2005 (Scrip Code 590033)

Registrar & Transfer Agent

Universal Capital Securities Pvt. Ltd.,
21, Shakil Nivas, Mahakali Caves Road,
Andheri (E), Mumbai 400 093.
Tel.: (022) 2820 7203-05,
Fax: (022) 2820 7207
E-mail : karlekar@unisec.in

ISIN No.

INE 155 D 01018

27TH ANNUAL GENERAL MEETING

DATE: TUESDAY, JULY 12TH, 2011

TIME: 4.00 P.M.

VENUE: Tribune II, 6th Floor, Hotel Tunga International,
Central Road, MIDC, Andheri (E), Mumbai - 400 093 .

CONTENTS

NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the Twenty-seventh Annual General Meeting of the Members of APW PRESIDENT SYSTEMS LTD. will be held on Tuesday, the 12th July, 2011, at 4.00 p.m. at Tribune II, 6th floor, Hotel Tunga International, Central Road, MIDC, Andheri (East), Mumbai 400 099 to transact the following business:-

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date, together with the reports of the Directors and Auditors thereon.
2. To resolve not to appoint a Director in place of Ms. Shefali Shah, who retires by rotation at this meeting and has not offered herself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be mutually agreed upon between the Board of Directors and Auditors, plus out of pocket expenses.

SPECIAL BUSINESS

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

   "RESOLVED THAT Mr. Pramod Agashe who was appointed a director of the Company to fill in the casual vacancy caused by the resignation of Mr. Sudhir Seth and who vacates office at this meeting under section 262 of the Companies Act, 1956 and is eligible for re-appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of director under section 257 of the Companies Act, 1956be and is hereby appointed as a Director of the Company."

5. To consider, and if thought fit, to pass withot without modification the following Resolution as an Ordinary Resolution:

   "RESOLVED THAT Mr. Philippe Arsonneau, who was appointed as an Additional Director of the Company by Board of Directors under section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director under section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

   "RESOLVED THAT Mr. Shrinivas Chebbi, who was appointed as an Additional Director of the Company by Board of Directors under section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing proposing his candidature for the office of Director under section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

   "**RESOLVED THAT** in accordance with the provisions of Sections 198, 269 and 309, and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII to the Act and subject to the approval of Central Government, as may be required, the approval of the Company be and is hereby accorded to the appointment of Mr. Pramod Agashe as the Managing Director of the Company with effect from May 19, 2011 for a period of five years as per the terms and conditions including remuneration as contained in the agreement to be entered into with him as set out in the Explanatory Statement annexed to the Notice convening this meeting and which is specifically approved at this meeting."

   "RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the said appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Mr. Pramod Agashe from time to time and the terms of the aforesaid agreement shall be suitably modified to give effect to such alteration and/or variation."

   "**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to take all such acts, deeds and things as may be necessary, proper and expedient in this regard to give effect to this Resolution."

Order of the Board

Sd/-
K. K. Bhavsar
Company Secretary

Mumbai, June 10, 2011

Notes:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. The proxies, in order to be valid, shall be duly stamped and executed and should reach the Registered Office of the Company at least 48 hours before the commencement of the meeting.
2. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting and for easy identification of attendance at the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 2, 2011 to Tuesday, July 12, 2011 (both days inclusive).
4. As per the provisions of sections of Section 205A of the Companies Act, 1956, money transferred to Unpaid Dividend Accounts of the Company and remaining unpaid or unclaimed over a period of 7 (seven) years from the date of such transfer shall be transferred to 'Investor Education and Protection Fund" and no claim will be entertained thereafter from the Company or the Fund.

   Members are therefore requested to expeditiously put their claims for Unclaimed Dividends, if the same are not received / claimed by them.
5. Members are requested to notify immediately any change of address to the Registrar of the Company, Universal Capital Securities Pvt. Ltd., 21 Shakil Nivas, Mahakali Caves Road, Andheri (East), Mumbai 400 093 in respect of their physical share folios and to notify their Depository Participants (DPs) in respect of their holdings in electronic form, if any.
6. Members are requested to:
   i) Send in their queries at least a week in advance to the Company Secretary at the Registered Office of the Company to facilitate clarification during the meeting.
   ii) Bring their copy of Annual Report and Attendance Slip to the Annual General Meeting.
   iii) Intimate to the Registrar & Share Transfer Agent (RTA) of the Company immediately about any change in their addresses, if the shares are held in physical form and to Depository Participant (DP) if the shares are held in electronic form.
   iv) Approach the RTA of the Company for consolidation of folios.
   v) Furnish bank details to the RTA/Depository Participant to prevent fraudulent encashment of Dividend Warrants.
   vi) Avail Nomination facility by filling in and forwarding the nomination form to the RTA, if not already done.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No. 3

M/s Price Waterhouse has expressed their inability to continue as the statutory auditor of the Company. Management is in discussion with various Audit firm for appointing the Statutory Auditor of the Company and expects to finalise the same by end of June 2011 i.e before the forthcoming AGM.

Item No. 4.

Pursuant to Article 148 of Articles of Association of the Company and in terms of Section 262 of the Companies Act, 1956, Mr. Pramod Agashe was appointed as Director to fill up the casual vacancy in place of Mr. Sudhir Seth with effect from May 19, 2011 on the Board of the Company.

Pursuant to the provisions of Section 262 of the Companies Act, 1956, he holds office as a Director up to the date Mr. Sudhir Seth would have held office. The Company has received a notice under section 257 of the Companies act, 1956, from a shareholder proposing the name of Mr. Pramod Agashe as Director of the Company. A brief resume of Mr. Pramod Agashe as required in terms of clause 49 of the Listing Agreement is enclosed with the notice. The Board recommends that he be appointed as Director liable to retire by rotation.

Except Mr. Pramod Agashe, no other director of the Company is in any way concerned or interested in the proposed resolution.

Item No. 5.

Pursuant to Article 136 of Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956, Mr. Philippe Arsonneau was appointed as an Additional Director with effect from February 5, 2011 on the Board of the Company.

Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office as a Director up to the date of ensuing Annual General Meeting. The Company has received a notice under section 257 of the Companies act, 1956, from a shareholder proposing the name of Mr. Philippe Arsonneau as Director of the Company. A brief resume of Mr. Philippe Arsonneau as required in terms of clause 49 of the Listing Agreement is enclosed with the notice. The Board recommends that he be appointed as Director liable to retire by rotation.

Except Mr. Philippe Arsonneau, no other director of the Company is in any way concerned or interested in the proposed resolution.

Item No. 6

Pursuant to Article 136 of Articles of Association of the Company and in terms of Section 260 of the Companies Act, 1956, Mr. Shrinivas Chebbi was appointed as an Additional Director with effect from February 5, 2011 on the Board of the Company.

Pursuant to the provisions of Section 260 of the Companies Act, 1956, he holds office as a Director up to the date of ensuing Annual General Meeting. The Company has received a notice under section 257 of the Companies act, 1956, from a shareholder proposing the name of Mr. Shrinivas Chebbi as Director of the Company. A brief resume of Mr. Shrinivas Chebbi as required in terms of clause 49 of the Listing Agreement is enclosed with the notice. The Board recommends that he be appointed as Director liable to retire by rotation.

Except Mr. Shrinivas Chebbi, no other director of the Company is in any way concerned or interested in the proposed resolution

Item No. 7.

Disclosures as required in terms of SCHEDULE XIII PART II SECTION II 1(B) (iv) is as under

I. GENERAL INFORMATION

1) Nature of Industry

Evolution of industry

India has over the years established itself (in the domain of Electronics, IT and Telecom manufacturing) as one of the world's fastest growing economies and has become a key player in numerous trade verticals globally.

As per a recent report by Goldman Sachs, the Indian economy will grow at about 8.8% until 2020; with this growth rate, India would become the second biggest economy in the world by 2050, next only to China.

Progress of the Indian economy is continuing and looked better at the end of 2010 than at the start.

The index of industrial production (IIP) grew by over 10% in October 2010, after flagging during the months of August-September. Various indicators of industrial activity, including the Purchasing Managers' Index (PMI) also suggest a strong underlying momentum. Lead indicators of services sector activity have continued to increase at a robust pace. However, risks to inflation remain on the upside due to domestic demand and higher global commodity prices.

On the global front, recovery of developed nations continues to remain uneven and uncertain while downside risks remain significant.

Industry structure

IT and Telecom: According to industry sources, since 2005, India has seen commitments of over $17 bn investments in the IT and telecom sector. This is a serious affirmation to India's manufacturing prowess.

According to NASSCOM, Indian IT industry grew 2.1% y-o-y to USD73.1 Bn in FY2010. The growth of industry, contributing ~6.1% of GDP during the year, was negatively impacted by lag impact of global economic slowdown. However, the industry witnessed reviving trends in first half of FY2011, in which, the country's top IT companies witnessed a robust growth in top line.

2010 was been a big year for the sector. 3G spectrum auctions were finally executed. All licenses for all 22 circles were sold. Another significant stride was taken with the pan India launch of Mobile Number Portability on 20th Jan 2011. The subscriber growth is likely to remain robust, soothing down towards the end of the year. ARPU levels may continue to decline during the year, but launch of 3G services are expected to provide cushion.

Contract Manufacturing:

India's contract-manufacturing business is expected to nearly triple in revenue over the next five years, a development that will present both opportunities and potential pitfalls for the worldwide electronics supply chain.

Labor costs for conducting electronics manufacturing in India are between 30 to 40 per cent less than in the United States or in Western Europe. Other equally important benefits from operating in India include a fast-growing domestic market, an excellent education system, the nation's technology parks and the recent improvements in the country's transit and utility infrastructure.

India's contract manufacturing activities primarily serve the nation's indigenous demand. The recent acceleration in EMS activity is mainly due to rapid growth in the electronic Hardware market in all segments particularly rapid growth has taken place in Telecom Infrastructure Equipment, Computers, Consumer & Hand held devices.

Industry segments in which the Company operates

The Company is focused on the IT / ITES, Telecom and Contract Manufacturing segments.

Size of the industry

According to an ISA - Frost & Sullivan report, India is developing as one of the largest markets for electronic equipment. India's electronic equipment consumption is expected to reach $363 billion by 2015 growing at a compounded annual growth rate of 29.8 per cent. The consumption by 2015 will be equal to 11 per cent of the global electronic equipment output.

Another encouraging sign is that the semiconductor content in the estimated electronic consumption in 2015 is expected to be $36.3 billion accounting for 6.5 per cent of the global semiconductor revenues. India offers high potential for electronic equipment manufacturing companies. The estimated production of $155 billion in 2015 is expected to create an opportunity of $15.52 billion for semiconductor companies and also for Electronic Manufacturing Services (EMS) companies.

2) Date or expected date of commencement of commercial production

The Company has already commenced its business.

3) In case of new companies, expected date of commencement:

Not Applicable

4) Financial Performance based on given indicators:

(Amount In Lakhs)

Particulars	**31.03.11**	31.03.10	31.03.09	31.03.08	31.03.07
Income :					
Net Sales	**9,609.18**	13,719.86	13,604.49	12,903.88	9,580.62
Royalty and Commission	**126.26**	43.30	127.20	180.74	244.09
Service Charges	**84.68**	36.94	11.19	5.38	4.61
Other Income	**295.94**	189.66	192.12	101.84	97.09
Total Income	**10,116.06**	13,989.76	13,935.00	13,191.84	9,926.41
Profit before Taxation	**-156.07**	832.87	1,353.31	1,478.43	1,125.50
Profit After Taxation	**-114.49**	539.52	921.23	913.04	723.82
Dividend Payout	**—**	120.96	181.44	181.44	120.96
Corporate Tax on Dividend	**—**	20.09	30.84	30.84	20.56
Retained earnings	**—**	398.47	708.95	700.76	582.30
Dividend (%)	**—**	20.00	30.00	30.00	20.00
Earning per Share	**-1.89**	8.92	15.23	15.10	11.97

5) Export performance and Net Foreign Exchange Collaborations:

Export Performance

Amount in Rs.

	2010-11	2009-10	2008-09	2007-08	2006-07
F.O.B. value of Export	**84,335,472**	165,601,341	130,571,630	92,380,925	77,760,428

Net Foreign Exchange Earnings

Amount in Rs.

	2010-11	2009-10	2008-09	2007-08	2006-07
Earnings in Foreign Currency					
F.O.B. value of Export	**84,335,472**	165,601,341	130,571,630	92,380,925	77,760,428
Commission	**12,625,738**	4,330,426	12,720,414	18,074,122	24,409,523
Other Income	**—**	580,684	634,387	—	1,721,497
Total (1)	**96,961,210**	170,512,451	143,926,431	110,455,047	103,891,448
Expenditures in Foreign Currency					
Raw Materials	**35,920,914**	123,322,169	72,212,457	61,100,919	60,345,211
Traded, Goods (net of returns)	**38,906,296**	37,565,502	35,461,912	36,047,969	49,165,334
Capital Goods	**6,136,377**	4,367,191	44,383,586	39,993,096	25,688,399
Commission	**—**	6,207,416	7,684,056	3,812,172	—
Other Expense	**4,269,112**	3,648,129	6,240,937	2,647,172	3,554,670
Total (2)	**85,232,699**	175,110,407	165,982,948	143,601,328	138,753,614
Total (1-2)	**11,728,511**	(4,597,956)	(22,056,517)	(33,146,281)	(34,862,166)

6) Foreign Investments or Collaborators, if any

Foreign Collaboration

Schneider Electric South East Asia (HQ) PTE LTD, the global specialist in energy management, has acquired 75% of the Equity in the Company of which 55% is acquired from the Promoters and another 20% by open offer from the Indian Public Shareholders.

Schneider Electric has become a key player in integrated data center infrastructure market and further accelerates its development in this domain. Additionally, Opportunities in IT Infrastructure in fast growing Asia Pacific and Middle East will now become increasingly accessible to Schneider Electric."

As a global specialist in energy management with operations in more than 100 countries, Schneider Electric offers integrated solutions across multiple market segments, including leadership positions in energy and infrastructure, industrial processes, building automation, and data centres/ networks, as well as a broad presence in residential applications. Focused on making energy safe, reliable, and efficient, the company's 110,000 plus employees achieved sales of 19.6 billion euros in 2010, through an active commitment to help individuals and organizations "Make the most of their energy."

INFORMATION ABOUT THE APPOINTEE

1) Background details:

Mr. Pramod Agashe is a Mechanical Engineer with Masters Degree in Marketing Management from University of Mumbai has more than 26 years of variegated experience.

He in his career span, Mr. Pramod Agashe has worked with large companies like Thermax, Ingersoll Rand and Tata Liebert (now known as Emerson Network Power). Due to excellent success achieved by his team, he was nominated as Trainer in the Telecom Task Force created for Asia Pacific Region and had trained over 100 sales associates of Liebert in China, Singapore and Australia in 1997.

After playing various roles in Marketing and Project Management, he left Emerson Network Power as Corporate Champion – IT Solutions, in 2002 to join APW President as Vice President – Sales & Marketing.

He was promoted as the Chief Operating Officer in October 2007. In his capacity as the COO, he strongly contributed to Company's growth over the past years. As COO, he has successfully supervised and controlled the Sales and Marketing, Finance, Human Resource and Administration of the Company.

The Board of Directors considering his expertise and leadership qualities, on reconstitution of the Board, appointed Mr. Pramod Agashe as the Managing Director of the Company with effect from May 19, 2011 for a period of five years.

2) Past Remuneration

(Amount in Rs.)

Description	**2010-11**	2009-10	2008-09	2007-08	2006-07
Salary-Basic	**1,346,250**	1,248,000	1,200,000	1,020,000	780,000
HRA	**673,098**	624,000	600,000	510,000	390,000
Medical Reimbursement	**15,000**	15,000	15,000	15,000	15,000
Leave Travel Allowance	**140,000**	122,500	105,000	105,000	90,000
Incentive	**317,532**	698,580	1,127,000	750,000	647,000
Driver Salary	**91,200**	81,700	76,200	69,000	60,000
Perquisites	**39,600**	39,600	18,000	18,000	
Special Allowance	**1,154,354**	424,998	295,200	267,600	185,129
Other Allowance	**188,113**	235,559	235,675	216,004	91,233
Co'S Contribution To P.F	**161,550**	149,760	144,000	122,400	93,600
TOTAL	**4,186,697**	3,669,697	3,816,075	3,093,004	2,351,962

3) Recognition or Awards: NIL

4) Job Profile and his suitability:

Mr. Pramod Agashe as the Managing Director of the Company is expected to manage the affairs of the Company in accordance with the directions of the Board and is the over all in-charge of day to day administration and execution of various functions in terms of the authority provided in the Memorandum and Articles of Association of the Company.

Mr. Pramod Agashe has been at the helm for almost four years now and with his business acumen, domain expertise and guiding skills, he has been steering the Company as Chief Operating Officer in achieving its goals. Mr. Pramod Agashe is qualified to carry out the functions with great intellect and is a methodical worker.

Mr. Pramod Agashe brings with him more than two decades of experience and expertise which is vital for the Company in this hour when it has to compete not only with local competition but also with global corporate, who are already having a presence in India or who are contemplating entry in India.

5) Remuneration Proposed per annum **Amount in Rs.**

Basic Salary	1,536,000
House Rent Allowance	768,000
Performance Bonus	881,500
Other Allowances (conveyance, Meal Voucher, CEA, Special Allowance, Special Additional Allowance etc.)	1,935,000
Total	5,120,500

Perquisites	
Category 'A'	
a)	Reimbursement of Medical Expenses subject to the ceiling of Rs.15,000/-
b)	Paid Leave as per Company Rule
c)	Leave Travel Allowance for self, spouse and dependent children subject to the ceiling of Rs.150,000/-
Category 'B'	
a)	Contribution to Provident Fund as per rules of Company (Subject to max. 12% of Basic Salary)
b)	Contribution to Superannuation Scheme as and when it is introduced by the Company. (Subject to a maximum of 15% of basic salary).
c)	Gratuity payable as per Gratuity Act 1972
Category 'C'	
a) Car	The Company shall provide car with a driver for official and personal use. In case the Company does not employ a driver, the Company will reimburse salary of the driver upto Rs. 106,200/- per anum.
b) Telephone	Cell Phone for official use and a telephone at residence. Long distance personal calls shall be charged to the Managing Director.
c) Club & other Membership	Maximum 50,000/- Per Annum
d) Laptop	For official use returnable at the end of tenure
e) Credit Card	For official use returnable at the end of tenure
f) Other amenities	Other such amenities (including mediclaim insurance policy to cover his family) as may be grated to other senior employees of the Company from time to time)

6) Comparative Remuneration with respect to Industry, size of the Company, profile of the position and the person.
Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointees in other companies.

(Rs. in lacs)

Name of Company	Equity	Turnover	Profit /(Loss) Before Tax	Managerial Remuneration
Aplab Limited	500	9595	-6.16	62.83
ZICOM Electronic Security Ltd	1270	24476	1362	50.4+2% Commission
Eimco Elecon (India) Ltd.	577	16224	1894	86
GMM Pfaudler Limited	292	15447	1672	102

7) Pecuniary relationship directly or indirectly with the Company, or relationship of managerial person, if any.

Besides the remuneration proposed, no other pecuniary relationship exists.

II. OTHER INFORMATION

1) Reasons of loss or inadequate profit.

The Company has continuously shown growth over the years except for the last three years. Global slow-down of economy has affected the Company's performance during these years. In FY 2009-10 increase in raw material prices and lower realization coupled with offer of higher discounts to attract and retain business impacted the Company and Profit Before Tax reduced considerably. In FY 2010-11 Telecom Industries which is one of the main customer segment of the Company was adversely affected due to various scams and also freeze of investment in Telecom Sectors by all major Telecom Industries due to huge investment by them to acquire 3G spectrum under auction and also the uncertainty of Government telecom policy due to its Security Concerns, has adversely impacted the performance of the Company resulting in drop of sales by 30%. As a result plants capacity remained under utilised resulting in loss for the Company.

3) Steps taken or proposed to be taken for improvement

With change in control and Management passing over to Schneider Electric South East Asia (HQ) Pty Ltd. (SESEA) Company expects synergies in operations in areas like purchase and sales which will result in benefits to the Company.

The Company expects to synchronize purchases of major raw materials along with other companies of SESEA resulting in reduction in prices by atleast 10%. It also expects to gain on wider platform that will be provided by SESEA in sales which will result in higher capacity utilization resulting in reduction in the incidence of overheads and thereby improving the profitability.

The Company has also adopted following strategies for improvement in performance.

- launch of a new enclosure family, the IMPress, it represents a genuine attempt to produce a product which the market wants, enabling the Company to show case its capabilities and bring out something Novel, Different and Unique. It also provides with a great opportunity to differentiate Company's offerings from those of the competitors – with price not being only competing factor as is the case with the Company's other products. This new product has been well received by the market and will help in improving the performance of the Company.
- introduction of Advanced Thermal Management and Datacenter Energy Optimization, and other solution based services.

All these associations bring with them specialized strengths that add to customer offerings and complement the innovations in enterprise-targeted enclosures, eg. IMPress.

As an ongoing process, the Company has also introduced new and modified some of the existing products which should also increase both the top-line and the bottom-line of the Company in the years to come.

Some of the Company's products and their utilities are as under:-

Coolcentrics's LiquiCool Rear Door Heat Exchangers (RDHx) can reduce total energy consumption by 90% and decrease white space by 80% when compared to common CRAC units. LiquiCool RDHx solutions can lower the customer's data center total cost of ownership by as much as 50%.

The FlowLogix System from Technology Connection, is an innovative combination of CFD modeling, airflow management and professional services to manage the airflow in mission critical data centers. With the energy savings from CFD analysis, data center customers can expect a full return on investment in less than 18 months, and pure savings thereafter.

Canovate Electronics offers the latest Fiber Optic Network Infrastructure Solutions for Telecom and IT Data Center applications. This helps us provide solutions for high end telecom projects involving Fiber Optic connectivity.

Siemon offers a comprehensive line of end-to-end copper cabling, Fiber Cabling, Intelligent Infrastructure Management and Structured Cabling solutions for data centers. This helps us address complex networking projects.

4) Expected increase in productivity and profits in measurable terms;

Based on the above strategy, the Company expects to achieve improve level of turnover by 20% as reported in FY 2010-11. The Company also expects reduction in the procurement costs of major raw materials by 10% by leveraging expertise of SESEA in procurement. Increase in turnover will result in the better utilization of Plants Capacity leading to improvement in profitability. This will enable the Company to achieve better performance in the current year as well as year ahead.

III. DISCLOSURES

1) The shareholder of the Company shall be informed of the remuneration package of the managerial persons.

The details of remuneration have been provided elsewhere in this statement

2) The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report.

The Company undertakes to disclose the following details in the relevant Report of the Board of Directors of the Company.

(i) All elements of remuneration package of all the Directors

(ii) Details of fixed component and performance linked incentives along with the performance criteria

(iii) Service contracts, notice period etc

(iv) Stock option details, if any

The Company proposes to enter into an Agreement with Mr. Agashe and the draft of which is open for inspection by the members at the Registered office between 10.00 a.m. and 12 noon on all days except (Sundays and holidays).

Except Mr. Pramod Agashe, no other Director of the Company is concerned or interested in the proposed Resolution.

This Explanatory Statement together with the accompanying Notice is and shall be treated as an abstract under Section 302 of the Companies Act, 1956.

Details of Directors seeking appointment / re-appointment in the forthcoming Annual General Meeting

(In pursuance of clause 49 (VI) (A) of the Listing Agreement)

Name of Director	**Mr. Pramod Agashe**	**Mr. Philippe Arsonneau**	**Mr. Shrinivas Chebbi**
Date of Birth	25.02.1963	26.08.1967	29.10.1966
Date of Appointment	19.05.2011	05.02.2011	05.02.2011
Qualification	BE (Mech); PGDM	Electrical Engineer(ENSIEG)MBA (International Marketing in Advanced Technologies	BE
Expertise in specific functional area	26 years in Sales, Marketing and Project Management.	20 years in different field like sales Strategy, Energy Management	23 years in Sales and Marketing, Development of different business model and Channel partners
List of Companies in whichDirectorship is held	None	1 Sinergis; 2 APC Japan, Inc.; 3 Schneider Electric It Singapore Pte Ltd; 4 Schneider Electric It Logistics Asia Pacific Pte. Ltd.; 5 Pt Schneider Electric It Indonesia Powertec Supplies Systems Limited	Uniflair India Pvt Ltd.
Chairman/Member of the Committee(s) of Board of Directors of the Company	None	None	None
Chairman/Member of the Committee(s) of other Company in which he is a Director	None	None	None

By Order of the Board

Sd/-
K. K. Bhavsar
Company Secretary

Mumbai, June 10, 2011

FINANCIAL STATISTICS

(Rupees in Lacs)

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
	Stand Alone	Stand Alone	Stand Alone	Stand Alone				
Income :								
Net Sales	**9,609.18**	13,719.86	13,604.49	12,903.88	9,580.62	7,713.86	5,493.31	3,746.85
Royalty and Commission	**126.25**	43.30	127.20	180.74	244.09	125.19	130.48	85.30
Service Charges	**84.68**	36.94	11.19	5.38	4.61	—	—	—
Other Income	**295.93**	189.66	192.12	101.84	97.09	68.78	79.54	44.37
Total Income	**10,116.04**	13,989.76	13,935.00	13,191.84	9,926.41	7,907.83	5,703.33	3,876.52
Profit/(Loss) before Taxation	**(156.06)**	832.87	1,353.31	1,478.43	1,125.50	1,043.91	605.91	416.23
Profit/(Loss) After Taxation	**(114.48)**	539.52	921.23	913.04	723.82	628.31	359.88	317.08
Dividend Payout	**—**	120.96	181.44	181.44	120.96	90.72	75.10	74.18
Corporate Tax on Dividend	**—**	20.09	30.84	30.84	20.56	12.72	10.53	9.50
Retained earnings	**(114.48)**	398.47	708.95	700.76	582.30	524.87	274.25	233.40
Dividend (%)	**—**	20.00	30.00	30.00	20.00	15.00	15.00	15.00
Earning per Share	**(1.89)**	8.92	15.23	15.10	11.97	10.78	6.39	6.41

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
Shareholders' Funds :	**Stand Alone**	Stand Alone	Stand Alone	Stand Alone				
Share Capital	**604.80**	604.80	604.80	604.80	604.80	604.80	502.34	498.49
Reserves & Surplus	**4,365.06**	4,479.55	4,081.08	3,372.13	2,671.36	2,107.41	1,276.24	993.25
Total Shareholder's Funds	**4,969.86**	5,084.35	4,685.88	3,976.93	3,276.16	2,712.21	1,778.58	1,491.74
Loan Funds :								
Secured Loans	**1,719.46**	1,509.86	790.34	869.64	844.87	675.58	739.25	352.13
Unsecured Loans	**—**	44.40	133.20	222.00	317.19	431.53	501.49	415.09
Funds Employed	**1,719.46**	1,554.26	923.54	1,091.64	1,162.06	1,107.11	1,240.74	767.22
Deferred Tax Liability (Net)	**390.39**	397.99	356.65	363.49	267.60	222.23	225.36	154.33
Total	**7,079.71**	7,036.60	5,966.07	5,432.06	4,705.82	4,041.55	3,244.68	2,413.29
Application of Funds :								
Fixed Assets								
Gross Block	**6588.15**	6,075.07	5,611.32	4,697.13	4,006.48	3,069.96	2,790.85	1,938.52
Less : Depreciation	**2086.35**	1,708.60	1,585.91	1,346.84	1,185.81	980.34	812.00	677.02
Net Block	**4,501.80**	4,366.47	4,025.41	3,350.29	2,820.67	2,089.62	1,978.85	1,261.50
Capital Advances	**110.20**	251.74	108.48	57.03	15.31	65.19	8.97	182.23
	4,612.00	4,618.21	4,133.89	3,407.32	2,835.98	2,154.81	1,987.82	1,443.73
Investments	**0.18**	4.81	17.55	17.55	17.55	0.18	0.18	42.65
Current Assets, Loans and Advances	**5273.59**	4,527.98	4,136.31	4,375.27	3,677.04	3,360.46	2,783.34	1,844.30
Less : Current Liabilities and Provisions	**2806.06**	2,125.55	2,321.68	2,368.08	1,824.75	1,473.90	1,526.66	917.39
Net Current Assets	**2,467.53**	2,402.43	1,814.63	2,007.19	1,852.29	1,886.56	1,256.68	926.91
Misc. Expenses Not yet written off	**—**	11.15	—	—	—	—	—	—
Total	**7,079.71**	7,036.60	5,966.07	5,432.06	4,705.82	4,041.55	3,244.68	2,413.29

Statement of Accounting Ratios of the Company

Particulars	31.03.2011	31.03.2010	31.03.2009	31.03.2008	31.03.2007	31.03.2006	31.03.2005	31.03.2004
EBIDT Rs.	**430.04**	1,387.28	1514.44	1876.12	1437.83	1345.25	839.91	621.66
EBIDT % to Net Sales	**4.48**	10.11	11.13	14.54	15.01	17.44	15.29	16.59
Return on Net Worth (%)	**-2.30**	10.63	19.66	22.96	22.09	23.17	20.23	21.26
Cash Earning per share	**4.67**	14.94	21.30	21.22	16.59	13.69	11.72	9.12
Net Asset Value per share	**82.17**	83.88	77.48	65.76	54.17	44.84	35.68	30.14

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Overview and Competition

The Company is a leading manufacturer of racks, enclosures and rack accessories and a distributor for a wide range of value-added solutions from world-class technology companies.

The Company has a well-established business-to-business model, supported by marketing and sales distribution channels, and is focused on the Telecom, IT/ITES and General Electronics industry sectors. The current strategy is to increase thrust on sales through channels, and to continue servicing major projects in the enterprise high-end data center market with innovative solutions. For share-holders, the strategy is to create value by increasing profits from operations through business growth, value addition and cost management.

The Company is intensifying its initiatives in several segments, such as high-end data centers and IT infrastructure, telecom, contract manufacturing, small and medium business (SMB) segments, as well as entertainment / healthcare and government sectors. Additionally, the company plans to lay emphasis on technical services and solutions.

Development of datacenters is accompanied by increased need for servers and data storage products and consequently for racks that house such equipment. Although investments in IT and telecom infrastructure have been deferred, the upgradation of infrastructure in datacenters with new technologies is expected to increase revenues for the server rack segment.

The India Data Center market is expected to grow at a 23% CAGR over the next three years to touch Rs. 11,800 crore. Third Party Data Center Services are slated to grow at 34% to touch INR 2,800 crore during the same period. (Source: India Data Center Services Market Review 2011).

While 80% of data center services business was still driven by captive data centers in 2010, it is the growth story for third-party data center services, which would show greater promise going forward.

The current penetration of data centers amongst the India enterprise segment is 63%, with nearly 85% of large enterprises having set up a data center by end of 2010. The BFSI sector leads the way with maximum penetration of data centers. Going forward, penetration levels amongst large enterprises are expected to reach almost 100%. As a natural progression, vendors would be well advised to develop their offerings for SMB enterprises. (Source:http://www.cmrindia.com/press_releases/21april2011.asp)

Opportunities and Threats

On January 7, 2011, the promoter shareholders of the Company signed an agreement with Schneider Electric, the global specialist in energy management to sell their shares in APW President Systems Ltd.

Schneider Electric proposes to acquire shares representing a maximum of 75% of the share capital of the Company by acquiring a minimum of 55% of the share capital from the promoter shareholders of APW President and up to 20% of the share capital of the Company pursuant to a mandatory open offer to be made to the other shareholders. Depending on the response to the open offer, additional shares will be acquired from the promoter shareholders, provided that the total number of shares acquired from the promoter shareholders, together with the shares acquired under the open offer do not exceed 75% of the share capital of the Company.

With the support of Schneider Electric, the Company expects to maintain its leadership position in the Indian enclosure and infrastructure management industry segments going forward. The Company has expanded its capacity last year and is further investing to meet the demands of significant growth in business. The demonstrated global competitiveness and international level of quality of products, provide the Company with new opportunities in domestic as well as international markets. The Company will keep examining and pursuing these new opportunities for growth.

The Company faces fierce competition from Indian as well as international players. Sound business strategies and competitive costs have enabled the Company to retain its leading market position. The Company endeavors to enhance its competitive advantage through a process of continuous improvements in products and processes, cost reduction, enhancing product utility value and by implementing appropriate coherent business strategies. The disciplined financial framework provides stability and a platform for the growth of the Company.

Segment wise Performance

In April 2010 the Company was reorganized into 4 divisions, ie. Enterprise Solutions Division (ESD), Retail Products Division (RPD), Contract Services Division (CSD) and New Business Division (NBD).

In August 2010, the Company saw an opportunity for developing the telecom business with sharper focus and started the Telecom Solutions Division (TSD). The Company believes that this divisional restructuring is well aligned to address all segments of the market.

Enterprise Solutions Division (ESD) & Technology Products Division (TPD)

Technology Products Division showed good performance and all regions contributed to the business. Sales (Product + Services) increased by 20%, with the BFSI segment contributing about Rs.1 crore on product sales.

Telecom Solutions Division (TSD)

The T**elecom Solutions Division** won the biggest ever order last year of Rs. 2.25 crores. A totally new product, an **Outdoor Enclosure with Heat Exchanger** was designed, developed and deployed as part of this project.

Contract Services Division (CSD)

Over the year, the **Contract Services Division** developed products for many new customers who are in various stages of evaluation. These initiatives should start generating substantial revenues in 2011-12.

The Company was approved by M/s Bosch for Zinc Nickel Alloy plating. The pre-production trials have been successfully completed, and commercial production would commence from June 2011. This new business line of Zinc Nickel plating is expected to bring in good revenue in years to come.

Retail Products Division (RPD)

To expand its geographic reach, the Company added two new Regional Distributors for Mumbai and Karnataka region, and one more for West Bengal, Bihar, Jharkhand, Orissa & North East region. One existing distributor was given go ahead to expand his operations to Andhra Pradesh and Gujarat.

The Company has increased the Channel Partner base to 240 partners. The market has responded well to the initiative to explore the channel route, and it is proposed to widen the engagement levels with these partners further during 2011-12.

New Business Division (NBD)

A turnkey high density cooling solution was deployed at a prime data center site during the year. The system has been performing satisfactorily for almost a year and has saved the customer upto 62% on energy costs. Impressed with the performance and energy savings, the customer has invited our Company to conduct the feasibility study for similar solutions at one of their biggest data centre. This project is expected to be implemented in the current year.

Outlook

As per Industry estimates, Global Data Center IT Rack market will reach $1,8 billion in 2013. One of the key factors contributing to this market growth is the increasing demand from organizations to deploy more data centers. However, the rapid evolution of technology is forcing end users to delay the purchase of racks, and this could pose a challenge to the growth of this market.

Convergence of high speed 3G and WiMax data services, financial sector regulations, and government data center projects to open up new market opportunities: With the gradual roll out of 3G and WiMax services by telecom service providers through 2011, and launch of data intensive services such as video calls, Live TV, video-conferencing, high speed online gaming and so on, the need to store and launch various application-based services is expected to fuel greater spending on building storage infrastructure. At the same time these factors would contribute to a direct increase in the overall size of the opportunity in the India Data Center services market.

Another factor, which would lead to an increase in the demand for enterprise storage solutions, and as a corollary, the demand for data center services in the country is the expected revival in the fortunes of the BFSI sector. Although the India BFSI sector was largely unscathed by the global recessionary trends, demand for financial services was tepid during 2009 but has started showing a healthy revival in the last year. Banking, in particular, is expected to show a healthy growth trend in 2011 as the housing and commercial real estate sectors show greater confidence across most key urban centres.

Specific projects such as the State Data Centers (SDCs) are expected to present very attractive opportunities for data center services players in providing consulting and system integration (SI) services over the next few years.

Quality Management Systems

The Company's customized Quality Management System is now highly stable and effective. It covers all aspects of the manufacturing cycle from incoming inspection, in-process inspection, to final quality assurance checks prior to dispatch. Besides, it covers the calibration of all equipment used for manufacturing and inspection, as well as monitoring all customer complaints, transportation damage instances and corrective and preventive action. In the event of a complaint from a customer, or a failure report from the field, our QMS provides traceability through various stages of the manufacturing cycle. During this year new techniques have been introduced for achieving, maintaining and monitoring quality standards in terms of defects per million. Besides these new techniques, the implementation of the Theory of Constraints based production management systems has enabled the company to reach a delivery conformance level of 99% for standard products at both its plants – Bangalore and Pune.

Design Development

The Company designs and develops new products and accessories on a continuous basis. The design styling, look and feel of our products is always current and in step with practices worldwide. The Company has computer-aided design facilities in-house and employs experienced design personnel as well.

During the year the company completed a major project for the design and development of a new "Next Generation" cabinet family - IMPress. The Company launched this product in June 2010 – both for the domestic and international markets. The IMPress incorporates features and facilities which are truly state-of-the-art and not available with any other major product family currently. The design approach for this important new product has been customer centric and every effort has been made to ensure that the task of the actual user / integrator in installing equipment, managing the cabling and commissioning the project is made as quick and simple as possible. The Company expects the IMPress product family to become a major revenue earner over the next decade.

As an ISO 9001:2008 manufacturing facilities certified organization, the Company takes the ratification of all its designs seriously. All new products and accessories are extensively tested in order to ensure that they exceed their rated specification by a comfortable safety margin.

Risk and Concerns

Competition: The risk of competition due to cloning of our product range by smaller companies in the unorganized sector remains.

Mitigants: The Company has built a large and established distribution network that should be difficult to replicate by potential competitors. The Company has also changed its approach from Product orientation to Service Orientation in order to get an edge over the competitors. Besides, with the introduction of the IMPress, the company expects to carve out a special niche in the market which will be difficult for copycats to enter as replicating the IMPress will require significant investment in special tooling which will raise the entry barrier significantly. Further, the Company has applied for the registration of the IMPress design name and logo, besides applying for patents for four of its new features.

Supply Profile: The ongoing fluctuation in the prices for Steel and other key inputs is an area of constant concern to the Company.

Mitigants: The Company continues to develop and maintain a wide supplier network. It also makes continuous efforts to develop alternative sources for major components and strives to develop substitutes wherever possible for reducing the material cost content of the product. Besides, the company does alter the pricing for its standard products from time to time whenever the input costs have varied by more than 5% or so.

Internal Control System and their Adequacy

The Company has a proper and adequate system of internal controls commensurate with its nature and size of its business to ensure that its assets are safeguarded and protected against loss from unauthorized use or disposition, and that the transactions are authorized, recorded and reported correctly. During the year the Company took action to address the several issues that were raised consequent to the independent IT Audit of its systems and security measures that had been conducted earlier. All the major issues with the exception of one have been satisfactorily closed. The one issue which the Company expects to resolve shortly is the setting up of a disaster management and recovery procedure for which it is setting up a near DR facility. Various other measures are being implemented to further improve the quality and effectiveness of the company's internal checks and controls.

These internal control systems are supplemented by an extensive program of internal audits, review by management and established policies, guidelines and procedures. The systems are designed to generate accurate financial statements and other data and for maintaining accountability of assets.

During the year under review the Company has also implemented a major new initiative concerning Risk Management. Under this initiative a programme was launched to identify, assess, evaluate and implement measures to mitigate the major risks at the two manufacturing plants. The Company now plans to extend this risk management programme to cover other business risks as well.

Discussion on Financial Performance with respect to Operational Performance

The Net Sales (net of duties and taxes) during the year were Rs.9609 Lacs as against Rs. 13720 Lacs in the previous year. Drop in Sales Turnover by 30% was mainly on account of Telecom Sector, one of the main customer segments, which is under turmoil due to various reasons. EBIDTA earnings have reduced to Rs.430 Lacs as against Rs. 1387 Lacs in the previous year. Under utilization of manufacturing capacity at Bangalore due to lower sales resulted in lower EBIDTA and as a consequent loss for the Company. The employee costs have gone up to Rs. 1711 Lacs as against Rs. 1657 Lacs in the previous year, an increase of 3%. After provision for Deferred Tax liability, Loss for the year was Rs.114 Lacs as against profit of Rs. 540 Lacs for the previous year.

Material development in Human Resource / Industrial Relations Front

At the factory locations, several initiatives were undertaken by the Personnel Department for industrial safety and production related aspects. The industrial relations at both units during the year under review were cordial.

There were significant changes in the senior management team during the year.

The Company had 364 employees on its roll as on 31st March 2011 at its production facilities and offices across the country.

Cautionary Statement

The Management Discussion and Analysis Statements made above are on the basis of available data as well as certain assumptions as to Government policies, economic and political developments. The Company cannot guarantee the accuracy of the assumptions and expectation of future events. The Company's actual results, performance or achievements could thus differ materially from projected performance in future.

FOR AND ON BEHALF OF THE BOARD

E. A. ELIAS

MUMBAI, May 16, 2011 **MANAGING DIRECTOR**

DIRECTORS REPORT

The Members
APW PRESIDENT SYSTEMS LIMITED

Your Directors take pleasure in presenting the Twenty-Seventh Annual Report together with audited accounts for the year ended 31st March 2011.

FINANCIAL RESULTS

		Rs. in Lacs
	31.03.2011	31.03.2010
Gross Sales	**10,835.67**	15,752.39
Net Sales	**9,609.19**	13,719.86
Earning before interest and Depreciation (EBIDT)	**430.04**	1,387.28
Less: Interest	**188.89**	190.27
Depreciation	**397.22**	364.15
Profit / (Loss) before Tax	**(156.07)**	832.86
Less: Provision for Tax	––	252.00
Less: Prior Year Tax Provision-Excess reversed	**33.98**	
Less: Deferred Tax Liability	**7.61**	41.34
Profit After Tax	**(114.48)**	539.52
Add : Balance brought forward	**3220.93**	2,872.46
Profit available for distribution	**3106.45**	3,411.98
APPROPRIATION		
Proposed Dividend	––	120.96
Corporate Tax on Dividend	__	20.09
Transfer to General Reserve	__	50.00
Total Balance carried forward	**3106.45**	3220.93

Dividend:

In view of the loss during the year, your directors have not recommended any dividend for the year.

Financial Results :

The Net Sales (net of duties and taxes) during the year were Rs.9609 Lacs as against Rs. 13720 Lacs in the previous year. Drop in Sales Turnover by 30% was mainly on account of Telecom Sector, one of the main customer segments, which is under turmoil due to various reasons. EBIDTA earnings have reduced to Rs.430 Lacs as against Rs. 1387 Lacs in the previous year. Under utilization of manufacturing capacity at Bangalore due to lower sales resulted in lower EBIDTA and as a consequent loss for the Company. The employee costs have gone up to Rs. 1711 Lacs as against Rs. 1657 Lacs in the previous year, an increase of 4%. After provision for Deferred Tax liability, Loss for the year was Rs.114 Lacs as against profit of Rs. 540 Lacs for the previous year.

OPERATIONS:

Enclosure Solutions :

This business was severely affected due to turmoil in Telecom Sector. Sales of enclosure business were Rs. 9026 Lacs as against Rs. 13129 Lacs in previous year, almost 30% drop in sales.

Plating plant set up during last year is now working at full capacity. During the year Company has entered into arrangement with BOSCH India for Nickel Zinc plating of their product. BOSCH has given Rs. 1.11 crores to incentivize Company to set up Nickel Zinc plating facility. Nickel-Zinc Plating facility is expected to be completed by June-July 2011. This facility will help improve not only the quality of existing products and services, but will also attract new business.

Technology Services

The domestic sales of Technology Products were Rs.583 Lacs as against Rs.591 Lacs during the previous year, while Commission earned on direct sales was Rs. 126 Lacs as against Rs.43 Lacs during the previous year. There was no growth in TPD business on account of the global slow down which caused the IT industry to freeze all Capex investments during the year. Commission earned on direct sales increased mainly on account of orders for technology products for monitoring of Data Centres. Company has strategic alliance with Unite Technologies Limited, UK which is one of the leading companies in such products, since 2006.

New Product development:

As always, the Company continued to introduce new products as well as accessories and services.

A new enclosure family (under the brand name IMPress), developed to meet the requirements of data center projects, was launched in June 2010. I am pleased to inform you that this product is widely accepted and is considered as the next generation product. This Cabinet range conforms to international DIN 41494 standards, and offers customers enhanced features such as cable management flexibility, quick and safe assembly, ease of installation and maintenance, open access and unlimited expandability. Further development of this product to suit different requirements of customers is going on.

Directors :

As per the Share Purchase Agreement (SPA) executed between the Promoters and Schneider Electric South East (HQ) Pte Ltd (SE, acquiring company), Company appointed Mr. Philippe Arsonneau and Mr. Shrinivas Chebbi as Nominee Directors at the Board meeting held on February 5, 2011 under section 260. Their tenure will end at ensuing AGM and the acquiring company is seeking their re-appointment at next AGM under section 257.

Under SPA all existing Promoter Directors except the nominee directors of Schneider Electric South East (HQ) Pte Ltd will be resigning on the completion of Transaction and Schneider Electric South East (HQ) Pte Ltd (SE, acquiring company), will be appointing new members to the Board.

Auditors:

The auditors M/s Price Waterhouse, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and have expressed their inability to continue as auditors of the Company. Management is looking for another audit firm for the appointment as statutory auditor for FY 2011-12.

Deposits:

There were no deposits outstanding as on 31st March 2011.

Subsidiary Companies:

Company's subsidiary, APW Systems MEA FZC at Sharjah in UAE has closed its operations. Company has received the equity invested in this company after depletion.

Personnel:

The Industrial relations have been generally cordial. Information as per section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rules 1975 as amended, the names and other particulars of employees are set out in the Annexure 'C' to the Director's Report.

Technical Knowhow:

The Company is fully capable of evolving its own designs as well providing the support required for the operations of the Company.

Directors' Responsibility Statement

Pursuant to sub-section 2A of Section 217 of the Companies Act, 1956, the Directors hereby confirm:

a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) That they have 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 that period;

c) That they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) That they have prepared the annual accounts on a going concern basis.

Conservation of Energy etc.:

Your Company has voluntarily undertaken the Energy Audit at its Bangalore Plant to initiate the conservation and savings in Power Consumption. Your Company has also set up a state of art Solar Heating Plant at its Pune Plant so as to be energy efficient.

Information as per the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure 'A' forming part of this report.

Corporate Governance

Your Company believes in good corporate governance and has initiated several proactive steps in this regard. A separate section on Corporate Governance forms part of the Annual Report. A certificate from the Company Secretary in practice regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement is given in Annexure 'B'.

FOR AND ON BEHALF OF THE BOARD

E. A. ELIAS

MUMBAI, May 16, 2011 **MANAGING DIRECTOR**

ANNEXURE C

NAME	AGE	DESIGNATION/ NATURE OF DUTIES	REMUNERATION RECEIVED/ RECEIVABLE	NET TAKE HOME PAY AFTER TAX & P.F. DEDUCTIONS	QUALIFICATIONS	EXPERIENCE YEARS	DATE OF EMPLOYMENT
ELIJAH A. ELIAS	67	Vice-Chairman & Managing Director	6,904,800	4,684,850	BE., TECH., (ELECT)	45	1982

ANNEXURE A

A. **Conservation of Energy**

1. The Company's Production activity is not energy intensive. However, all measures are being taken for optimizing energy usage.
2. Additional investments and proposals for reduction in consumption of energy.
3. Total energy consumption is 3,164,026 Kwh. Consumption per unit data can not be provided as the products are not of a standardized nature.

B. **Technology Absorption**

Report made in Technology Absorption

I Research & Development

1.	Specific areas in which R & D carried by the Company	This is an on going process in the Company.
2.	Benefits derived as a result of the above R & D	Improving quality and product reliability keeping to the international market demands.
3.	Future plan of action	Development of new products to improve product range and products application for other fields.
4.	Expenditure on R & D a) Capital b) Recurring c) Total	Development work on products is continuous and is debited to Profit & Loss Account under respective heads therein.

II. Technology, Absorption, Adaption & Innovation

1.	Efforts made towards technology absorption, adoption & innovation	The Company has in-house R & D facilities, in which new products development and improvements in processes are carried out.
2.	Benefits derived due to above	All products are designed in-house. Prototypes are then developed and tested before introducing these products into the manufacturing range. The process of manufacturing established is based on the product features.

C. **Foreign Exchange Earnings & Outgo :**

a)	i) Activity relating to exports ii) Initiative taken to increase exports iii) Development of new exports market for products and services iv) Exports Plans	The Company expects to increase its exports substantially during the year. Company has entered into an arrangement with the middle-east Company for exploring export in that territory

Sr. No.	Particulars	**31.03.2011 Rupees**	31.03.2010 Rupees
i)	Foreign Exchange earned		
	a) Export (FOB)	**84,335,472**	165,601,341
	b) Commission	**12,625,738**	4,330,426
	c) Return of Equity from Subsidiary	**274,872**	—
ii)	Foreign Exchange outgo :		
	a) Import of Capital Goods	**6,136,377**	4,367,191
	b) Import of Raw Materials & Components	**35,920,914**	123,322,169
	c) Import of Traded Goods	**38,906,296**	37,565,502
	d) Dividend	**1,326,720**	7,282,080
	e) Commission Paid	**—**	6,207,416
	f) Foreign Travel	**1,508,774**	893,982
	g) Exhibition & Advertisements	**516,178**	538,440
	h) Miscellaneous	**588,596**	473,751
	i) Repairs & Maintenance and Spares	**1,143,209**	1,276,816
	j) Selling & Marketing	**532,728**	1,003,580
	k) Procurement of Warranty	**495,805**	—

COMPLIANCE REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2010-2011

1. Company's philosophy on code of governance requires it to

Endeavour to achieve optimum performance at all levels by adhering to best corporate governance practices

- to strive towards enhancement of shareholder value through prudent business management, sound business decision and high standards of ethics, with attendant transparency;
- to achieve excellence in Corporate Governance by complying with all the mandatory guidelines in this respect and also by regularly reviewing management systems for further improvement.

2. Board of Directors

a. Composition of the Board of Directors and other details as on March 31, 2011 are as under

Name of Director	Category of Directorship	No. of Board meetings attended	Attendance at the AGM	No. of Committee position held in other companies		Directorship other companies incorporated in India	**Number of shares held as on 31st March 2011**
				Chairman	Member		
Mr. E. A. Elias	MD	4	Yes	––	––	––	**328,480**
Mr. Sudhir Seth	NED	4	Yes	––	––	5	**494,680**
Mr. Ashok Kunte	NED	4	Yes	––	––	3	**372,981**
Mr. Marc Rutty[1]	NED	-	No	––	––	1	**663,360**
Ms. Shefali Shah	NED – I	3	Yes	––	1	4	**––**
Mr. Shailesh Hemani	NED – I	4	Yes	––	––	––	**500**
Mr. Lakshman Bhatia[2]	NED – I	2	Yes	NA	NA	NA	**600**
Mr. Madhav Joshi	NED – I	3	Yes	––	––	1	**––**
Mr. Rajeshwar Bajaaj	NED – I	4	Yes	––	3	3	**10,007**
Mr. Phillippe Arsonneau [3]	ND	NA	No	––	––	––	**––**
Mr. Srinivas Chebbi [3]	ND	NA	No	––	––	1	**––**

1. Held in the name of his Company M. Rutty & Co. Pty. Ltd.
2. Retired at AGM held on August 16, 2010 and did not seek re-election.
3. Appointed in the Board Meeting held on 5th February 2011.

MD Managing Director; NED Non Executive Director; NED - I Non-executive - Independent Director

The Directors have confirmed that they have no inter se relationship amongst them.

b. Meetings of the Board

The Board of Directors of the Company met four times during the year i.e., on May 17, 2010; August 6, 2010; November 12, 2010; and February 5, 2011 respectively.

The Agenda for the Board Meeting is circulated well in advance to the Directors. In addition to the information required under Annexure IA to Clause 49 of the Listing Agreement, the Board is also kept informed of major events/items and approvals taken wherever necessary. The Managing Director, at the Board Meetings, keeps the Board apprised of the overall performance of the Company.

c. Code of Conduct

The Company has adopted the Code of Conduct for all the Directors of the Board and its Senior Management Personnel of the Company and the same has been uploaded on the website of the Company viz., www.apwpresident.com.

All the Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct and a declaration to this effect signed by the Managing Director forms part of this Annual Report.

3. Audit Committee

The Audit Committee of the Board comprised of 4 Non-Executive Directors and 1 Non-Executive Promoter Director, viz., Mr. Shailesh Hemani, Chartered Accountant acting as Chairman, Mr. Lakshman Bhatia, Mr. Madhav Joshi, Mr. Ashok D. Kunte and Ms. Shefali Shah. Mr. K. K. Bhavsar, Company Secretary acts as the Secretary of the Committee. Mr. Lakshman Bhatia retired and did not sought renewal at the last AGM, The Committee met four times during the year i.e., on May 17, 2010; August 6, 2010; November 12, 2010; and February 5, 2011 respectively during the financial year 2010-11.

Members	Meetings held during the tenure of Directors	Meetings attended
Mr. Shailesh Hemani	4	4
Mr. Lakhsman Bhatia	2	2
Mr. Ashok D. Kunte	4	4
Mr. Madhav Joshi	4	3
Ms. Shefali Shah	4	3

The terms of reference to the Committee is as stipulated in Clause 49 of the Listing Agreement and the Committee :

(a) over views the Company's financial reporting process and the disclosure of its financial information;

(b) recommends the appointment and removal of internal and external auditor, fixes audit fee and also approves payment for any other services rendered by them.

(c) reviews with management, the annual financial statements before submission to the Board of Directors, focusing primarily on:

- changes in accounting policies and practices, if any;
- major accounting entries based on exercise of judgment by management;
- qualifications in draft audit report;
- significant adjustments arising out of audit;
- the going concern assumption;
- compliance with accounting standards;
- compliance with Listing Agreement with Stock Exchange and legal requirements concerning financial statements;
- disclosure of any related party transactions;

(d) reviews with the management, external and internal auditors, the adequacy of internal control systems, internal audit coverage, scope and frequency of internal audit report.

(e) reviews with the management and internal auditor, on any significant findings made by internal / external auditors or any other investigation and reports the matter to the Board of Directors;

(f) reviews reasons for the substantial defaults in the payment to depositors, debenture holders, shareholders and creditors;

(g) reviews the functioning of the Whistle Blower mechanism.

The Audit Committee also:

- invites as and when necessary, any of the executives of the Company, as it considers appropriate to be present at the meetings of the Committee.
- investigates any activity within its terms of reference.
- seeks information from any employee of the Company.
- obtains outside legal or other professional advice.
- secures the attendance of outsiders with relevant expertise, if it considers necessary.

4. Remuneration Committee

The Remuneration Committee is constituted to formulate and recommend to the Board, a compensation structure for the Managing Director of the Company. Presently, the Committee comprises of 3 Non-Executive Independent Directors and 1 Non-Executive Promoter Directors; Mr. Raj Bajaaj, acting as the Chairman, Mr. Lakshman Bhatia, Mr. Madhav Joshi and Mr. Sudhir Seth as its members.

During the financial year under review, two meetings of the Remuneration Committee was held on 28th April 2010 and 6th August 2010.

The remuneration for the Managing Director, Mr Elias, includes salary, perquisites and allowances; contribution to provident fund (a fixed component); and performance bonus (a variable component). Company applied for the Government approval for MD's Remuneration as per the recommendation of Remuneration Committee Meeting held on August 06, 2010. Ministry of Corporate Affairs approved the Remuneration vide their letter dated 30th December, 2010. The Remuneration Committee as its meeting held on April 18th 2011, has reviewed the performance of the Company and remuneration paid to Mr. Elias and recommended payment of Rs. 24 lakhs as an incentive for FY 2010-11.

The details of remuneration paid to Mr. E. A. Elias during the financial year 2010-11 are as follows:

Details of Remuneration	Amount in Rupees (mln)
Salary	4.08
Contribution to Provident Fund	0.40
Performance Incentive	2.40
Perquisites	0.03
Total	6.91
Tenure	5 years w.e.f., April 1, 2007
Notice Period	6 months

Note: The above figures does not include provision for gratuity and leave encashment which is based on actuarial valuation done on an overall company basis.

The resident Non Executive Directors (NEDs) are paid remuneration by way of sitting fees. The resident non-Executive Directors viz., Mr. Sudhir Seth, Mr. Ashok D. Kunte, Ms. Shefali Shah, Mr. Shailesh Hemani, Mr. Lakshman Bhatia, Mr. Madhav Joshi and Mr. Rajeshwar Raj Bajaaj were paid sitting fees of Rs.90,000/-, Rs.135,000/-, Rs.105,000/-, Rs.120,000/-, 80,000/-, Rs. 1,25,000/- and Rs. 110,000/- respectively for attending the Board and Committee Meetings.

5. Share Transfer and Investors' Grievances Committee

The Shareholders / Investors' Grievances Committee comprised of 3 Non-Executive Independent Directors and one Non-Executive Promoter Director, viz: Mr. Lakshman Bhatia acting as the Chairman, Mr. Madhav Joshi, Ms Shefali Shah and Mr. Ashok Kunte. Mr. K. K. Bhavsar, Company Secretary is the Compliance Officer of the Company in matters relating to Shareholders, Stock Exchanges, SEBI and other related regulatory matters. Since retirement of Mr. Lakshman Bhatia, Mr. Ashok Kunte is acting as Chairman. Three meetings of the Committee were held during the year on the following dates:

November 18, 2010; November 30, 2010 and December 31, 2010.

The Company received 4 requests for transfers which were attended to within a period of thirty days from the date of receipt.

During the financial year, the Company has not received any complaint from SEBI as forwarded to it by the shareholders.

There was no request for share transfer, pending as on March 31, 2011.

The Company Secretary is also Compliance Officer of the Company.

6. Details of last three year's Annual/ Extra Ordinary General Meetings are as follows:

Year	AGM/ EGM	Location	Date and Time	No. of special resolutions	Purpose
2010	AGM	Tribune II, 6th floor, Hotel Tunga International, Central Road, MIDC, Andheri (East), Mumbai 400 093	August 16, 2010 -3.30 p.m.-	Nil	Annual Meeting
2010	EGM	Registered Office	September 18, 2010-11.00 a.m.	Nil	Remuneration of Managing Director
2009	AGM	Bay Leaf 2, Hotel Saffron Spice, Plot No. 34, MIDC, Andheri (East), Mumbai 400 099	August 13, 2009 -3.30 p.m.	Nil	Annual Meeting
2008	AGM	Bay Leaf 2, Hotel Saffron Spice, Plot No. 34, MIDC, Andheri (East), Mumbai 400 099	September 8, 2008 -3.30 p.m.	Nil	Annual Meeting and revision of remuneration of managing Director

7. Disclosures

a. **Related Party Transactions**

The Company follows the following policy in disclosing the related party transactions:

i. a statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Board Meeting.

ii. details of material individual transactions, if any, with related parties and not in the normal course of business, are placed before the Audit Committee.

iii. details of material individual transactions, if any, with related parties or others, which are not on an arm's length basis are placed before the Audit Committee together with Management's justification for the same.

b. **Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large**

There are no materially significant related party transactions i.e., transactions, material in nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may potentially be in conflict with the interest of the Company at large.

c. **Risk Management**

The Company has laid down procedures to inform Board from time to time about the risk assessment and minimization procedures adopted by the Company. These procedures are periodically reviewed to assure that executive management controls risk through means of a properly defined framework. Mr. Raj Bajaaj is the Chairman of Risk Committee. Mr. Sudhir Seth and Mr. Madhav Joshi are the other members of the committee. Committee met on April 28, 2010 to discuss the progress made on the implementation of the various Risk Management Processes defined at the Plants.

Internal Controls as required under clause V (c) of Clause 49.

The efforts for strengthening the internal controls were continued during the year with a compliance audit. The audit findings formed the basis for several structured implementation programmes for processes that will contribute to the reinforcement and strengthening of the internal control systems. Some of these programmes have been completed and the balance programmes are being implemented in a phased manner.

d. **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any Statutory Authority, on any matter related to Capital Markets**

There have been no instances of non-compliance by the company on any matters related to the capital markets, nor have any penalty / strictures been imposed on the company by the stock exchanges or SEBI or any other statutory authority on such matters.

8. **Means of Communication**

i. The quarterly, half yearly and annual financial results of the Company are normally published in English and Marathi daily newspaper. The Company also posts its results on its website viz., www.apwpresident.com.

ii. The Company has not made any presentation to the institutional investors or to the analysts during the year under review.

iii. Management Discussion and Analysis Report forms part of the Annual Report.

9. General Shareholder Information

(a) Annual General Meeting — Date : July 12, 2011

Time : 04.00 pm

Venue : Tribune II, 6th Flr.,
Hotel Tunga International, Central Road, MIDC, Andheri (E), Mumbai - 400 093.

(b) Financial Calendar — April 1, 2010 to March 31, 2011

(c) Dates of Book Closure — July 2, 2011 to July 12, 2011

(d) Dividend payment date — After July 30, 2011

(e) Listed on Stock Exchange(s) —
1) Pune Stock Exchange Limited (PSE)
2) Bangalore Stock Exchange Limited (BgSE)

(f) Stock Code — PSE - 160225

BgSE - VEROPNDSYS

BSE - Traded with effect from Jan 7, 2005; Scrip Code 590033

(g) ISIN — INE155D01018

(h) Market Price data and Performance in comparison to broad-based indices

There has been no trading at Pune and Bangalore stock exchange during the year under review. Accordingly, the high and low prices of the Company's equity shares as traded in the BSE for each of the month is given below:

Month	High	Low	Month	High	Low
April 2010	144.95	113.25	October 2010	137.45	111.25
May 2010	138.00	113.50	November 2010	153.95	117.00
June 2010	153.60	114.00	December 2010	154.95	133.20
July 2010	153.00	130.00	January 2011	185.90	135.65
August 2010	144.70	121.60	February 2011	186.00	180.70
September 2010	131.00	115.00	March 2011	189.45	178.40

(i) Registrars and Share Transfer Agents Name:

Universal Capital Securities Pvt. Ltd. (Formerly Mondkar Computers Pvt. Ltd.)
21, Shakil Nivas,
Mahakali Caves Road, Andheri (East),
Mumbai- 400 093.
Tel No: (022) 2820 7203 - 05
Fax No: (022) 2820 7207
Email Id: karlekar@unisec.in
Contact person Mr. Rajesh Karlekar / Mr. Ravi Utekar

(j) Share Transfer system

The Company has appointed M/s Universal Capital Securities Private Limited, a SEBI registered Share Transfer Agent (STA) to deal in the transfer of shares of the Company. On receipt of request for transfer of shares, the STA process the requests and if found in order, forwards the same to the Company for approval. The Share Transfer and Investors' Grievances Committee which meets as and when required and approves the same and the share certificate(s) after endorsement is send to the transferee. Generally, the STA dispatches the transferred share certificate(s) to the transferee within a period of 30 days of lodgment thereof which is in compliance of the Listing Agreement.

A Practicing Company Secretary issues a certificate every half-year under Clause 47 (c) of the Listing Agreement as to issue and dispatch of share certificates lodged for transfer, transposition, renewal or exchange with a period of thirty days from the date of lodgment thereof.

(k) Distribution of shareholding as at March 31, 2011

Category	No. of Shares held	% of Shareholding
Promoters		
- Indian Promoters	18,85,141	31.17
- Foreign Promoter	24,27,360	40.14
Private Corporate Bodies	5,64,640	9.34
NRI / OCBs	16,630	0.27
Clearing Members	14,774	0.24
Indian Public	11,39,455	18.84
	60,48,000	100.00

A Practicing Company Secretary issues a certificate every quarter in terms of SEBI Circular D&CC/FITTC/CIR-16/2002 dated December 31, 2002 as to the reconciliation of capital listed with the Stock Exchanges with the share capital of the Company and that the shares lodged with the Company for dematerialization have been dematerialized within twenty-one days of receipt.

(l) Dematerialisation of Shares and liquidity

The shares of the Company are compulsorily traded in dematerialised form and are available for dematerialisation by both the depositories in India –National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2011, 41,32,950 equity shares representing 68.34% of the paid up equity Share Capital have been dematerialized.

(m) The Company has not issued any GDR's ADR's warrants or any other convertible instruments.

(n) Plant Location

The Company's plants are located at

Pune	S-73 / 74, Bhosari, M.I.D.C., Pune – 411 026
Pune	Unit 1, Electronic Sadan, MIDC, Bhosari, Pune 411 026
Bangalore Unit -I	5, 5A, 5c/1, Taluka Annekal, Attibele, Bangalore 562 107
Bangalore Unit-II	6A, Taluka Annekal, Attibele, Bangalore 562 107
Puducherry	Gothi Industrial Complex, RS No 17/3 (Shed C), Vazhudavur Road, Kurumbapet, Puducherry 605 009

(o) Address for correspondence

R-2, Technopolis Knowledge Park,
Mahakali Caves Road,
Andheri (East), Mumbai – 400 093
Phone no: 022-66 44 8888
Fax no : 022-66 44 8899
Email id. : info@apwpresident.com

10. The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement and complies with the following Non-Mandatory Requirements:-

Remuneration Committee

The Company has constituted Remuneration Committee to recommend / review remuneration of the Managing Director of the Company, based on his performance and defined assessment criteria.

Communication to shareholders

Half yearly Reports covering financial results are sent to Members at their registered address.

Audit Qualification

The Company is striving to achieve the regime of unqualified financial statement.

Whistle Blower Policy

The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct of their immediate supervisor / colleagues or any other employees. The Policy provides for review of reports received from employees by a Director or a Senior Manager as may be notified by the Management from time to time and maintaining of the confidentiality of those reporting violation and not subjecting them to any discriminatory practice.

11. Appointment/ Reappointment of Directors

Schneider Electric South East Asia (HQ) Pte Ltd (the "Acquirer",) and the Promoters of the Company entered into Share Purchase Agreement (SPA) dated January 7, 2011 to acquire 75% of the Share Capital of the Company by acquiring minimum of 55% of the share capital from the Promoters and upto 20% of Share Capital from the public shareholders. Accordingly, the Open Offer commenced on April 18, 2011 and closed on May 7, 2011. Closing of the complete transaction, as contemplated under Share Purchase Agreement, expected to happen by May 22, 2011, being 15 days from the date of closure of open offer, subject to regulatory approvals.

As per the Share Purchase Agreement, Mr. Phillippe Arsonneau and Mr. Shrinivas Chebbi were appointed as nominee directors at the Board meeting held on February 5, 2011 under section 260 as additional directors. Their tenure will end at ensuing AGM acquiring company is seeking their re-appointment under section 257.

Mr. Phillippe Arsonneau is MBA, International Marketing in Advanced Technologies. He had wide experience of 20 years in different field. Presently he is President, APJ, IT Business, APC by Schneider Electric.

Mr. Srinivas Chebbi is BE. He has 23 years of experience in Sales and marketing. Presently he is Country Manager, India, IT Business, APC by Schneider Electric. He is involved in Development & Implementation of Different Partnership & Business Models, Channel Partners.

Under SPA all existing Promoter Directors except the nominee directors of Schneider Electric South East (HQ) Pte Ltd will be resigning on the completion of Transaction and Schneider Electric South East (HQ) Pte Limited (SE, acquiring company), will be appointing new members to the Board.

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
APW President Systems Limited
Mumbai

We have examined all relevant records of **APW President Systems Limited** (the Company) for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement with Pune Stock Exchange Limited, Bangalore Stock Exchange Limited and Bombay Stock Exchange Limited for the financial year ended **31st March 2011**. We have obtained all the information and explanations to the best of our knowledge and belief which were necessary for the purpose of this certification.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedure and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

On the basis of our examinations of the records produced, explanations and information furnished, we certify that the company has complied with

a) all the mandatory conditions of the said Clause 49 of the Listing Agreement.

b) the following non-mandatory requirements of the said Clause 49 of the Listing Agreement: -
   i) Remuneration Committee
   ii) Communication to shareholders
   iii) Audit qualification
   iv) Whistle Blower Policy

For S.N.ANANTHASUBRAMANIAN & CO.

S. N. Ananthasubramanian
C.P. No.: 1774
Date : 12th May 2011
Place : Thane

DECLARATION

I, Elijah A. Elias, Managing Director of APW President Systems Ltd., hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliances with the Code of Conduct for the year ended March 31, 2011

For APW President Systems Limited

E. A. Elias
Managing Director

Mumbai, May 16, 2011

CERTIFICATION BY CHIEF EXECUTIVE OFFICER OF APW PRESIDENT SYSTEMS LIMITED

I, ELIJAH A. ELIAS, Managing Director of the Company, to the best of my knowledge and belief certify that:

a) I have reviewed the Balance Sheet as at March 31, 2011 and the Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2011 and that to the best of my knowledge and belief :

   i) Balance Sheet as at March 31, 2011 and the Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2011 do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) that Balance Sheet as at March 31, 2011 and the Profit and Loss Account and Cash Flow Statement for the year ended March 31, 2011 together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c) I accept the responsibility for establishing and maintaining internal controls over financial report and that I have evaluated the effectiveness of the internal control systems of the Company and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls in financial reporting, if any, of which I am aware and the steps taken or propose to take to rectify these deficiencies.

d) I have indicated to the Auditors and the Audit Committee

   i) significant changes in the internal controls during the year;

   ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statement; and

   iii) instances of significant fraud of which management have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Place : Mumbai
Dated : May 16, 2011

E. A. Elias
Managing Director

AUDITORS' REPORT TO THE MEMBERS OF APW PRESIDENT SYSTEMS LIMITED

1. We have audited the attached Balance Sheet of APW President Systems Limited (the "Company") as at March 31, 2011, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. 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 conducted our audit in accordance with the 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the "Order"), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Act;
   (e) On the basis of written representations received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act;
   (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give, in the prescribed manner, the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India:
      (i) in the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2011;
      (ii) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
      (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Price Waterhouse**
Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No. F055158

Place : Mumbai
Date : May 16, 2011

ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of the Auditors' Report of even date to the members of APW President Systems Limited on the financial statements for the year ended March 31, 2011

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
   (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
   (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
2. (a) The inventory (excluding stocks with third parties and goods in transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
   (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
   (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
   (b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.

5. (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.

   (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.

7. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.

8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.

9. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Income tax, Service tax, Employees' State Insurance and Provident Fund in respect of which there have been slight delays in a few cases, the Company is regular in depositing undisputed statutory dues including investor education and protection fund, wealth tax, customs duty, excise duty and other material statutory dues as applicable, with the appropriate authorities.

   (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, income tax, wealth-tax, service-tax, customs duty, excise duty and cess which have not been deposited on account of a dispute.

10. The Company has no accumulated losses as at March 31, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.

11. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders as at the balance sheet date.

12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. The provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company.

14. In our opinion, the Company is not a dealer or trader in shares, securities, debentures and other investments.

15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.

16. In our opinion, and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

17. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.

18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.

19. The Company has not issued any debentures during the year.

20. The Company has not raised any money by public issues during the year.

21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.

For **Price Waterhouse**

Firm Registration Number: 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No. F055158

Place : Mumbai
Date : May 16, 2011

BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	March 31, 2011 Rupees	March 31, 2010 Rupees
SOURCES OF FUNDS			
Shareholders' Funds			
Capital	1	**60,480,000**	60,480,000
Reserves and Surplus	2	**436,506,654**	447,955,208
		496,986,654	508,435,208
Loan Funds			
Secured Loans	3	**171,946,147**	150,985,795
Unsecured Loans	4	––	4,440,000
		171,946,147	155,425,795
Deferred Tax Liability (net)	5	**39,038,286**	39,798,849
Total		**707,971,087**	703,659,852
APPLICATION OF FUNDS			
Fixed Assets	6		
Gross Block		**658,815,328**	607,507,150
Less : Depreciation/Amortisation		**208,637,077**	170,859,914
Net Block		**450,180,251**	436,647,236
Capital Work-in-progress		**11,020,629**	25,174,144
		461,200,880	461,821,380
Investments	7	**18,000**	480,983
Current Assets, Loans and Advances			
Inventories	8	**82,067,175**	91,110,822
Sundry Debtors	9	**334,575,622**	266,430,150
Cash and Bank Balances	10	**12,451,676**	14,972,146
Other Current Assets	11	**11,360**	123,862
Loans and Advances	12	**98,252,754**	80,160,695
		527,358,587	452,797,675
Less : Current Liabilities and Provisions	13		
Liabilities		**258,479,780**	179,528,044
Provisions		**22,126,600**	33,027,195
		280,606,380	212,555,239
Net Current Assets		**246,752,207**	240,242,436
Miscellaneous Expenditure (To the extent not written off or adjusted)		**––**	1,115,053
Total		**707,971,087**	703,659,852
Notes to Accounts	20		

The Schedules referred to herein above form an integral part of the Balance Sheet.

This is the Balance Sheet referred to in our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No.F055158

Mumbai: May 16, 2011

For and behalf of the Board

E. A. Elias
Managing Director

Sudhir Seth
Director

A. D. Kunte
Director

Shailesh Hemani
Director

K. K. Bhavsar
Company Secretary

Mumbai: May 16, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Schedule	**March 31, 2011 Rupees**	March 31, 2010 Rupees
INCOME			
Sales (Refer Note 1(G)(a) on Schedule 20)	14	**1,083,566,935**	1,575,238,946
Less : Excise Duty		**77,066,250**	115,678,503
		1,006,500,685	1,459,560,443
Less : Sales Tax		**45,582,115**	87,574,851
		960,918,570	1,371,985,592
Commission		**12,625,738**	4,330,426
Service Income		**8,468,183**	3,694,253
Other Income	15	**29,593,796**	18,965,785
		1,011,606,287	1,398,976,056
EXPENDITURE			
Cost of Materials	16	**625,672,570**	903,338,465
Employee Costs	17	**171,110,232**	165,746,234
Operating and Other Expenses	18	**171,819,073**	191,163,044
Financial Expenses	19	**18,888,712**	19,027,134
Depreciation		**39,722,398**	36,414,651
		1,027,212,985	1,315,689,528
(Loss)/Profit before Taxation		**(15,606,698)**	83,286,528
Provision for Taxation			
- Current Year		—	25,200,000
- Earlier Years		**(3,397,582)**	
- Deferred		**(760,562)**	4,134,423
(Loss)/Profit after Taxation		**(11,448,554)**	53,952,105
Profit and Loss Account Balance Brought Forward from Previous Year		**322,093,333**	287,246,222
Profit available for Appropriation		**310,644,779**	341,198,327
Appropriations			
Proposed Dividend		—	12,096,000
Corporate Tax on Dividend		—	2,008,994
Transfer to General Reserve		—	5,000,000
Profit and Loss Account Balance		**310,644,779**	322,093,333
		310,644,779	341,198,327
Basic and Diluted Earnings Per Share (Refer Note 15 on Schedule 20)		**(1.89)**	8.92
Notes to Accounts	20		

The Schedules referred to herein above form an integral part of the Profit and Loss Account.

This is the Profit and Loss Account referred to in our report of even date.

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No.F055158

Mumbai: May 16, 2011

For and behalf of the Board

E. A. Elias
Managing Director

Sudhir Seth
Director

A. D. Kunte
Director

Shailesh Hemani
Director

K. K. Bhavsar
Company Secretary

Mumbai: May 16, 2011

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

		March 31, 2011 Rupees	March 31, 2010 Rupees
A)	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	(Loss) / Net Profit Before Taxes	**(15,606,698)**	83,286,528
	Adjustments for :		
	Depreciation	**39,722,398**	36,414,651
	Profit/(Loss) on Sale/ Scrapping of Assets (net)	**(68,937)**	350,039
	Miscellaneous Expenditure	**1,115,053**	—
	Bad Debts Written Off	**3,492,326**	1,608,734
	Liabilities/ Provisions no longer required written back	**(548,115)**	(573,717)
	Interest Income - Gross	**(438,919)**	(965,809)
	Provision for diminution in value of investment	**—**	1,273,730
	Loss on sale of investment	**188,111**	—
	Interest on Income Tax Refund	**(1,182,397)**	—
	Interest Expense	**17,361,333**	15,079,307
	Operating Profit Before Working Capital Changes	**44,034,155**	136,473,463
	Adjustments for :		
	(Increase)/Decrease in Inventory	**9,043,647**	15,136,456
	(Increase)/Decrease in Debtors	**(71,637,798)**	(50,826,296)
	(Increase)/Decrease in Other Receivables	**(10,994,377)**	(26,017,730)
	Increase/(Decrease) in Trade payables	**91,100,538**	(14,635,914)
	Increase/(Decrease) in Provisions	**3,204,399**	5,585,694
	Income Tax paid during the year	**(2,518,021)**	(29,961,000)
	Fringe Benefit Tax Paid	**—**	(256,500)
	Wealth Tax Paid	**—**	(21,153)
	(A) Net Cash Generated from Operations	**62,232,543**	35,477,020
B)	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Fixed Assets (Including Capital Work-in-progress)	**(47,785,058)**	(85,474,855)
	Interest Received	**551,421**	1,324,324
	Sale of Fixed Assets	**688,757**	278,074
	Investments Realised	**274,872**	—
	Miscellaneous Expenditure (to the extent not w/off or adjusted)		(1,115,053)
	(B) Net Cash (used in) Investing Activities	**(46,270,008)**	(84,987,510)
C)	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Secured and Unsecured Loans - Net (Payment)/ Receipts	**16,520,352**	63,071,571
	Interest Paid	**(17,361,333)**	(15,079,307)
	Payment of Dividend	**(17,642,024)**	(21,203,185)
	(C) Net Cash (used in) / from Financing Activities	**(18,483,005)**	26,789,079
	Net (Decrease) in Cash and Cash Equivalents (A+B+C)	**(2,520,470)**	(22,721,411)
	Cash and Cash Equivalents as at the beginning of the year	**14,972,146**	37,693,557
	Cash and Cash Equivalents as at the end of the year	**12,451,676**	14,972,146
		(2,520,470)	(22,721,411)

Notes on Cash Flow Statement :

1 The above Cash flow statement has been prepared under the indirect method setout in AS-3 issued by the Institute of Chartered Accountants of India.

2 Cash and Cash Equivalents represent Cash and Bank Balances only.

This is the Cash Flow Statement referred to in our report of even date.

For and behalf of the Board

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No.F055158

Mumbai: May 16, 2011

E. A. Elias
Managing Director

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Director

A. D. Kunte
Director

Shailesh Hemani
Director

K. K. Bhavsar
Company Secretary

Mumbai: May 16, 2011

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	March 31, 2011 Rupees	March 31, 2010 Rupees
SCHEDULE 1		
CAPITAL		
Authorised		
12,000,000 Equity Shares of Rs. 10 each	**120,000,000**	120,000,000
Issued, Subscribed and Paid Up:		
6,048,000 Equity Shares of Rs. 10 each fully paid up (includes 1,243,500 Bonus Shares issued by capitalisation of reserves and securities premium)	**60,480,000**	60,480,000
	60,480,000	60,480,000
SCHEDULE 2		
RESERVES AND SURPLUS		
Securities Premium Account	**81,695,875**	81,695,875
Capital Reserve (Represents Capital Profit on Equity Shares Forfeited)	**166,000**	166,000
General Reserve		
As per last Balance Sheet		39,000,000
Add: Transfer from Profit and Loss Account		5,000,000
	44,000,000	44,000,000
Profit and Loss Account	**310,644,779**	322,093,333
	436,506,654	447,955,208
SCHEDULE 3		
SECURED LOANS		
Cash Credit from Banks	**75,671,176**	31,764,969
(i) Primary Security - hypothecation of Raw Materials, Stock-in-Process, Finished Goods, Stores and Spares, Receivables and Fixed Deposits		
(ii) Collateral security - property, factory land and building and other fixed assets of the Company (Repayable on demand)		
Term Loans from Banks	**96,017,106**	118,225,487
(i) Primary Security - Entire block of fixed assets.		
(ii) Collateral security - property, factory land and building and other fixed assets of the Company (Repayable within one year Rs. 24,260,000; March 31, 2010 Rs. 29,726,589)		
Hire Purchase Loans from Banks	**257,865**	995,339
(Refer Note 16 (i) on Schedule 20) (Secured against hypothecation of Vehicles) (Repayable within one year Rs. 257,865; March 31, 2010 Rs. 737,474)		
	171,946,147	150,985,795
SCHEDULE 4		
UNSECURED LOANS		
Sales Tax Deferral (Payable within one year Rs.Nil; March 31, 2010 Rs. 4,440,000)	––	4,440,000
	––	4,440,000
SCHEDULE 5		
DEFERRED TAX LIABILITIES (NET)		
(Refer Note 1(I) on Schedule 20)		
Deferred Tax Liabilities on account of:		
Timing Differences between book depreciation and depreciation as per Income Tax Act, 1961, of India	**45,914,246**	46,311,162
Deferred Tax Assets on account of:		
Timing Differences in		
Provisions	**6,875,960**	6,431,656
Miscellaneous Expenditure	**––**	80,657
	6,875,960	6,512,313
	39,038,286	39,798,849

SCHEDULE ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

SCHEDULE 6

FIXED ASSETS

(Refer Notes 1 (B) and 1 (C) on Schedule 20)

Rupees

Particulars	Gross Block (at cost)				Depreciation/Amortisation				Net Book Value	
	As at March 31, 2010	Additions during the year	Deletions / Adjustments during the year	**As at March 31, 2011**	As at March 31, 2010	For the year	On Deletions / Adjustments during the year	**As at March 31, 2011**	**As at March 31, 2011**	As at March 31, 2010
Tangible assets										
Freehold Land	42,024,860	—	—	**42,024,860**	—	—	—	—	**42,024,860**	42,024,860
Leasehold Land	5,091,974	—	—	**5,091,974**	387,607	66,821	—	**454,428**	**4,637,546**	4,704,367
Buildings - Factory	120,102,075	35,623,226	—	**155,725,301**	27,781,350	4,743,644	—	**32,524,994**	**123,200,307**	92,320,725
Building - Office *	874,659	—	—	**874,659**	207,045	14,257	—	**221,302**	**653,357**	667,614
Plant and Machinery	336,877,845	4,884,663	508,983	**341,253,525**	98,071,366	24,283,115	419,109	**121,935,372**	**219,318,153**	238,806,479
Tools, Dies and Jigs	19,981,803	4,827,360	93,366	**24,715,797**	6,518,901	2,415,623	93,366	**8,841,158**	**15,874,639**	13,462,902
Computer Hardware	26,660,078	1,523,276	287,452	**27,895,902**	16,679,025	3,140,665	287,452	**19,532,238**	**8,363,664**	9,981,053
Vehicles **	11,294,437	—	1,382,730	**9,911,707**	4,143,026	1,016,611	918,381	**4,241,256**	**5,670,451**	7,151,411
Office Equipment	13,830,711	501,233	227,218	**14,104,726**	2,726,654	750,894	161,938	**3,315,610**	**10,789,116**	11,104,057
Furniture and Fixtures	18,115,756	496,030	66,989	**18,544,797**	7,898,271	1,150,494	66,989	**8,981,776**	**9,563,021**	10,217,485
Intangible assets										
Patent and Trademarks	40,000	—	—	**40,000**	39,353	—	—	**39,353**	**647**	647
Designs and Copyright	—	3,893,683	—	**3,893,683**	—	452,307	—	**452,307**	**3,441,376**	—
Computer Software	12,612,952	2,125,445	—	**14,738,397**	6,407,316	1,687,967	—	**8,095,283**	**6,643,114**	6,205,636
TOTAL	607,507,150	53,874,916	2,566,738	**658,815,328**	170,859,914	39,722,398	1,947,235	**208,635,077**	**450,180,251**	436,647,236
Previous Year	561,131,830	71,148,641	24,773,321	607,507,150	158,590,471	36,414,651	24,145,208	170,859,914		
Capital Work-in-progress [including Capital Advances Rs. 2,997,153; (March 31, 2010 : Rs. Nil)]									**11,020,629**	25,174,144
Capital Work-in-Progress includes :										
(a)Expenditure incurred for modification of Plating plant Rs 8,023,476 (as at March 31,2010 Rs Nil.)									**461,200,880**	461,821,380

* Includes cost of shares in co-operative housing amounting to Rs. 500 (March 31, 2010: Rs. 500)

** Includes vehicles acquired on hire purchase Rs.1,307,247 (March 31, 2010: Rs. 1,307,247)

	March 31, 2011 Rupees	March 31, 2010 Rupees
SCHEDULE 7		
INVESTMENTS		
(Refer Note 1(D) on Schedule 20)		
Long Term Investments		
(Quoted, Non Trade)		
Development Credit Bank Limited - 1,200 Equity Shares of Rs. 10 each	**18,000**	18,000
Current Investment in Subsidiary Company-(At Cost or Realisable Value,whichever is less)		
(Unquoted, Trade)		
144 Equity Shares of DHS 1000 each fully paid up of APW Systems MEA (FZC), a Free Zone Company with limited liability	**—**	462,983
	18,000	480,983
Aggregate of Unquoted Investments - At Realisable Value	**—**	462,983
Aggregate of Quoted Investments - At Book Value	**18,000**	18,000
- At Market Value	**55,020**	38,640
SCHEDULE 8		
INVENTORIES		
(Refer Note 1(E) on Schedule 20)		
Raw Materials (including Packing Materials, Components and Processing Materials) (includes Goods in Transit Rs. 365,418; March 31, 2010: Rs. 937,093)	**46,250,543**	62,853,990
Work-in-Progress	**27,135,959**	18,031,454
Finished Goods (includes Goods in Transit Rs. Nil; March 31, 2010: Rs. 49,530)	**7,056,476**	6,172,093
Traded Goods	**1,624,197**	4,053,285
	82,067,175	91,110,822

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011

	March 31, 2011 Rupees	March 31, 2010 Rupees
SCHEDULE 9		
SUNDRY DEBTORS		
(Unsecured, Considered Good)		
Outstanding for a period exceeding six months	**11,173,100**	9,841,577
Others	**323,402,522**	256,588,573
	334,575,622	266,430,150
SCHEDULE 10		
CASH AND BANK BALANCES		
Cash on Hand	**100,724**	62,974
Balances with Scheduled Banks on		
- Current Accounts	**10,410,739**	2,988,867
- Unclaimed Dividend Account	**348,423**	445,437
- Unclaimed Share Application Money on Rights Issue Account	**5,160**	5,160
- Deposit Accounts	**1,586,630**	11,469,708
(includes deposits aggregating Rs 254,865 pledged with banks against bank guarantee; (March 31, 2010: Rs. 10,000,00)		
	12,451,676	14,972,146
SCHEDULE 11		
OTHER CURRENT ASSETS		
Interest Accrued on Fixed Deposits	**11,360**	123,862
	11,360	123,862
SCHEDULE 12		
LOANS AND ADVANCES		
(Unsecured, Considered Good)		
Advance to Subsidiary Company - APW Systems MEA (FZC)	**––**	538,440
Advances Recoverable in Cash or in Kind or for Value to be Received	**72,973,946**	54,529,212
Deposits	**13,661,505**	14,390,759
Balances with Excise and Customs Authorities	**7,052,813**	7,647,289
Advance Fringe Benefit Tax (Net of Provision for Fringe Benefit Tax Rs. 4,928,970; March 31, 2010: Rs. 6,536,986)	**427,530**	382,940
Advance Tax and Tax Deducted at Source (Net of provision for Taxation Rs. 113,501,453; March 31, 2010: Rs. 218,139,059)	**4,136,960**	2,672,055
	98,252,754	80,160,695
SCHEDULE 13		
CURRENT LIABILITIES AND PROVISIONS		
Liabilities		
Dues to Micro and Small Enterprises (Refer Note 6 on Schedule 20)	**36,307,007**	16,531,554
Dues to Other than Micro and Small Enterprises	**185,646,654**	150,969,448
Unclaimed Dividend*	**3,998,922**	461,892
Unclaimed Excess Share Application Money on Rights Issue*	**5,160**	5,160
Other Liabilities	**10,674,134**	5,706,828
Advances from Customers	**21,847,903**	5,853,162
* There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2011		
	258,479,780	179,528,044
Provisions		
Leave Entitlement (Refer Note 1(H)(c) on Schedule 20)	**6,328,962**	7,838,546
Gratuity (Refer Note 1(H)(b) and 17 on Schedule 20)	**15,797,638**	11,083,655
Proposed Dividend	**––**	12,096,000
Corporate Tax on Dividend	**––**	2,008,994
	22,126,600	33,027,195
	280,606,380	212,555,239

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR YEAR ENDED MARCH 31, 2011

		Year ended March 31, 2011 Rupees	Year ended March 31, 2010 Rupees
SCHEDULE 14			
SALES			
Sales - Manufacturing		**1,021,627,057**	1,513,773,000
Sales - Trading		**61,939,878**	61,465,946
		1,083,566,935	1,575,238,946
SCHEDULE 15			
OTHER INCOME			
Interest on			
- Fixed Deposits - Gross (Tax Deducted at Source Rs. 34,728; Previous Year Rs. 135,232)		**342,585**	897,350
- Others		**96,334**	68,459
		438,919	965,809
Sale of Scrap		**7,971,474**	9,336,857
Processing Charges (Tax deducted at source Rs. 28,505;Previous year Rs. Nil)		**8,828,265**	1,197,769
Export Benefit		**2,867,941**	2,254,608
Commissioning and Installation		**2,516,585**	394,270
Liabilities/ Provisions No Longer Required Written Back		**548,115**	573,717
Gain on Sale of Assets		**68,937**	—
Exchange Gain (Net)		**1,903,731**	—
Miscellaneous		**4,449,829**	4,242,755
		29,593,796	18,965,785
SCHEDULE 16			
COST OF MATERIALS			
Raw Materials (including packing materials, components and processing materials) consumed			
Opening Stock		**62,853,990**	54,577,084
Add : Purchases (Includes Job Work charges Rs. 28,488,339; Previous Year Rs. 45,609,360)		**569,702,815**	838,918,144
		632,556,805	893,495,228
Less : Closing Stock (includes Goods in Transit Rs. 365,418;		**46,250,543**	62,853,990
March 31, 2010: Rs. 937,093)	**Sub Total (a)**	**586,306,262**	830,641,238
(Increase)/ Decrease in Work in progress and Finished Goods			
Opening Stock			
Work-in-Progress		**18,031,454**	31,220,977
Finished Goods		**6,172,093**	15,709,369
		24,203,547	46,930,346
Closing Stock			
Work-in-Progress		**27,135,959**	18,031,454
Finished Goods (includes Goods in Transit Rs.Nil; March 31, 2010: Rs.49,530)		**7,056,476**	6,172,093
		34,192,435	24,203,547
	Sub Total (b)	**(9,988,888)**	22,726,799
Traded Goods			
Opening Stock		**4,053,285**	4,739,848
Add Purchases		**46,926,108**	49,283,865
		50,979,393	54,023,713
Less : Closing Stock		**1,624,197**	4,053,285
	(Sub Total (c)	**49,355,196**	49,970,428
	Total Cost of Materials (a+b+c)	**625,672,570**	903,338,465

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Year ended March 31, 2011 Rupees	Year ended March 31, 2010 Rupees
SCHEDULE 17		
EMPLOYEE COSTS		
Salaries and allowances, Wages and Bonus	**147,296,669**	143,455,863
Contribution to Provident Fund and Other Funds	**14,192,467**	11,206,964
(Refer Notes 1(H) and 17 on Schedule 20)		
Staff Welfare	**9,621,096**	11,083,407
	171,110,232	165,746,234
SCHEDULE 18		
OPERATING AND OTHER EXPENSES		
Inward Freight	**3,211,994**	11,286,353
Casual Labour	**17,987,699**	18,222,533
Transportation	**15,178,783**	18,685,251
Consumables	**5,509,356**	7,694,953
Tools, Dies and Jigs for Replacements	**841,650**	911,610
Power, Fuel and Water	**25,571,736**	24,370,534
Insurance	**2,567,720**	2,593,980
Repairs and Maintenance		
- Buildings	**1,350,643**	1,357,054
- Plant and Machinery	**7,809,860**	9,364,967
- Others	**13,826,886**	13,560,887
Rent	**14,590,503**	17,460,090
Rates and Taxes (including Rs. Nil for prior year; previous year Rs. 263,438)	**1,986,267**	2,009,261
Communication	**5,750,457**	9,167,020
Printing and Stationery	**1,574,400**	2,100,468
Legal and Professional Fees	**11,274,320**	12,757,221
Directors' Sitting Fees	**765,000**	900,000
Travelling, Vehicle and Conveyance	**15,769,053**	14,187,698
Exchange Loss (net)	**––**	111,454
Commission	**7,225,698**	10,175,841
Selling and Marketing	**9,158,052**	8,592,045
Website Development Expenses	**65,625**	269,704
Bad Debts/ Advance Written Off	**3,492,326**	1,608,734
Loss on Sale/ Scrapping of Assets (net)	**––**	350,039
Loss on sale of investment	**188,111**	1,273,730
Miscellaneous	**6,122,934**	2,151,617
	171,819,073	191,163,044
SCHEDULE 19		
FINANCIAL EXPENSES		
Bank Charges	**1,527,379**	3,947,827
Interest On		
- Fixed Loans	**10,900,789**	9,292,759
- Others	**6,460,544**	5,786,548
	18,888,712	19,027,134

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2011

20. NOTES TO ACCOUNTS

1. Significant Accounting Policies

A. Basis of Accounting

The financial statements are prepared to comply in all material aspects with the applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956, and the relevant provisions of the Companies Act, 1956. (the Act)

B. Fixed Assets

Fixed Assets are stated at cost of acquisition (including incidental expenses relating to acquisition and installation of the asset and borrowing costs specifically relatable to the acquisition of the asset) less accumulated depreciation/amortisation.

C. Depreciation/Amortisation

Depreciation has been provided on straight line method at the rates prescribed under Schedule XIV to the Act except for demo stock capitalised which is depreciated @ 50% p.a. Assets individually costing Rs. 5,000 or less are depreciated fully in the year of acquisition.

Patents and Trademarks are amortised over a period of nine years from the year of put to use.

Design and Copyrights are amortised over a period of five years from the year of put to use.

Computer Software are amortised over a period of six years from the year of put to use.

D. Investments

Long term investments are stated at cost less provision, if any, for permanent diminution in value. Current investments are carried at the lower of cost and fair value.

E. Inventories

(a) Inventories are valued at lower of cost and net realisable value.
(b) Cost of raw materials and cost of traded goods is determined on first-in-first-out basis.
(c) Cost of Work-in-process and finished goods comprises all cost of purchase, cost of conversion and other related overheads.

F. Foreign Currency Transactions

(a) Foreign currency transactions are translated at the exchange rates prevailing on the date of the transactions.
(b) Realised gains and losses on settled foreign exchange transactions are recognised in the Profit and Loss Account.
(c) Monetary assets and liabilities denominated in foreign currency as at the Balance Sheet date are translated at the exchange rates prevailing at the date of the Balance Sheet and the resultant exchange difference is recognised in the Profit and Loss Account.
(d) In respect of forward contracts, other than forward contracts in respect of firm commitments and highly probable forecast transactions, the premium or discount arising at the inception of forward exchange contract is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Profit and Loss Account in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the year.
(e) The Company marks-to-market all outstanding derivative contracts at the year-end and the resultant mark-to-market losses, if any, are recognised in the Profit and Loss Account.

G. Revenue Recognition

(a) Sales are recognised based on the terms and conditions (mainly ex-works) agreed with the customer and upon transfer of ownership, risk and rewards. Sales include insurance, freight, packing and octroi and are exclusive of excise duty and sales tax.
(b) In respect of commission and other heads of income, the Company follows the practice of recognising income on an accrual and prudent basis.

H. Employee Benefits

(a) Defined Contribution Plans

The Company contributes on a defined contribution basis to Employee's Provident Fund, Employee's State Insurance Fund and Employee's Pension Scheme towards post employment benefits, all of which are administered by the respective Government authorities, and has no further obligation beyond making its contribution, which is expensed in the year to which it pertains.

(b) Defined Benefit Plans

The Company has a Defined Benefit Plan namely Gratuity for all its employees. The liability for the defined benefit plan of Gratuity is determined on the basis of an actuarial valuation by an independent actuary at the year end, which is calculated using projected unit credit method.

Gratuity Fund is recognised by the income tax authorities and is administered through trustees. The Company has taken a group gratuity policy with Life Insurance Corporation of India.

Actuarial gains and losses which comprise experience adjustment and the effect of changes in actuarial assumptions are recognised in the Profit and Loss Account.

(c) Employee Leave Entitlement

The employees of the Company are entitled to leave as per the leave policy of the Company. The liability in respect of unutilised leave balances is provided based on an actuarial valuation carried out by an independent actuary as at the year end and charged to the Profit and Loss Account. Leave balances to be utilised in short term is provided for on the basis of cost to Company and charged to the Profit and Loss Account.

I. Deferred Taxation

(a) Deferred tax resulting from timing differences between book and tax profits is accounted for under the Liability method at the current rate of tax to the extent that the timing differences are expected to crystallise/capable of reversal.
(b) In case there are carried forward losses and unabsorbed depreciation as per the Income Tax Act, 1961, of India, deferred tax assets are recognised only when there is a virtual certainty supported by convincing evidence that such assets will be realised.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2011

J. Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

K. Provisions and Contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable 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 but the likelihood of outflow of resources is remote, no provision or disclosure as specified in Accounting Standard 29 – " Provisions, Contingent Liabilities and Contingent Assets", issued by the Institute of Chartered Accountants of India is made.

L. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Difference between the actual results and the estimates are recognized in the period in which the results are known/materialised.

2. Contingent Liabilities and Capital Commitments

		As at March 31, 2011 (Rupees)	As at March 31, 2010 (Rupees)
(a)	Contingent Liabilities		
	Outstanding Bank Guarantees *	**2,548,655**	9,719,671
	Claims against the Company not acknowledged as debts in respect of ** :		
	- Sales Tax matters – Non collection of 'C' and 'I' forms	**58,673,379**	62,800,604
	- Excise and Services Tax matters	**680,679**	651,413
*	All Bank Guarantees are Performance Bank Guarantees.		
**	The timing and the amount of cash flows, if any that may arise from the above matters will be determined only on settlement of the cases.		
(b)	Capital Commitments		
	Estimated amount of contracts remaining to be executed on Capital Account (net of advances)	**6,983,580**	3,056,922

(c) In accordance with the Export Promotion of Capital Goods ("EPCG") Scheme, import of capital goods are allowed to be made duty free subject to the condition that the Company will fulfil, in future, a specified amount of export obligation within a specified time. As at March 31, 2011, the Company has received redemption letters for all EPCG licences from Joint Director General of Foreign Trade.

3. Auditors' Remuneration (included under Legal and Professional fees)

	Year Ended March 31, 2011 (Rupees)	Year Ended March 31, 2010 (Rupees)
As Auditors	**725,000**	725,000
Limited review of the unaudited quarterly results	**––**	400,000
Limited review of interim financial statements for inclusion in the Draft Letter of Offer and Letter of Offer for the proposed Rights Issue	**525,000**	525,000
Out-of-Pocket Expenses	**45,365**	38,829
Total	**1,295,365**	1,688,829

4. Managerial Remuneration

	Year Ended March 31, 2011 (Rupees)	Year Ended March 31, 2010 (Rupees)
Salaries and Allowances	**6,480,000**	4,080,000
Company's Contribution to Provident Fund	**396,000**	396,000
Perquisites	**28,800**	119,400
	6,904,800	4,595,400
Directors other than Managing/Whole-time directors		
Sitting Fees	**765,000**	900,000
Total	**7,669,800**	5,495,400

Provisions for post retirement benefits which are based on actuarial valuation done on an overall Company basis are excluded above.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2011

5. Shareholding Pattern

The Promoters of the Company entered into Share Purchase Agreement dated January 7, 2011 with Schneider Electric South East Asia (HQ) Pte Ltd (the "Acquirer",) to acquire 75% of the Share Capital of the Company by acquiring minimum of 55% of the share capital from the Promoters and upto 20% of Share Capital from the public shareholders. Accordingly, the Open Offer commenced on April 18, 2011 and closed on May 7, 2011. Closure of the transaction, as contemplated under Share Purchase Agreement, is expected by May 22, 2011, being 15 days from the date of closure of open offer, subject to regulatory approvals.

6. Disclosure required under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act) are given as follows:

Dues to Micro, Small & Medium Enterprises	**As at March 31, 2011**	As at March 31, 2010
1) Total Amount Due to MSMEs		
- Principal Amt due to MSMEs	**36,307,007**	14,380,079
- Interest on the principal Amt due to MSMEs	**219,119**	66,513
2) Total delayed payments to MSME during the year		
- Principal Amount	**90,609,077**	62,765,171
- Interest on the principal Amount	**1,879,806**	1,337,790
3) Total Interest Accrued during the year and at the year end in normal course		
- Total Interest paid during the year for all delayed payments	**—**	—
- Total Interest due at the year end for all delayed payments	**—**	—
4) Total Interest Accrued during the year and at the year end as per Section 16 as per the MSMED Act		
- Total Interest accrued during the year for all delayed payments as per Section 16 of the MSMED Act	**1,879,806**	1,337,790
- Total Interest due at the year end for all delayed payments as per Section 16 of the MSMED Act	**219,119**	66,513
5) Total Interest accrued and remaining unpaid at the end of the year under MSMED Act	**4,250,400**	2,151,475

The above information and that given in schedule 13, "Current Liabilities and Provisions" regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

7. Capacity

		Year Ended March 31, 2011		Year Ended March 31, 2010	
	Units	**Licensed Capacity***	**Installed Capacity^**	Licensed Capacity*	Installed Capacity^
Enclosures	Nos.		**84,000**		84,000
Card Frames	Nos.		**50,000**		50,000
Instrument Case	Nos.		**35,000**		35,000
Consoles	Nos.		**220**		220
Plating #	Sq. Ft		**2,400,000**		2,400,000

* As informed by the Management, manufacturing licence does not contain details of licensed capacity.
^ As certified by the Management.

Note (i) Enclosures includes Racks, Sub-racks, Cabinets for use in Telecom, Networking, Electrical and other industries and includes parts for ATMs.
(ii) Capacity for Enclosures includes capacity for components and accessories for contract manufacturing.
(iii) Capacity for various products is interchangeable as the machinery is common and processes are similar.

8. (a) Manufactured Goods

	Year Ended March 31, 2011		Year Ended March 31, 2010	
	Quantity(Nos.)	**Value(Rupees)**	Quantity(Nos.)	Value(Rupees)
Enclosures				
Opening Stock	**114**	**1,477,186**	675	6,214,953
Production	**34,957**	**—**	64,596	
Sales **	**34873**	**413,525,116**	65,157	801,921,490
Closing Stock	**198**	**2,569,227**	114	1,477,186
Card Frames				
Opening Stock	**8**	**10,039**	—	—
Production	**17379**	**—**	13,215	—
Sales **	**17387**	**35,021,887**	13,207	30,698,731
Closing Stock	**—**	**—**	8	10,039
Others (including components and accessories)*				
Opening Stock		**4,684,868**		9,494,416
Sales **		**452,893,877**		480,265,202
Closing Stock		**4,487,249**		4,684,868

* The relevant information is given in aggregate as individual items are too numerous to be conveniently grouped and are of a value less than 10% of the total.

** Sales are net of excise duty and sales tax.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2011

(b) (i) Consumption of Raw Materials, Packing Materials, Components and Processing Materials *

	Year Ended March 31, 2011		Year Ended March 31, 2010	
	Quantity(M.T.)	Value(Rupees)	Quantity(M.T.)	Value(Rupees)
CRCA Sheets	2995.575	140,633,386	4172.612	168,247,992
Aluminium Sheets	41.9082	6,689,576	144.134	28,881,724
Aluminium Sections	102.700	15,997,071	107.426	16,730,027
Components and Packing Materials**		350,970,504		571,172,135
Outside Processing**		72,015,725		45,609,360
		586,306,262		830,641,238

* The value of consumption of raw materials has been arrived at on the basis of Opening Stock plus Purchases less Closing Stock. The consumption, therefore, includes adjustments for raw materials written-off, shortage/excess, etc.

** The relevant information is given in aggregate as individual items are too numerous to be conveniently grouped and are of a value less than 10% of the total.

(b) (ii) Value and percentage of Imported and Indigenous Raw Materials, Packing Materials, Components and Processing Materials Consumed

	Year Ended March 31, 2011		Year Ended March 31, 2010	
	Value (Rs.)	% of Total Consumption	Value (Rs.)	% of Total Consumption
Imported	30,688,193	5.24%	135,204,345	16.44%
Indigenous	555,618,069	94.76%	695,436,893	83.56%
Total	586,306,262	100.00%	830,641,238	100.00%

(c) Traded Goods

	Year Ended March 31, 2011		Year Ended March 31, 2010	
	Quantity (Nos.)	Value(Rupees)	Quantity(Nos.)	Value(Rupees)
Switches with Accessories				
Opening Stock	358	4,053,285	563	4,739,848
Purchases (net of purchase return)	2535	41,895,115	3,448	49,563,539
Sales (net of sales return and sales tax)	2289	59,477,690	3,653	59,100,169
Closing Stock	604	1,624,197	358	4,053,285

9. Expenditure in foreign currency

	Year Ended March 31, 2011(Rupees)	Year Ended March 31, 2010(Rupees)
Travelling, Vehicle and Conveyance	1,508,774	893,982
Selling and Marketing	532,728	1,003,580
Commission	––	6,207,416
Procurement of Warranty	495,805	––
Repair & Maintenance others	1,143,209	1,276,816
Miscellaneous	588,596	473,751

10. Value of Imports on CIF basis

	Year Ended March 31, 2011 (Rupees)	Year Ended March 31, 2010(Rupees)
Raw Materials	35,920,914	123,322,169
Traded Goods (net of returns)	38,906,296	37,565,502
Capital Goods	6,136,377	4,367,191

11. Earnings in Foreign Exchange

	Year Ended March 31, 2011 (Rupees)	Year Ended March 31, 2010 (Rupees)
F.O.B. value of Exports	84,335,472	165,601,341
Commission	12,625,738	4,330,426

12. Reimbursement of expenses in Foreign Exchange

	Year Ended March 31, 2011 (Rupees)	Year Ended March 31, 2010 (Rupees)
Exhibition and Seminar	516,178	538,440
Carriage Outward	––	42,244

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2011

13. Related Party Disclosures

a. Related Party Disclosures as required by Accounting Standard 18, "Related Party Disclosures", issued by the Council of the Institute of Chartered Accountants of India are given below:

i) Subsidiary Company

APW Systems MEA (FZC) LLC.
(Subsidiary operation closed on March 31, 2010 and full and final settlement against equity held by the Company was received on July 12, 2010)

ii) Related Companies

M. Rutty & Co. Pty. Ltd.
APW Electronics Ltd.
APW Electronics Group Ltd.
APW Enclosures Systems (UK) Ltd.

iii) Key Management Personnel

E. A. Elias
Sudhir Seth
Ashok Kunte

This aforesaid list of related parties is limited to entities/ persons with whom transactions have taken place during the year or those who owe amounts to the Company or to whom amounts are owed by the Company at the year end. Other entities with whom there are no transactions have not been disclosed above.

(b) Transactions entered into with related parties are as follows: **(Amount in Rupees)**

	Subsidiary Company	Related Companies			Key Management Personnel		
Particulars	**APW Systems MEA (FZC)**	**M. Rutty & Co. Pty. Ltd.**	**APW Electronics Ltd.**	**APW Enclosures Systems (UK) Ltd.**	**E. A. Elias**	**Sudhir Seth**	**Ashok Kunte**
Transactions during the year							
Sales	— —	3,824,491 *2,998,170*	— —	— —	— —	— —	— —
Commission Expenses	— *6,207,417*	— —	— —	— —	— —	— —	— —
Selling and Marketing Expenses	— *683,813*	— —	— —	— —	— —	— —	— —
Interest on Advance	— —	— —	— —	— —	— —	— —	— —
Managerial Remuneration	— —	— —	— —	— —	6,904,800 *4,595,400*	— —	— —
Director Sitting Fees					— —	90,000 *100,000*	135,000 *145,000*
Liabilities/ Provisions No Longer Required Written Back	— —	— —	— *257,813*	— *294,544*	— —	— —	— —
Year-end balances							
Payable	— *319,186*	— —	— —	— —	— —	— —	— —
Receivable	— —	875,227 *866,539*	— —	— —	— —	— —	— —
Advances	— *538,440*	— —	— —	— —	— —	— —	— —
Investments	— *462,983*	— —	— —	— —	— —	— —	— —

Note : The figures in italics are in respect of the previous year ended March 31, 2010.

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

20. NOTES TO ACCOUNTS (Continued)

14. Segmental Reporting

The business segment has been considered as the primary segment. The Company is organised into one main business segment, namely 'Enclosures, Card Frames, Instrument Case and Consoles'.

The business segments have been identified considering the nature of services, the differing risks and returns, the organisation structure and the internal financial reporting system.

Segment revenue, results, assets and liabilities have been accounted for on the basis of their relationship to the operating activities of the segment and amounts allocated on a reasonable basis.

(i) Primary Segment **(Amount in Rupees)**

Particulars	Enclosures, Card Frames, Instrument Case and Consoles		Others		Unallocable		Total	
	April 1, 2010 to March 31, 2011	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**
Revenue								
- External sales (including scrap sales)	922,727,449	1,322,222,280	58,304,818	59,100,169			981,032,267	1,381,322,449
- Commission and Service Charges	—	—	25,459,592	8,024,679			25,459,592	8,024,679
Total	922,727,449	1,322,222,280	83,764,410	67,124,848			1,006,491,859	1,389,347,128
Results								
Segment Result – Profit/ (Loss)	105,968,793	221,553,755	24,141,461	11,046,090			130,110,254	232,599,845
- Unallocable corporate expenses net of income					128,863,475	134,849,781	128,863,475	134,849,781
Operating Profits								
- (Gain)/Loss on sale of Fixed Assets					(68,937)	350,039	(68,937)	350,039
- Interest expense					17,361,333	15,079,307	17,361,333	15,079,307
- Interest income					438,919	965,809	438,919	965,809
Profit Before Taxation							(15,606,698)	83,286,527
- Income Taxes					—	25,200,000	—	25,200,000
Eariler Years					(3,397,582)	—	(3,397,582)	—
- Deferred Tax					(760,562)	4,134,423	(760,562)	4,134,423
Net Profit							(11,448,554)	53,952,104
	As at March 31, 2011	**As at March 31, 2010**	**As at March 31, 2011**	**As at March 31, 2010**	**As at March 31, 2011**	**As at March 31, 2010**	**As at March 31, 2011**	**As at March 31, 2010**
Other Information								
- Segment assets	922,967,162	849,330,814	22,695,963	31,465,419	—	—	945,663,125	880,796,233
- Unallocated corporate assets	—	—	—	—	42,914,342	34,303,805	42,914,342	34,303,805
Total assets							988,577,467	915,100,038
- Segment liabilities	120,262,919	97,825,572	(107,737,352)	(25,710,080)	—	—	12,525,566	72,115,492
- Unallocated corporate liabilities	—	—	—	—	479,065,247	335,664,391	479,065,247	335,664,391
Total liabilities							491,590,813	407,779,883
	April 1, 2010 to March 31, 2011	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**
Capital expenditure	31,573,126	77,326,580	—	—	8,148,275	8,148,275	39,721,401	85,474,855
Depreciation	31,455,619	31,664,565	30,073	30,285	8,236,706	4,719,801	39,722,398	36,414,651

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND ROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

20. NOTES TO ACCOUNTS (Continued)

(ii) Geographical Segment **(Amount in Rs.)**

Particulars	India		Middle-East*		Others**		Total	
	April 1, 2010 to March 31, 2011	**April 1, 2009to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**
Revenue								
- External sales	896,451,019	1,215,721,107	14,429,455	63,771,052	70,151,793	101,830,290	981,032,267	1,381,322,449
- Commission, Service Charges & others	12,833,854	3,694,253	—	—	12,625,738	4,330,426	25,459,592	8,024,679
Total	909,284,873	1,219,415,360	14,429,455	63,771,052	82,777,531	106,160,716	1,006,491,859	1,389,347,128
	As at March 31, 2011	**As at March 31, 2010**	**As at March 31, 2011**	**As at March 31, 2010**	**As at March 31, 2011**	**As at March 31, 2010**	**As at March 31, 2011**	**As at March 31, 2010**
Other Information								
Carrying Amount of Segment Assets	962,129,388	875,829,967	4,227,953	17,736,967	22,220,126	21,533,104	988,577,467	915,100,038
	April 1, 2010 to March 31, 2011	**April 1, 2009to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**	**April 1, 2010 to March 31, 2011**	**April 1, 2009 to March 31, 2010**
Capital Expenditure	39,721,401	85,474,855	—	—	—	—	39,721,401	85,474,855

* Represents United Arab Emirates, Kuwait and Oman.

** Represents Australia, United States of America, China, Singapore, Japan, Hong Kong, United Kingdom, Egypt, Israel and Tunisia.

(iii) Notes:

(a) The Segment Revenue revenue in the geographical segments considered for disclosure are as follows:
- Revenue within India includes sales to customers located within India and earnings in India.
- Revenue outside India includes sales to customers located outside India, earnings outside India and export benefits on sales made to customers located outside India.

(b) Segment revenue, results, assets and liabilities include the respective amounts identified to each of the segments and amounts allocated on a reasonable basis.

15. Earnings Per Share

Particulars	**March 31, 2011**	March 31, 2010
Profit available to Equity Shareholders		
- Profit after Tax (A) (Rupees)	**(11,448,554)**	53,952,105
Number of Equity Shares		
- Weighted Number of equity shares outstanding during the year (B)	**6,048,000**	6,048,000
Basic and diluted earnings per share (A/B) (Rs.)	**(1.89)**	8.92
Nominal value of an equity share (Rupees)	**10**	10

16 (i) Hire Purchase /Lease Transactions

The Company has acquired Vehicles under Hire Purchase Scheme which expires on various dates up to September 5, 2011. The minimum lease payments and present value of minimum lease payments as at March 31, 2011 is as under:

(Rupees)

Description	**Not later than 1 year**		**Total**	
	MLP	**PV**	**MLP**	**PV**
Vehicles	266,720	257,865	266,720	257,865

MLP: Minimum Lease Payments
PV: Present Value
Lease expenses recognised during the year as interest Rs. 76,261 (Previous year: Rupees 169,975).

(ii) Operating Lease Transactions

The Company has taken on lease commercial facilities under non-cancellable operating lease. This lease expires on various dates upto October 31, 2012 and is renewable at the request of lessee by mutual agreement for a further period. The future minimum lease payments as at March 31, 2010 in respect of these are as follows:

Minimum Lease Payments	**Amount in (Rupees)**
Not later than one year	9,351,250
Later than one year but not later than five years	5,491,542
Later than five years	—

The lease expense incurred during the year amounts to Rs. 14,590,503 (Previous year: Rs. 17,460,090).

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

17. The Company has classified the various benefits provided to employees as under :-

		2010-11	2009-10	2008-09	2007-08
I	**Defined Contribution Plans**	**2010-11**	**2009-10**	**2008-09**	**2007-08**
	a. Employers' Contribution to Provident Fund				
	b. Employers' Contribution to Employee's State Insurance				
	c. Employers' Contribution to Employee's Pension Scheme, 1995				
	During the year, the Company has recognised the following amounts in the Profit and Loss Account:*				
	- Employers' Contribution to Provident Fund *	4,516,127	3,818,048	3,049,854	3,236,381
	- Employers' Contribution to Employee's State Insurance *	878,993	388,187	469,301	895,553
	- Employers' Contribution to Employee's Pension Scheme *	**2,420,006**	2,432,528	2,360,501	2,127,885
	* Included in Contribution to Provident and Other Funds (Refer Schedule 17)				
II	**Defined Benefit Plan**				
	Contribution to Gratuity Fund				
	a. Major Assumptions	**2010-11**	**2009-10**	**2008-09**	**2007-08**
	Discount Rate : - Staff	8.25%	7.60%	7.10%	7.80%
	- Worker	8.25%	7.60%	7.10%	7.80%
	Expected Rate of Return on Plan Assets	9.25%	7.50%	7.50%	7.50%
	Salary Escalation Rate @	**8.00%**	10.00%	10.00%	10.00%
	@ The estimates for future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.				
	b. Change in the Present Value of Obligation	**2010-11**	**2009-10**	**2008-09**	**2007-08**
	Opening Present Value of Obligation	22,246,811	18,047,985	15,350,143	11,111,131
	Current Service Cost	2,441,763	1,744,744	1,455,078	1,254,077
	Interest Cost	1,690,758	1,297,492	1,191,582	838,482
	Benefit paid	(780,687)	(571,510)	(737,591)	(417,002)
	Past Service Cost	1,772,700	1,391,073	––	––
	Actuarial Loss/ (gain) on Obligations	655,180	337,027	788,773	2,563,455
	Closing Present Value of Obligation	**28,026,525**	22,246,811	18,047,985	15,350,143
	c. Change in Fair Value of Plan Assets	**2010-11**	**2009-10**	**2008-09**	**2007-08**
	Opening Fair Value of Plan Assets	11,163,156	10,387,760	9,521,887	8,628,718
	Expected Return on Plan Assets	837,237	777,717	712,002	670,014
	Actuarial (loss)/gain on Plan Assets	174,239	205,761	160,626	126,752
	Contributions	834,942	363,428	730,836	513,405
	Benefits paid	(780,687)	(571,510)	(737,591)	(417,002)
	Closing Fair Value of Plan Assets (Refer Note below)	**12,228,887**	11,163,156	10,387,760	9,521,887
	d. Reconciliation of Present Value of Defined Benefit Obligation and the Fair Value of Assets	**As at March 31, 2011**	**As at March 31, 2010**	**As at March 31, 2009**	**As at March 31, 2008**
	Present Value of Funded Obligation	28,026,525	22,246,811	18,047,985	15,350,143
	Fair Value of Plan Assets	12,228,887	11,163,156	10,387,760	9,521,887
	Funded Status	(15,797,638)	(11,083,655)	(7,660,225)	(5,828,256)
	Present Value of Unfunded Obligation	15,797,638	11,083,655	7,660,225	5,828,256
	Assets recognised in the Balance Sheet and included under Loans and Advances and Other Current Assets (Refer Schedule 12)	––	––	––	––
	Unfunded Net Liability Recognised in the Balance Sheet disclosed under Current Liabilities and Provisions (Refer Schedule 13)	15,797,638	11,083,655	7,660,225	5,828,256
	e. Amount recognised in the Balance Sheet				
	Present Value of Obligation	28,026,525	22,246,811	18,047,985	15,350,143
	Fair Value of Plan Assets	12,228,887	11,163,156	10,387,760	9,521,887
	Liability/ (Assets) recognised in the balance Sheet and included under Current Liabilities and Provisions (Refer Schedule 13)	**15,797,638**	11,083,655	7,660,225	5,828,256
	f. Expenses Recognised in the Profit and Loss Account	**2010-11**	**2009-10**	**2008-09**	**2007-08**
	Current Service Cost	2,441,763	1,744,744	1,455,078	1,254,077
	Past Service Cost	1,772,700	1,391,073	––	––
	Interest Cost	1,690,758	1,297,492	1,191,582	838,482
	Expected Return on Plan Assets	(837,237)	(777,717)	(712,002)	(670,014)
	Net Actuarial Loss/(gain) recognised in the period	480,941	131,266	628,147	2,436,703
	Total expenses Recognised in the Profit and Loss Account **	**5,548,925**	3,786,858	2,562,805	3,859,248
	** Included in Salary, Wages, Allowances and Other Benefits (Refer Schedule 17)				
III	**Other Employee Benefit**				
	The liability for leave entitlement and compensated absences as at year end is Rs. 6,328,962; (March 31, 2010: Rs. 7,838,546).				

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

18. Amount remitted in foreign currency on account of Dividend **(Rupees)**

Dividend on Equity Shares	**Year Ended March 31, 2011**	Year EndedMarch31,2010
(i) Dividend remitted (excluding dividend tax)	**1,326,720**	7,282,080
(ii) Number of non-resident shareholder	**1**	2
(iii) Number of shares held (equity shares of Rs. 10 each)	**663,360**	2,427,360

19. As required by the Clause 32 of the listing agreement, the following disclosures made:

	Balance as at March 31, 2011	Maximum amount outstanding during the year ended March 31, 2011	Balance as at March 31, 2010	Maximum amount outstanding during the year ended March 31, 2010
i. Loans and advances in the nature of Advance to subsidiary, - APW Systems MEA(FZC) (Advance is with a repayment schedule)	––	––	538,440	538,440
ii. Loans and advances in the nature of loans to associates	––	––	––	––
iii. Loans and advances in the nature of loans where there is no repayment schedule, or interest below rate specified as per Section 372A of the Companies Act, 1956.	––	––	––	––
iv. Loans and advances in the nature of loans to firms/ companies in which directors are interested	––	––	––	––
v. Investments by the Loanee in the shares of the Company as at the year end	––	––	––	––

20. The Company uses forward contracts to hedge its risks of net exposure associated with foreign currency fluctuations. The Company does not enter into any forward contract which is intended for trading or speculative purposes.

(a) Derivative Instruments – Outstanding as at year-end forward exchange contracts to hedge the foreign currency exposure for realisation against exports:

No. of Open Contracts as at March 31, 2010	**Foreign Currency Denomination**	**Foreign Currency Amount**	**Indian Rupees equivalent**
5	EURO	160,000	9,995,200

(b) The foreign currency exposures that have not been hedged by any derivative instrument or otherwise as at March 31, 2010 are as follows:

Particulars	Foreign Currency Denomination	Foreign currency Amount	Indian Rupees equivalent
Liabilities (Trade Payables)	USD	251,892	11,309,951
	EURO	220	14,003
	GBP	1537	111,135
Total			**11,435,089**
Assets (Trade Receivables)	USD	166,304	7,383,881
	EURO	158,026	9,871,884
	GBP	29,578	2,105,658
	AUS $	23,536	1,070,873
Total			**20,432,296**

Refer Note 1(F) above for accounting policy on Foreign Currency Transactions.

21. Previous year figures have been regrouped and recast wherever necessary to conform to the current year classification.

Signatures to Schedules 1 to 20 forming part of the Accounts

For Price Waterhouse
Firm Registration No. 301112E
Chartered Accountants

Neeraj Gupta
Partner
Membership No.F055158

Mumbai: May 16, 2011

For and behalf of the Board

E. A. Elias
Managing Director

Sudhir Seth
Director

A. D. Kunte
Director

Shailesh Hemani
Director

K. K. Bhavsar
Company Secretary

Mumbai: May 16, 2011

Additional information pursuant to Part IV of Schedule VI to the Act
Balance Sheet Abstract and Company's General Business Profile.

1. Registration Details

Registration No. : 34340 State Code : 11

Balance Sheet Date : 31-03-2011

2. Capital Raised during the Year (Amount in Rs. Thousand)

Public Issue : NIL Rights Issue : NIL

Bonus Issue : NIL Private Placement : NIL

3. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousand)

Total Liabilities : 988577 Total Assets : 988577

SOURCES OF FUNDS		APPLICATION OF FUNDS	
Paid-up Capital :	60480	Net Fixed Assets :	461201
Reserve & Surplus :	436507	Investments :	18
Secured Loans :	171946	Net Current Assets :	246752
Deferred Tax Liability :	39038		

4. Performance of Company (Amount in Rs. Thousand)

Turnover : 1011606 Total Expenditure : 1027213

	+	-	
Profit / Loss before Tax :		✓	15607
Profit/Loss after Tax:		✓	11448
Earning per Share :		✓	01.89

Dividend Rate % : 00

(Please tick appropriate box + for Profit, - for Loss)

5. Generic Names of Three Principal Products/Services of the Company (as per Monetary terms)

Item Code No. (ITC Code)	Product Description
8473-3099	ENCLOSURES FOR ELECTRONICS
8529-9090	TELECOM TRANSMISSION EQUIPMENT
8473-3091	KVM SWITCH WITH CONNECTING CABLE
8471-3090	LCD MONITOR WITH KEYBOARD DRAWER

For and behalf of the Board

E. A. Elias
Managing Director

Sudhir Seth
Director

A. D. Kunte
Director

Shailesh Hemani
Director

K. K. Bhavsar
Company Secretary

Mumbai: May 16, 2011

APW PRESIDENT SYSTEMS LTD.

Regd. Office: R-2, Technopolis Knowledge Park,
Mahakali Caves Road, Andheri (East), Mumbai 400 093

ATTENDANCE SLIP

ID No.
DPID
Folio No.
No. of Shares
Sr. No.

I hereby record my presence at the ANNUAL GENERAL MEETING of the Company at Tribune II, 6th Floor, Hotel Tunga International, Central Road, MIDC, Andheri (E), Mumbai - 400 093. on Tuesday, the 12^{th} day of July, 2011 at 4.00 p.m.

Signature of the attending Member / Proxy	

NOTE : A Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and hand over at the entrance duly signed.

APW PRESIDENT SYSTEMS LTD.

Regd. Office: R-2, Technopolis Knowledge Park,
Mahakali Caves Road, Andheri (East), Mumbai 400 093

PROXY

I/We ____

of ____ being

a Member/Members of the above-named Company, hereby appoint ____________________________

of ______________________ in the district of ______________________ of failing him ______________________

of ______________________ in the district of ______________________ as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company, to be held on Tuesday, the 12^{th} day of July, 2011 at 4.00 p.m. at Tribune II, 6th Floor, Hotel Tunga International, Central Road, MIDC, Andheri (E), Mumbai - 400 093. and at any adjournment thereof.

Signed this ______________ day of ______________ 2011.

Affix Revenue Stamp

Signature

ID No.
DPID
Folio No.
No. of Shares
Sr. No.

NOTES

1. The Proxy must be returned so as to reach the Registered Office of the Company, R-2, Technopolis Knowledge Park, Mahakali Caves Road, Andheri (E), Mumbai 400 093 not less than FORTY EIGHT HOURS before the time for holding the aforesaid meeting.
2. A Proxy need not be a member of the Company.