

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 .

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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, 1956 be and is hereby appointed as a Director of the Company."
5. To consider, and if thought fit, to pass without 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 annum.	
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 granted 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 which Directorship 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
	Stand Alone	Stand Alone	Stand Alone	Stand Alone				
Shareholders' Funds :								
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.cmrintia.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 **Telecom 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.