A global career education company

Aptech Limited • Annual Report 2009-10

Aptech is an integral part of the global career education space. The Company has consistently evolved to reach the destination it stands at today. From being just an IT training company, Aptech is today a global leader in the career education space with leadership brands and an international presence that extends to 5 continents, 40 countries through close to 1,200 centres.

The Aptech of today is distinct from the Aptech of yesterday.

Aptech has carefully built the growth pillars to deliver a high ROIC in its business. This has been done through multiple strategic initiatives:

- Exit from the capital intensive ICT projects business
- Entry into high growth career education businesses like aviation and hospitality (AVALON) and English language training (ENGLISH EXPRESS) through acquisitions
- Dominating the animation training space through the acquisition of Maya Academy of Advanced Cinematics (MAAC)
- Re-engineering the corporate training business to make it profitable

And by strengthening the strategic strings, Aptech has created a business model that is asset light, de-risked, has high visibility and above all, high operating leverage.

Aptech is a global company. Currently, the international business contributes around 33% to the total retail revenues of the Company and we expect this to be 50%

by 2014. We are leaders in China through our investment in BJB Career Education Company Limited. We are serving the high growth BRIC and N-11 emerging economies like Brazil, Nigeria, Japan and South Korea. We are leaders in Vietnam, Russia and Nigeria. With ENGLISH EXPRESS, we have opened yet another massive opportunity to serve the English speaking needs of countries across the world.

We are constantly increasing our focus on career oriented courses. We are offering a range of career courses across our verticals. These courses are longer in duration, enable us to increase the booking per enrolment and earn better margins. These courses offer great prospects to the candidates as well. In 2009-10, 92.75% of the fresh bookings came from career courses and we see this number growing in the time to come.

In our business, brand plays a critical role in attracting talent, and students alike. We are in the midst of a massive rebranding exercise that will reflect the new Aptech of tomorrow.

We are a young company with a lot of passion to lead our business, by thought, and by action. The last few years have been challenging and some tough steps were taken to emerge stronger, faster, and better. The business has seen a qualitative shift. And the next few years will demonstrate that.

Welcome to Aptech.

A global career education company.

Chairman's Message

Dear Stakeholders,

As we complete another year, the Management team at Aptech and I continue to learn newer nuances about the education business. I must admit that the effort to make Aptech a Scalable, Profitable, and Cash rich organisation upholding the best standards of propriety and corporate governance has turned out to be a far more time consuming and challenging journey than I had envisaged earlier. I believe Mr. Ninad Karpe, who is at the helm of affairs since February 2009, is making a big difference to Aptech and we are finally seeing light at the end of the tunnel.

I am happy to state that we have firmly positioned Aptech in a dominant position in the Animation and Multimedia training industry with the acquisition of Maya Academy of Advanced Cinematics (MAAC). With both the leading brands in our portfolio, Aptech will be able to cater to the needs of a wider student base. We are in the process of integrating MAAC in the Aptech family, and so far the process has been smooth. We shall keep looking for opportunities to establish leadership in career education verticals.

Last year, we introduced Degree programmes in alliance with a few universities. These programmes contributed significantly to our IT and Animation segment enrolments. I believe they will continue to grow in future. This is a significant shift in terms of bridging the gap between formal and non-formal education models. The focus on International roll-outs has paid rich dividends and will act as the cornerstone for the scalability of our model. We have attained leadership position in Vietnam, Russia and Nigeria and will continue to grow in emerging markets. Hence as a part of the three pronged expansion strategy of length (more countries), breadth (more brands) and depth (more centres) in international markets, serious scale can be delivered only through strong focus on emerging markets. Our Chinese venture continues to be the market leader with extremely profitable operations, although there is uncertainty on the listing front.

As regards the opportunities in the non-retail space, Aptech has narrowed its focus to a few scalable and profitable segments. ATTEST is a leading domestic player in the academic testing segment and has the potential of becoming the overall leader in the online testing space. Other non-retail segments have been restructured or realigned to maintain focus on profitable growth.

Aptech will continue to strive for Leadership, Scalability, and Profitability. We shall measure each business segment against these long-term strategic objectives. We are committed to being a Positive Cashflow company with sustainable growth and prudent accounting. As I too have been a long-suffering shareholder of Aptech like all of you, without dividends for many years, I can feel your pain. You will be happy to know that Aptech has recommended a dividend of 10% for the fifteen month period ended March 31, 2010. It is a small beginning, but we look to the future with optimism and faith in our capital-light business model.

Before I conclude, I would like to express my gratitude to all our stakeholders for the support and trust they have reposed in us. We remain committed to creating strong, sustainable and value-accretive growth.

Yours sincerely,

Rakesh Jhunjhunwala

Aptech has evolved from being just an IT Training Company into a global career brand.

Aptech is today a truly transformed and evolved company with a de-risked and robust business model that has high visibility, ensuring consistent growth. Aptech represents the training opportunity in the IT, animation, English speaking, aviation, hospitality and corporate segments. The Company satisfies the training needs of both the retail consumer and the non-retail institutional customer.

The growth strategy implemented by Aptech comprises of investment in the distinct brand identity focused towards the user in each segment, the training and curriculum and adding scale to the segment through global reach. This results in significant operating leverage, better margins and incremental ROCE.

Aptech Computer Education is the Company's brand in the IT training space. The IT industry is growing at 11% with over two million direct employments. There is a shortfall of half a million skilled resources. Our addressable market is USD 187 million, and growing. Aptech Computer Education offers both short-term and career oriented courses. We are focusing on increasing career courses which offer longevity of revenue, better margins and good job prospects to the students.

ARENA is the Company's brand in the animation and multimedia space. Aptech is a leader by far in this business and has been dominating this space since inception. To further the domination, Aptech acquired MAAC's education business and has now emerged as Asia's largest animation education company. The animation training industry is growing at a CAGR of around 27% with the opportunity size currently at USD 67 million in India. Aptech through two distinct brands is well poised to lead and influence the market development and expand product offerings across all value points. Going forward, the Company will initiate the international expansion of MAAC. During the year, we also launched ARENA POINT, an extension of the ARENA brand to take multimedia training to C and D category towns with customised course offerings.

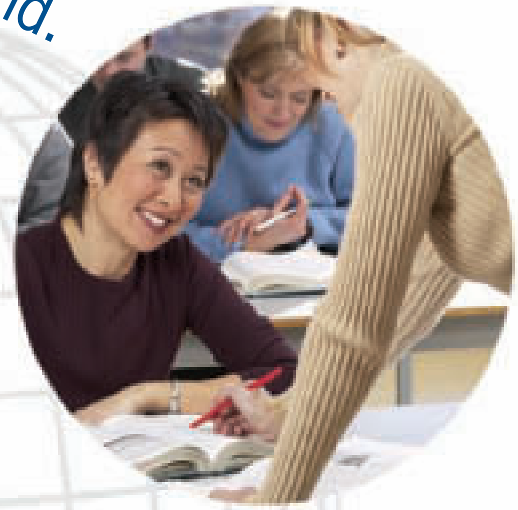
ENGLISH EXPRESS is the Company's brand in the English language training space. English language training is the largest vocational training segment in India. ENGLISH EXPRESS has collaborated with the Cambridge University Press for English Language Teaching. Importantly, the ENGLISH EXPRESS platform complements Aptech's existing bouquet of services and facilitates cross selling. The ENGLISH EXPRESS brand has expanded its footprint to other countries like Pakistan, Iran, Qatar, Saudi Arabia, Sudan, UAE and Russia as well.

Around 30% of the IT training sector comprises of hardware and networking courses. Our brand N-POWER offers courses in this segment created by leading companies such as Microsoft and Cisco through 54 domestic and two international centres. We view this area as a huge opportunity in the time to come.

AVALON Academy offers courses in aviation, hospitality and travel and tourism. AVALON is the only aviation training academy that not only offers cabin crew training but also University Degrees & Diplomas (including BBA and MBA) in ground staff, aviation and airport management. AVALON has a strategic relationship with leading international and domestic airlines which offers 100% assistance in the job placement process. In view of the increasing demand for trained professionals in the hospitality and travel and tourism segments, AVALON has started offering courses that cater to these high growth segments as well.

We believe we are at the right place at the right time and are ready to participate and lead the attractive opportunity in the career education space in the time to come.

We have created a platform and delivery capability to service not just India, but the world.



5 continents, 40 countries and close to 1,200 centres. Aptech is an Indian company with global aspirations. Aptech has carefully selected its international presence and dominance. Our focus is on the emerging economies and we are present in 13 out of the top 15 emerging economies identified by Goldman Sachs in its BRICs and Beyond report of 2007. We enjoy leadership in countries like Vietnam, Russia and Nigeria. We are one of the very few Indian companies to have such a massive presence in a retail business across the globe.

Our expansion strategy in the international market will be three pronged.

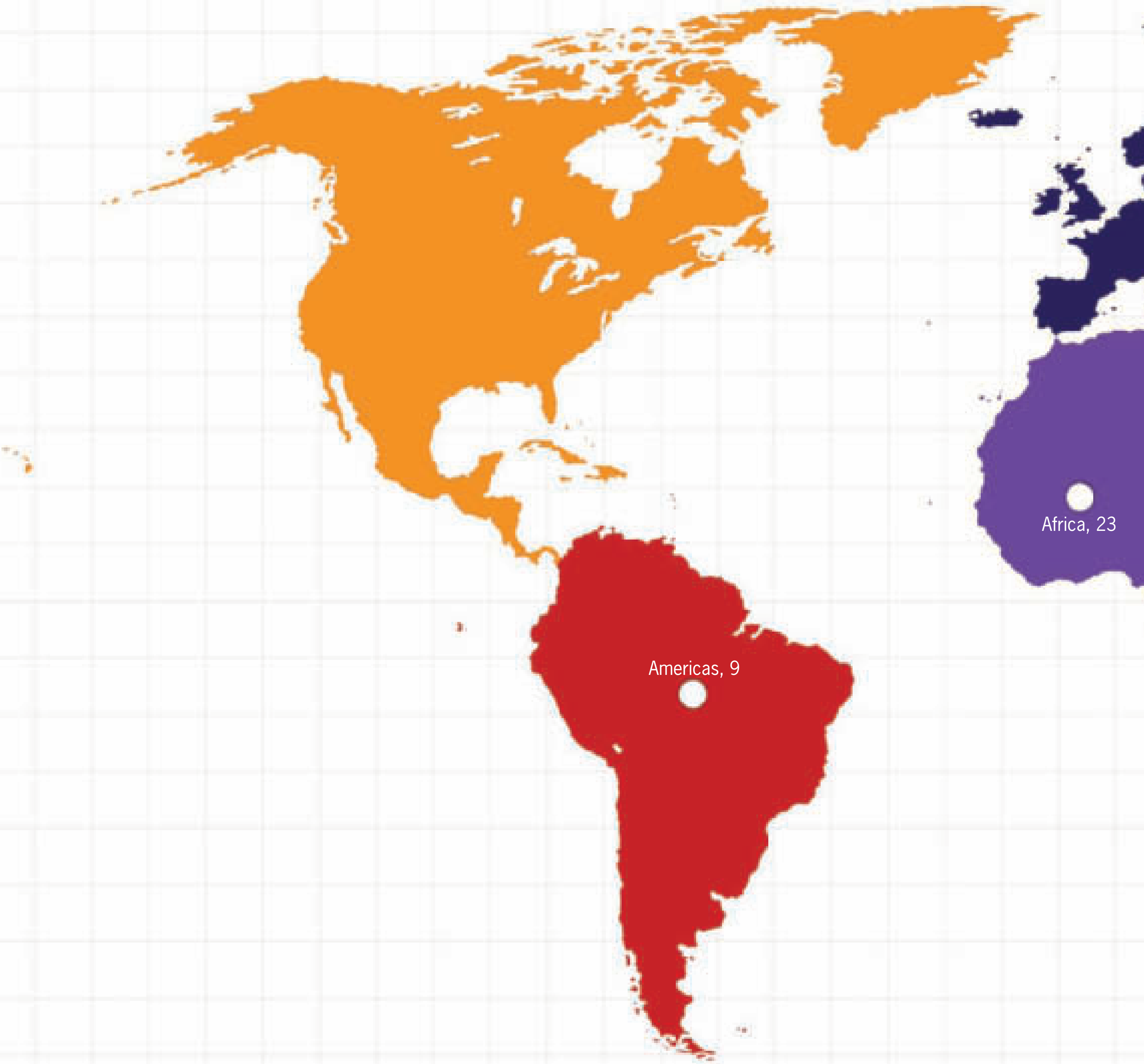
One, penetrate into new geographies. Two, deeper penetration into existing geographies. For instance, in Vietnam where Aptech leads with around 31% market share, the strategic direction is to offer the entire bouquet of services. Three, penetrate across segments. During the year, Aptech commemorated 10 years of success in Vietnam. Since 1999, Aptech has trained over 40,000 Vietnamese students. While the Company's initial offerings consisted of IT training and multimedia, Aptech now offers networking and hardware training (N-POWER) and English language teaching (ENGLISH EXPRESS).

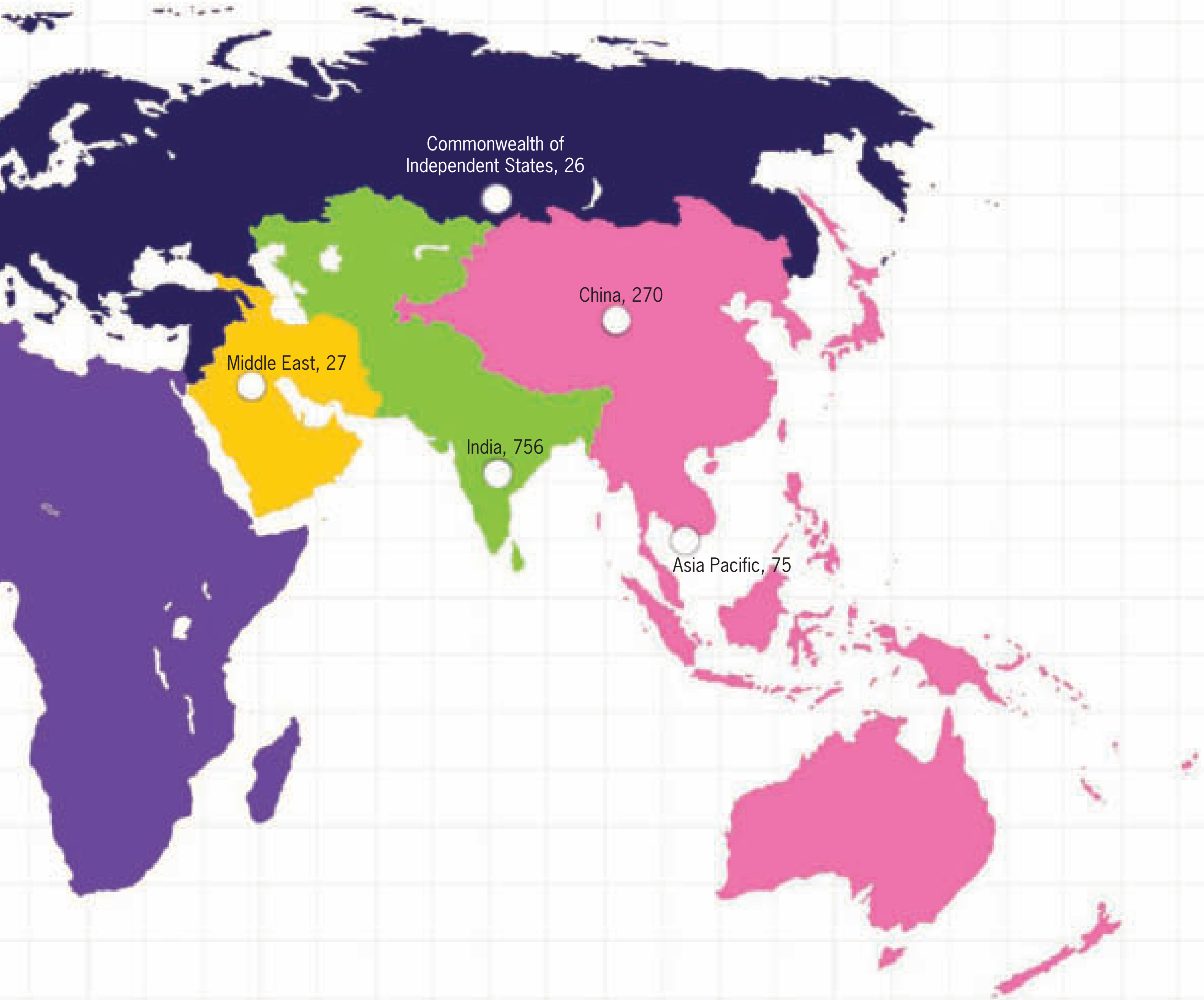
In line with expanding our international presence, we invested in high growth regions of Brazil and Philippines in 2009-10 by forming Joint Ventures (JVs). Aptech has a 51% stake in the Brazil JV with FALGO EMPREENDIMENTOS E PARTICIPAÇÕES S.A. (Falgo Group) and MAC BALLESTEROS PARTICIPAÇÕES LTDA - ACE Educação Profissional do Brasil S.A. - a new company formed for imparting information technology education and training in Brazil. Similarly, a JV agreement was signed with the New Life Group Inc, a Filipino company to expand Aptech's presence in the Philippines.

Currently, the international business contributes around 33% to the total retail revenues of the Company and we expect this to be 50% by 2014.

Expect more from us.

Our Presence




Commonwealth of
Independent States, 26
China, 270
Middle East, 27
India, 756
Asia Pacific, 75

We are slowly but surely addressing the non-retail market.

Corporate training solutions and testing represent the non-retail opportunity for Aptech. During 2009-10, the corporate training solutions business was realigned to make it more profitable.

The corporate training solutions market saw a recovery post the economic downtrend. Companies which had postponed the expenditure on training are now seeking partners to assist them in their training needs. Considering the robust growth exhibited by corporate India, this business is expected to grow steadily for the next few years. Aptech used the downtrend to re-align the business. The initiatives included:

- A change in strategy - targeting CEO downwards
- Leverage senior management and board level network
- Curtail cost by changing the model (empanelled trainers vs. full-time trainers)
- Execution of the order book - increasing focus on delivery
- Reorganisation of the division into sales and delivery to achieve cost efficiencies
- Focus on generating business from manpower intensive sectors as well as lower-to-middle management personnel.

These initiatives led to the corporate training solutions business contributing Rs. 9.7 crores to the revenue in 2009-10 and more importantly, being profitable.

ATTEST is the Company's brand in the testing and certification space. Aptech has gradually built its presence and leadership in this segment. Over a million tests were conducted in 2009-10 in comparison to 8,22,843 in 2008. The revenues grew by over 21% on an annualised basis in 2009-10. With the economy growing steadily and with the increasing acceptance of e-assessments in areas of employee screening, skill assessments, etc, we view this as a thrust area in the time to come. We are one of the early entrants in this space in India and with advantages like an established brand (ATTEST), IT training expertise, question bank creating expertise, established processes and existing network of centres, we are well poised to participate in this attractive opportunity.

A new lead generation and brand building campaign was launched during the year, with focus on deans and directors of educational institutions. ATTEST also entered into an alliance with IBPS for test delivery and content apart from successfully rolling out solutions for various educational institutions. Several initiatives were undertaken to optimise costs and focus on account development.

We are well poised to become a preferred partner and cater to the demand in the training, testing and certification segments of the non-retail market.

Our World in Numbers

5 continents

40 countries

1,186 centres

6 million students

9 world-class brands

Rs.50,510Lacs
system-wide bookings

141,438
retail enrolments in 2009-10

Rs.16,282Lacs
total income

Rs.22,370Lacs
net worth

508employees

CORPORATE INFORMATION

BOARD OF DIRECTORS

RAKESH JHUNJHUNWALA
Chairman

C. Y. PAL
Vice Chairman

ASIT KOTICHA
Director

UTPAL SHETH
Director

RAJIV AGARWAL
Director

PRAMOD KHERA
Director

RAMESH S. DAMANI
Director

YASH MAHAJAN
Director

VIJAY AGGARWAL
Director

WALTER SALDANHA
Director

NINAD KARPE
Managing Director & CEO

GROUP COMPANY SECRETARY

Ketan H. Shah

STATUTORY AUDITORS

M/s. Khimji Kunverji & Company
Chartered Accountants,
Bombay Mutual Building, Suite 52,
Sir Phirozshah Mehta Road,
Fort, Mumbai - 400 001.

BANKERS

Union Bank of India
Union Bank Bhavan, 239,
1st Floor, Vidhan Bhavan Marg,
Nariman Point, Mumbai - 400 021.

Laxmi Vilas Bank
64, Dr. V. B. Gandhi Marg,
Kalaghoda, Fort, Mumbai - 400 001.

HDFC Bank
Trade World, 'A' Wing, 2nd Floor,
Kamala Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013.

REGISTERED & CORPORATE OFFICE

Aptech House, A - 65,
M.I.D.C, Marol,
Andheri (East), Mumbai - 400 093. India.
Tel. : 91 22 2827 2300/01
Fax : 91 22 2827 2399
Email: investors_relations@aptech.ac.in

REGISTRAR & TRANSFER AGENTS

Sharepro Services (India) Pvt. Ltd.
Unit : Aptech Limited
13 AB Samhita Warehousing Complex,
2nd Floor,
Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (E), Mumbai - 400 072.
Tel. : 91 22 6772 0400
Fax : 91 22 2859 1568
Email: sharepro@shareproservices.com

DIRECTORS' REPORT

The Members of Aptech Limited

Your Directors are pleased to present their Tenth Annual Report on the business and operations of your Company and the Audited Financial Results for the 15 months period ended 31st March, 2010.

SNAPSHOT OF FINANCIAL RESULTS

The financial results of the Company for the Accounting period ended 31st March, 2010 are presented below:

(Rs. in lacs)

Particulars	Standalone		Consolidated	
	Period ended 31st March, 2010	Year ended 31st December, 2008	**Period ended 31st March, 2010**	Year ended 31st December, 2008
Total Revenue	**12,900.07**	11,738.27	**16,282.19**	28,039.07
Total Expenditure	**10,105.89**	9,997.41	**13,682.12**	21,060.49
Profit Before Interest, Depreciation & Tax	**2,794.18**	1,740.86	**2,600.07**	6,978.58
Profit Before Exceptional Items, Depreciation & Tax	**2,465.77**	1,527.72	**2,238.43**	6,748.76
Profit Before Exceptional Items and Tax	**1,195.83**	220.35	**670.79**	5,013.37
Total Exceptional Items	**(10,730.05)**	1,879.19	**318.50**	(1,345.77)
Profit/(Loss) Before Tax	**11,925.88**	(1,658.83)	**989.29**	3,667.60
Profit/(Loss) After Tax	**8,643.43**	474.92	**(2,296.66)**	4,421.75

CHANGE IN FINANCIAL YEAR

The Board of Directors at its meeting held on 10th August, 2009 had approved the change in financial year to end on 31st March, instead of 31st December. This change was done to coincide the accounting year of the Company with the conventional financial year. Accordingly the attached financials have been prepared for 15 months i.e. 1st January, 2009 to 31st March, 2010. Therefore the current reporting period being of 15 months is not comparable with the previous financial year 2008.

OPERATIONS REVIEW

On an annualised basis, Standalone EBIDTA posted an increase of 60.50% and Profit After Tax increased by about 1720% from previous year.

DIVIDEND

Your Directors recommend for your consideration a dividend of Re. 1/- per equity share of Rs. 10/- for the period ended 31st March, 2010.

ACQUISITION OF MAAC

In terms of the Share Purchase Agreement executed on 27th January, 2010 and its addendum dated 21st April, 2010 between the Company, Maya Entertainment Ltd. and shareholders of Maya Entertainment Ltd., in April 2010, the Company acquired the education division viz., Maya Academy of Advanced Cinematics (MAAC) of Maya Entertainment Ltd. (MEL) through the takeover of 89.66% equity shares of MEL. MAAC, one of the largest players in the Animation & Multimedia education industry, is a premium brand with over 70 centres spread throughout India. These include company-owned, semi-owned and franchisee centres. Remaining 10.34% Intel Inc. USA held shares in MEL shall also be transferred to the Company on receipt of approval of Reserve Bank of India. The deal was computed at Rs. 73 crore and was structured to include a cash payout as well as issue of equity shares of Aptech Limited to the shareholders of MEL on preferential basis. On approval of the shareholders granted on 24th February, 2010 and in terms of the deal the Company allotted 17,17,103 equity shares of Rs. 10/- each at a premium of Rs. 206/- per share to 19 shareholders of MEL. Remaining one shareholder of MEL viz., Bhukhanvala Holdings Private Limited who could not comply with SEBI guidelines would be allotted 4,79,670 equity shares on receipt of fresh shareholders' approval at the ensuing annual general meeting subject to SEBI's ICD Regulations. With this acquisition, Aptech has moved further in its strategy of becoming a global education powerhouse. MAAC, with its team of committed employees and franchisees, is a strong brand in the animation education space. Through this integration, MAAC & Aptech will be able to harness all the benefits of a large company in a growing market and keep competition at bay. Through this, both the brands will be able to capitalise on each other's strengths - particularly in the area of branding and product development. The Directors are confident that this deal will enable both the brands to reach greater heights.

MERGER

For the sake of administrative convenience, the merger of Company's Wholly Owned Subsidiary (WOS) viz., Aptech Software Limited with the Company was approved by the Board of Directors in May 2009. The said merger also received unanimous concurrence of the shareholders at the Court Convened Meeting held on 6th March, 2010. The Company has since received the requisite sanction from the Hon'ble High Court, Bombay for said merger. As a result, the Scheme has become effective on 9th August, 2010 with retrospective effect from the Appointed Date (1st April, 2009). The Board of Directors have revised the accounts of the Company for the period ended 31st March, 2010 to incorporate the effect of the merger and accordingly these accounts have been prepared in supersession of the accounts previously approved for giving consequential effect to the Scheme of Amalgamation as above. In terms of the said scheme the entire shareholding held by the Company in its WOS stands cancelled and no shares of the Company are issued in lieu thereof.

JOINT VENTURES

Brazil

During the period under review the Company entered the Brazilian market by partnering with FALGO EMPREENDIMENTOS E PARTICIPAÇÕES S.A. (Falgo Group) and MAC BALLESTEROS PARTICIPAÇÕES LTDA through a Joint Venture (JV) by forming a corporation in Brazil viz. ACE Education Professional Do Brasil S.A (Aptech Brasil) in which 51% equity is held by Aptech group.

The said JV would focus on the ICT training business through Aptech Computer Education brand, to begin with. Aptech Brasil will be addressing the Retail Market with ACCP and other related ICT courses. It also has plans to offer these programmes aligned with Brazilian University programmes, and other recognised government programmes in the same domain, in order to give the best benefit to students in terms of enhanced employability options upon completion of Aptech programmes.

With Education Materials translated in Portuguese, Aptech Brasil has commenced its operations at Belo Horizonte, State of Minas Gerais, and enrolled students in its ACCP Programme. Aptech Brasil has plans to expand to Sao Paulo and other major cities by developing the franchisee network. It also plans to introduce other brands for English, Multimedia & Aviation Education.

Aptech's foray in Brazil will help to develop, expand and focus better on the entire Latin American region.

Philippines

During the period under review, the Company has also signed a JV contract with a Filipino Company called New Life Group Inc. The Joint Venture envisages a sharing ratio of 60:40 in favour of New Life Group Inc & Aptech respectively. Efforts are on to form the corporation in Philippines in terms of the JV agreement.

This initiative will also serve to expand the scope of Aptech operations across all retail brands, namely Aptech Computer Education, Arena Multimedia, MAAC, Avalon Academy, English Express & N-Power across Philippines where the demand for IT education is evolving rapidly & value-added services such as technical support and product troubleshooting along with basic IT and hardware consulting are on the rise.

EMPLOYEES STOCK OPTION SCHEME (ESOS), 2006

Pursuant to the approval accorded by the shareholders on 16th September, 2006, your Company had formulated the Employee Stock Option Scheme (ESOS), 2006, (hereinafter the "Scheme") for the benefit of the employees of the Company and its subsidiaries and for the Non Executive Directors (NEDs). The said scheme is administered by the Compensation Committee of the Board which has been empowered to issue and allot equity shares not exceeding an overall limit of 15,00,000 equity shares under the Scheme which is valid for 7 years i.e. upto 15th September, 2013.

Under the said new scheme, so far 14,00,000 stock options comprising 13,00,000 stock options for employees and 1,00,000 stock options for NEDs were granted at an exercise price of Rs. 113/- per equity share. The stock options granted to eligible employees are performance linked options and have been granted with a vesting schedule spread over 4 years; accordingly the vesting period extends until 12, 24, 36 and 48 months respectively from the grant date. The exercise period is one year from the respective vesting date of the qualified vested options. The entire 1,00,000 stock options granted to NEDs had a vesting period of 12 months from the grant date and an exercise period of one year from the respective vesting date.

In accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (hereinafter "SEBI guidelines"), the details in relation to the options granted, vested , exercised , lapsed etc. under ESOS, 2006 , as on 31st March, 2010, are given as under:

Description	ESOS 2006
Total Number of Options granted	14,00,000 Options comprising 13,00,000 Options to Employees and 1,00,000 Options to Non Executive Directors (NEDs)
Pricing formula/Exercise price	Rs. 113/-
Number of Options vested	2,87,381
Number of Options exercised	1,36,717
Total No. of Shares arising as a result of exercise of Options	1,36,717
Number of Options lapsed	6,44,133
Variation of terms of Options	N.A.
Money realised by exercise of Options	Rs. 15,449,021/-
Total Number of Options in force	6,19,150
Grant to Senior Managerial personnel	9,30,000
Grant to Non Executive Directors under the Scheme	1,00,000

Description	ESOS 2006
Employees who were granted 5% or more of the Total Number of Options granted during the year	Mr. Ninad Karpe, Managing Director & CEO - 2,65,000 Options
Employees who were granted Options equal to or exceeding 1% of the issued capital of the Company at the time of grant	None
Diluted Earnings per Share pursuant to issue of shares on exercise of Option calculated in accordance with AS 20	18
Difference between the employee compensation cost computed using the intrinsic value of Stock Options and the employee compensation cost that shall have been recognised had the fair value of Options, being used	98,177,500 - 20,123,550=78,053,950
Impact of this difference on profits of the Company	Positive
Impact of this difference on EPS of the Company	1.78
Weighted average exercise prices ;	113
Weighted average fair values of Options for options whose exercise price either equals or exceeds or is less than the market price of the share	130.73
Description of the method and significant assumptions used during the year to estimate the fair value of Options, including the following weighted–average information:	Black Scholes Method
(a) Risk-free interest rate	8.11% p.a.
(b) Expected life	3.38 years
(c) Expected volatility	62.15%
(d) Expected dividends and	Ignored
(e) The price of the underlying share in the market at the time of Option grant	Rs. 199.50

DIRECTORS

In accordance with Sections 255 and 256 of the Companies Act, 1956, Mr. Asit Koticha, Mr. Ramesh Damani, Mr. Vijay Aggarwal and Mr. Rakesh Jhunjhunwala, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

Mr. Ashish Pant ceased to be Director of the Company with effect from 20th May, 2010 on his resignation.

MANAGEMENT DISCUSSION AND ANALYSIS

A separate report on the Management Discussion and Analysis is attached as a part of the Annual Report.

CORPORATE GOVERNANCE

Effective corporate governance is necessary to retain the trust of stakeholders and to achieve business success. Corporate governance is about commitment to values and ethical business conduct. It is about how an organisation is managed. It includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. As shareholders across the globe evince keen interest in the practices and performance of companies, corporate governance has emerged at the centre stage of the way the corporate world functions. Corporate governance is vital to enable companies to compete globally in a sustained manner and let them flourish and grow.

A separate Report on Corporate Governance is attached and forms part of the Annual Report. The Auditors' Certificate regarding compliance of the conditions of Corporate Governance is also annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 217(2AA) of the Companies Act, 1956:

(i) That in the presentation of the annual accounts for the year ended 31st March, 2010, applicable accounting standards have been followed and that there are no material departures;

(ii) That they have, in the selection of the accounting policies, consulted the statutory auditors and have applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended 31st March, 2010 and of the profit of the Company for the year ended on that date;

(iii) 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;

(iv) That the annual accounts have been prepared on a going concern basis.

CONSOLIDATED FINANCIAL STATEMENTS

Your Directors have pleasure in attaching the Consolidated Financial Statements pursuant to Clause 32 of the Listing Agreement entered into with the stock exchanges and prepared with the Accounting Standards 21 issued by the Institute of Chartered Accountants of India.

SUBSIDIARY COMPANIES

The Central Government has vide its letter no. 47/357/2010-CL-III dated 5th May, 2010 exempted the Company from attaching Annual Accounts and other documents in respect of its subsidiaries to the Annual Report of the Company for the period ended 31st March, 2010.

As required vide above letter, statement in respect of each of the subsidiary, giving details of capital, reserves, total assets and liabilities, details of investments, turnover, profit before taxation is given in this Annual Report. Annual accounts of the subsidiary companies and other related documents will be made available to the investors seeking such information and will also be available for inspection at the Registered Office of the Company during business hours.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Conservation of Energy

Adequate measures are taken to conserve energy although the Company's operations are low energy intensive.

Technology Absorption

Your Company continues to use the latest technologies for improving the productivity and quality of its services.

Research & Development

Technological obsolescence is certain. We encourage continuous innovation and research and development for measuring future challenges and opportunities.

Foreign Exchange Earnings and Outgo

The details of Foreign Exchange Earnings and Outgo are given in Schedule pertaining notes on accounts.

PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended, forms part of this Report. However, as permissible under Section 219(1)(b)(iv) of the Companies Act, 1956, this Report is being sent to all the Members of the Company excluding the aforesaid information. The said particulars are made available at the Registered Office of the Company. The Members desirous of obtaining the same may write to the Company Secretary at the Registered Office of the Company.

RE-APPOINTMENT OF STATUTORY AUDITORS

At the forthcoming Annual General Meeting, M/s. Khimji Kunverji & Co., Chartered Accountants who are the Statutory Auditors of the Company, will retire and being eligible, have offered themselves for re-appointment as the Company's Auditors. In terms of the provisions of Section 224(1B) of the Companies Act, 1956, the Company has obtained a written confirmation from M/s Khimji Kunverji & Co. that their re-appointment, if made, at the ensuing Annual General Meeting, would be in conformity with the limits specified in the said Section.

FIXED DEPOSITS

During the period under review, your Company has not accepted or invited any deposits from public.

INSURANCE

All the properties of the Company have been adequately insured.

ACKNOWLEDGEMENT

Your Directors wish to acknowledge all their stakeholders and are grateful for the excellent support received from the Shareholders, Bankers, Financial Institutions, Government authorities, esteemed corporate clients, customers and other business associates. Your Directors recognise and appreciate the hard work and efforts put in by all the employees of the Company and their contribution to the growth of the Company in a very challenging environment.

For and on behalf of the Board of Directors

Rakesh Jhunjhunwala	**Ninad Karpe**
Chairman	Managing Director and CEO

Place: Mumbai
Date: 12th August, 2010

MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY OVERVIEW

The Indian education sector is valued approximately at over USD 80 billion. The third largest education system globally, India also has the advantage of having the largest population in the age group of 0-24 years of age, globally. At 3.5% of the GDP at the global average, the Government of India spends a whopping USD 30 billion on education. Besides, the Centre's budgetary allocation on Education in the 11th Five Year Plan is 6 times that in the 10th Five Year Plan (IDFC-SSKI report on the Indian Education Sector – February, 2010).

Yet India has one of the lowest General Enrollment Ratios (GERs) in the world. India spends 5.2% of the global spend on education on 20% of the world population. Further, the inefficiencies and the shortcomings in the Indian public education system have led to the creation of a private education market that was worth over USD 57 billion in 2009. Within this market, the vocational training segment is estimated to be USD 1.88 billion. This is expected to nearly double to USD 3.66 billion by 2012, growing at a CAGR of 25% (IDFC-SSKI report on the Indian Education Sector – February, 2010).

Looking ahead, India is all set to reap the demographic dividend in the coming years with a large portion of the population moving into the working age group. Given the low employability skills, a huge demand is expected for courses/degrees with a vocational tilt. The GDP structure is set to change with the proportion of services in the GDP likely to go up. The change in this structure will require a better education system, particularly in the vocational segments. As the middle-class population grows, increasing income will lead to higher aspirations, fuelling the demand for quality education (Report on Indian Education by Edelweiss Securities Limited – October, 2009). The opportunity available is phenomenal. Given Aptech's strengths viz. strong brands, diverse verticals and international reach, the Company is well poised to maximise this opportunity.

2. BUSINESS OVERVIEW

Aptech Limited is a leading global career solutions company that provides retail and corporate training services to customers across 40 countries through close to 1,200 centres. Aptech commenced operations in 1986 and has trained over 6 million students till date. An ISO 9001:2000 Company, Aptech has two main streams of business – Individual Training and Corporate Learning Services.

Under Individual Training that constitutes the retail segment of the Company's business, Aptech offers career and professional training in IT Education & Training (Aptech Computer Education); Animation & Multimedia Training (ARENA Animation and Maya Academy of Advanced Cinematics); Hardware and Networking Training (N-POWER); Aviation, Hospitality and Travel & Tourism Training (AVALON Academy) and English Language Training (ENGLISH EXPRESS). Corporate Learning Services includes Content Development (Aptech Learning Services), Training Services for Corporates and Institutions (Aptech Training Solutions) and Testing & Assessment Solutions (ATTEST). These constitute the non-retail (institutional) segment of the Company's business.

During the year, Aptech focused relentlessly on profitability by exiting from non-profitable businesses and rationalising the internal cost structure. The Company improved its debtor position through a focused collection drive and proactive provisions for doubtful debtors. The retail organisation was realigned under a Chief Operating Officer (COO) to create a product agnostic structure and realise cost synergies. Further, Aptech invested in people by inducting experienced personnel in key leadership positions. A strong emphasis was laid on improving the visibility of brands and corporate communication. An online test for all brands, Career Next, was launched during the year to facilitate customer interaction, brand visibility and database generation.

RETAIL

Aptech Computer Education

Aptech Computer Education offers quality education in Information Technology around the world through 106 international centres and 384 domestic centres. ACCP (Aptech Certified Computer Professional) is the premium course offered under this brand. During the year, a new 3-year Bachelor's degree course, B.Sc (Computer Applications) was launched in collaboration with the Manonmaniam Sundaranar (MS) University. Several new products including a global programme in Cloud Computing, a combination package of Sun and Oracle and "I.T. for Office Productivity" that trains government employees in MS Office; were also launched during the year.

ARENA Animation

ARENA Animation offers comprehensive career courses for students, professionals and entrepreneurs in Animation and Multimedia. ARENA has been a pioneer and leader in this space since inception and has trained over 2,77,500 students globally till date through 179 domestic centres and 52 international centres. In 2009-10, 21 new domestic centres and 15 new international centres were added to the ARENA network. During the year, product offerings were expanded to include new products such as the ARENA Animation International Programme (AAIP) and Game Art & Design (GAD) programme besides several specialised courses and short term courses. The B.Sc. Degree in Multimedia and Animation, in collaboration with MS University, was launched and met with a good response.

This year, 'Perspectives', ARENA's nation-wide series of seminars was helmed by world renowned animation and gaming experts Anthony Christov and Ian Livingstone. The 2nd Golden Cursor Animation Awards, honouring excellence in Animation, VFX and Gaming in India, were presented in Mumbai and received an overwhelming response. ARENA POINT, the multimedia brand extension meant exclusively for 'C' and 'D' category towns, was launched during the year as well with the first centre being opened in April, 2010 in the Eastern region.

Maya Academy of Advanced Cinematics (MAAC)

Aptech acquired the Maya Academy of Advanced Cinematics (MAAC) during the year through the takeover of 89.66% equity shares of Maya Entertainment Ltd., the parent company of MAAC. The Company is awaiting RBI approval to acquire the remaining 10.34% stake held by Intel Capital. MAAC is one of the largest players in the Animation and Multimedia education industry in India with over 70 centres (company-owned, semi-owned and franchisees) across the country. With this acquisition, Aptech has further consolidated its leadership position in the Indian Animation and Multimedia education industry.

ENGLISH EXPRESS

Aptech launched a new brand – ENGLISH EXPRESS, an English learning academy during the year. With this brand, Aptech now has a presence in the English language training segment, which is the largest vocational training segment in India and offers greater scope in other emerging markets. The academy offers courses for all levels – from beginner to advanced – for young and adult learners as well as corporates through state-of-the-art facilities, Glottophone digital language labs and internationally trained teachers.

ENGLISH EXPRESS has collaborated with Cambridge University Press for English Language Teaching (ELT) to provide authorised course material and with the University of Cambridge for English for Speakers of Other Languages (ESOL), to be authorised partners for conducting certification courses. The courses range from General English, Spoken English, Business Communication Skills, preparation for TOEFL & IELTS, English for Professionals, Corporate Training and Teacher's Training. Currently, ENGLISH EXPRESS has 10 centres in India. Aptech plans to open about 20 ENGLISH EXPRESS centres across the country in 2010-11.

N-POWER

N-POWER offers courses in Hardware & Networking created by leading companies such as Microsoft and Cisco through 54 domestic and 2 international centres. In 2009-10, 11 domestic centres and 1 international centre were added to the N-POWER network. Bookings grew to Rs. 853.76 lacs in the 15 month period from January, 2009 to March, 2010 as compared to Rs. 587.42 lacs in the 12 month period from January, 2008 to December, 2008. The 3-year B.Sc Degree in Hardware, Networking and Digital Communication offered in collaboration with the Karnataka State Open University received good response during the year. The mainline career programme N-POWER Certified Enterprise Systems Engineer (NCESE) went for an overhaul and the NCESE-Remote Infrastructure Management (RIM) programme was also launched in this period.

AVALON Academy

AVALON Academy is the Aviation, Hospitality and Travel & Tourism education brand of the Company. The AVALON network consists of 59 domestic centres. 8 new domestic centres were added to the AVALON network during the year. AVALON is the only aviation training academy that not only offers cabin crew training but also University Degrees & Diplomas (including BBA and MBA) in ground staff, aviation and airport management. AVALON has a strategic relationship with leading international and domestic airlines whereby AVALON offers 100% assistance in the job placement process.

For the hospitality sector, AVALON offers a two-year Advanced Diploma in Hospitality Management in collaboration with the Vinayaka Missions University. The students also have an option of doing hospitality course for 1 year and gain honours certification. For the Travel & Tourism sector, AVALON offers a 1-year Diploma in Travel & Tourism in association with Thomas Cook, the global leader in the Travel & Tourism sector.

International Retail (excluding China)

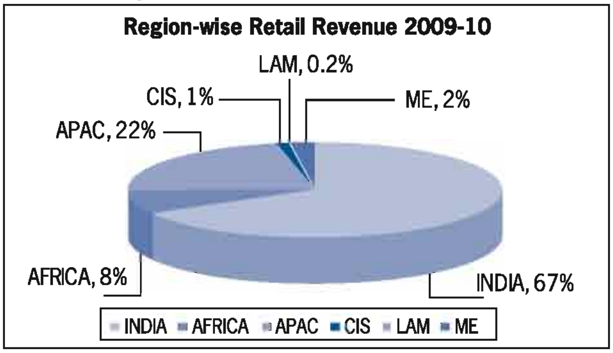
Aptech's operations are spread across 40 countries in 5 continents. As of 31st March, 2010, 160 international centres were in operation. This includes 106 Aptech Computer Education centres, 52 ARENA centres, and 2 N-POWER centres. New centres commenced operations in Vietnam, Russia, Mali, Oman, Nepal and Pakistan. The Company now has a wider portfolio of brands for international expansion with the addition of ENGLISH EXPRESS and MAAC. There is also an increasing demand for aviation and hospitality courses from several countries and Aptech is looking at expanding the AVALON footprint beyond India in the near future. In line with this, the Company has already signed-up the first AVALON international centre in Malaysia.

In a landmark achievement, Aptech commemorated 10 years of success in Vietnam. Since 1999, Aptech has trained over 40,000 Vietnamese students through its network of 42 centres in the areas of Information Technology, Animation & Multimedia and Hardware & Networking. Aptech Vietnam won the Top ICT Vietnam Cup and ICT 2010 Gold medal for the 8^{th} year in a row. The Company also received the '5 stars' title for being the biggest IT training unit in Vietnam.

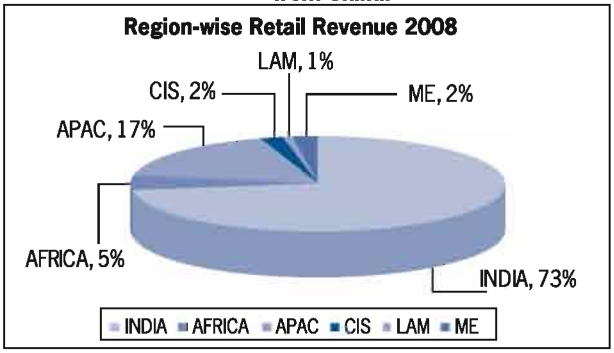
During the year, Aptech invested in high growth regions by forming Joint Ventures (JVs) in Philippines and Brazil. A JV agreement was signed with the New Life Group Inc, a Filipino company to expand Aptech's presence in Philippines. Aptech entered into Brazil through a JV with FALGO EMPREENDIMENTOS E PARTICIPAÇÕES S.A. (Falgo Group) and MAC BALLESTEROS PARTICIPAÇÕES LTDA. To begin with, the JV would primarily focus on the IT training business through the Aptech Computer Education brand. Aptech's foray into Brazil will help the Company to develop, expand and focus better on the entire Latin American region.

Revenues from ARENA in the international segment have grown by more than 45% in 2009-10 (normalised for twelve months) as compared to 2008, while the revenues from N-POWER have more than doubled during the same period. ARENA Pakistan was awarded the 'Brand of the Year' 2009 in the category of Multimedia Training Institutes by the Ministry of Industries and Production of Pakistan. The award was handed over by the Hon'ble Prime Minister of Pakistan Mr. Yousuf Raza Gilani.

Further, ENGLISH EXPRESS expanded its footprint in the international region with centre sign-ups in Pakistan, Iran, Qatar, Saudi Arabia, Sudan, UAE and Russia. This is for the first time that the Company has launched its brand simultaneously (in less than 5 months of the India launch) in the international market. The Company believes there is huge growth potential for this brand across all emerging economies and views this as one of the thrust areas in the time to come. Aptech also entered into alliances with the Middlesex University for Nigeria and the Royal Melbourne Institute of Technology for Vietnam and Malaysia for various courses.



Please note that the above chart does not depict revenues from China.



Please note that the above chart does not depict revenues from China.

China

As a part of the restructuring exercise that was pursued by the Company since last year towards unlocking shareholder value in the China JV, after obtaining all the requisite approvals from appropriate authorities and in terms of the Framework Agreement and the Definitive Agreements that were earlier executed with China JV company (Beijing Aptech Beida Jade Bird Information Technology Company Limited), the Company during the month of May, 2009 sold its 50% equity interest in the said China JV company for Rs. 106.58 crore. The initial cost of this investment was Rs. 2.21 crore which was done during the period 1999 to 2005.

In May 2009, Aptech acquired 22.4% shares amounting to Rs. 108.13 crore in BJB Career Education Company Limited (BJBC) through its one of the step down subsidiaries in Mauritius. The Company believes that this investment will result in better returns post the proposed listing of BJBC. As provided in the Definitive Agreements of BJBC, one board seat is granted to Aptech.

In the absence of 'significant influence' post this restructuring, the reporting of the Company's 22.4% stake in BJBC will be reflected under Accounting Standard 13 as an 'Investment' in the Company's consolidated accounts starting from the period ending 31st March, 2010.

NON-RETAIL

ATTEST

Aptech has a strong presence in the Testing and Certification space through its brand ATTEST. The number of tests conducted in 2009-10 were 13,10,461 in comparison to 8,22,843 in 2008. The revenues grew by over 52% in 2009-10. A new lead generation and brand building campaign was launched during the year, with focus on deans and directors of educational institutions. ATTEST also entered into an alliance with ISB&M School of Communication, Pune for test delivery and content apart from successfully rolling out solutions for Institute of Company Secretaries of India, New Delhi, Institute of Management Technology, Ghaziabad and Maharashtra Institute of Technology, Pune. Several initiatives were undertaken to optimise costs and focus on account development.

Training Solutions

Aptech caters to the IT, customer interface and soft skills training needs of organisations across verticals such as Automobiles, Retail, Telecommunications, Hospitality, BFSI, Government and Academic sectors through its Training Solutions division. During the year, a new lead generation campaign was launched, targeting HR and training heads of various PSUs and other corporates. The Company is aiming to achieve a healthy mix of public sector and private sector contracts. To this effect, Aptech provided training solutions to employees of several public sector banks. Further, Aptech has entered into an exclusive tie-up with the Institute of Company Secretaries of India (ICSI), the apex body governing Company Secretaries in the country to impart quality IT training to ICSI students and members across India.

Other initiatives include the reorganisation of the division into sales and delivery to achieve cost efficiencies. Aptech is also in the process of setting up its Training Solutions operations in East India which will be based out of Kolkata. The focus is now on generating business from manpower intensive sectors as well as lower-to-middle management personnel. Going forward, Aptech also expects to generate significant business from public sector companies where the contracts are generally of long-term duration (24-36 months).

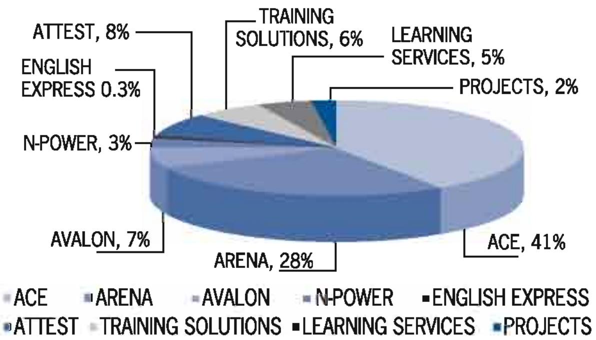
Government Projects

In the Government school projects business, the Company has completed all pending contracts. Going forward, the Company will only bid for Government projects which are not capital intensive and where training constitutes the majority of the order value. The Company has been able to recover significant sums outstanding against various such projects and thereby reduce the net exposure from Rs. 143.79 million on 31st December, 2008 to Rs. 26.69 million on 30th June, 2010. Aptech is confident of recovering the entire balance in the time to come.

Learning Services

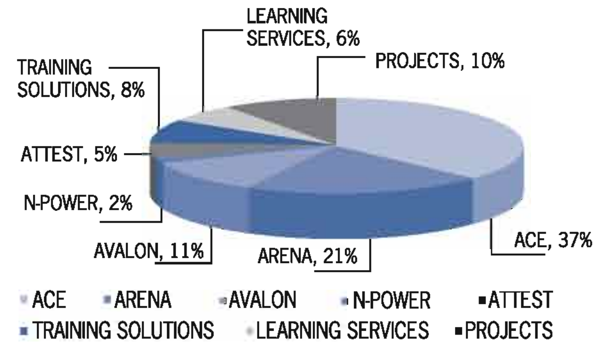
The Learning Services division of the Company develops content for eLearning and Instructor Led Training (ILT), primarily for international clients. The division also develops content for various courses run by Aptech. This division has facilitated Aptech's ranking amongst the top 20 learning solutions companies worldwide. During 2009-10, the Learning Services division catered to the Auto, Energy and Technology verticals. The division also won the APEX® international award for publication excellence from Communication Concepts.

Brand-wise Revenue 2009-10



Please note that the above chart does not depict revenues from China.

Brand-wise Revenue 2008



Please note that the above chart does not depict revenues from China.

3. OPPORTUNITIES

According to the International Monetary Fund's World Economic Outlook projections, released in July, 2010, India's GDP growth is expected to accelerate to 9.4% in 2010. India's growth forecast for 2011 is estimated at 8.4%.

(http://www.thehindubusinessline.com/2010/07/09/stories/2010070954690100.htm)

The strong fundamentals of the economy coupled with domestic demand are expected to drive this growth. India is a young country with two-thirds of the people under the age of 35 (FICCI-KPMG Indian Media & Entertainment Industry Report). Rapid urbanisation (by 2050, 55% of the country's population will be living in urban areas, amounting to 900 million people - http://www.un.org/apps/news/story.asp?NewsID=25762), rising disposable incomes and growing literacy levels (according to the Human Development Report 2009, the adult literacy rate in India is 66% - http://hdrstats.undp.org/en/indicators/99.html) will give a significant push to the economy in the coming years. With 572 million people in the age group of 0-24 years (this is double the entire population of USA) and 230 million students enrolling every year in the Indian education sector, there is a huge opportunity available for the Company (IDFC-SSKI Indian Education Sector Report February, 2010).

4. OUTLOOK

While recovery has firmly taken root in the global economy, challenges continue to exist in the current business environment. However, Aptech views these challenges as opportunities to grow the business. The Company will continue to launch new products, strengthen its brand and increase its footprint in the domestic as well as the international markets. Currently the international segment contributes around 33% of the retail revenues of the Company. With our thrust on international expansion we see this number growing steadily in the next few years. Further, Aptech will now focus on improving the performance of its newer brands and growing its established businesses.

5. RISKS AND CONCERNS

Aptech is bound to encounter risks as it capitalises on new opportunities to expand its business operations. These risks include political risk, competition risk, technology obsolescence risk, human resource management risk and currency fluctuation risk. The Company has devised a robust risk management policy to control and mitigate the above risks to maximise opportunities and minimise adversity. Besides, risk management and mitigation are an integral part of the decision making process at all levels of the Company. The Company's business model is highly de-risked given its diversification across geographies and different verticals of the Education sector. Given the present opportunity in the global Education industry, the Company's unmatched international reach, multiple scaled brands, large network of franchisees, ability to quickly develop and deploy new or upgraded courses and impeccable track record of customer satisfaction, Aptech is well poised to lead a robust growth path.

6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

The internal audit and internal control procedures adopted in Aptech are adequate and commensurate with the size and the complexity of the business. The Company continuously upgrades its systems in line with the best available practices. These systems are supported by periodical reviews by the management and standard policies and guidelines to ensure that financial and other records are prepared accurately. All major expenses are controlled and business plans are monitored so that the actual spending is in accordance with the budget. A well defined organisational structure, internal controls, defined authority matrix and documented policy guidelines ensure compliance with internal policies and applicable laws and regulations, efficiency of operations and protection of resources.

7. STUDENT DEVELOPMENT (FORMERLY KNOWN AS EDUCATION DELIVERY CONTROL & QUALITY)

The Student Development department has played a critical role in fine tuning Aptech's "Student Centric Learning Methodology" that has evolved over the last two decades. In line with the Company's continuous efforts to give a better experience to the customer, a number of initiatives were launched during the year with renewed enthusiasm. The Content Development department was brought under the portfolio of the Student Development function to ensure quick integration of feedback from all four stakeholders viz. academicians, industry experts, business partners and students.

Books were supplied to students along with an interactive CD which gave them an opportunity to learn at their own pace. For Animation related courses, student portfolios were built under the guidance of a mentor and evaluation with feedback from an industry expert was arranged. Each career course student of IT Training was given an experience of an e-project again under the guidance of a mentor.

The Customer Care cell offers a platform for anyone to give feedback, suggestions or register a grievance. The student centric model demands uniform standards of education delivery across all locations and hence, the scope of systems audit was enhanced to cross check the adherence level of franchisees to the processes laid down in manuals by Aptech.

8. ASIAN INSTITUTE OF COMMUNICATION AND RESEARCH (AICAR) BUSINESS SCHOOL

Aptech runs the AICAR business school in the outskirts of Mumbai at Neral with the aim to create a world class, residential centre of learning with unparalleled standards of management and communication practice. Amongst India's leading business schools, all courses at AICAR are approved by the All India Council for Technical Education (AICTE), Ministry of HRD, Government of India. AICAR has won several prestigious awards including the Business School Leadership Award and the Innovation in Teaching Methodology Award at the World HRD Congress. AICAR has also been rated Category 'A' by Business India – India's Best B-School survey – 2008 and 2009.

During the year, several of the facilities were upgraded and a significant branding and promotional campaign was undertaken through tie-ups with Career Launcher and websites like mbauniverse.com, shiksha.com, etc.; advertisement in Education Times and various road shows. In addition to classroom teaching, strong emphasis was laid on field based projects, workshops, industrial visits, guest lectures from industry veterans and case study projects. 50 out of 54 students from the Batch of 2009 were successfully placed during the year. Further, AICTE has recently approved the launching of the PGDM course in Banking, Insurance & Finance as well as the PGDM course in Aviation at the AICAR business school.

9. DISCUSSION ON CONSOLIDATED FINANCIAL PERFORMANCE

2009-10 is a 15 month reporting period for the Company.

Total Income: The Company recorded a Total Income of Rs. 16,282.19 Lacs.

EBIDTA: The Company's EBIDTA stood at Rs. 2,600.07 Lacs.

PAT: The Company recorded Profit After Tax (PAT) amounting to Rs. (2,296.66) Lacs.

The retail segment of the business contributed to around 80.91% of the total revenues. Currently around 23.77% of the Company's revenue was in foreign currency.

10. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Aptech's strong management team and its motivated and talented employees are its biggest strength. The Company aims to employ best-in-class talent and has put in place robust policies to ensure the growth and progress of its employees. As on 31st March, 2010, Aptech had 508 employees on its payrolls. With focused sourcing and more efficient processes, the median lead time to fill in vacancies was improved from 41 days to 39 days. Significant emphasis was also laid on enhancing managerial capability at the senior management level by hiring senior personnel to propel the Company towards stronger and more sustainable growth.

Other initiatives include the commencement of the summer internship and management trainee programme with the students from AICAR, Narsee Monjee Institute of Management Studies (Mumbai), SP Jain Institute of Management & Research (Mumbai) and Prin. L.N. Welingkar Institute of Management Development & Research. 8 summer interns and 4 management trainees joined the Company. Further, performance management workshops for managers were launched through the e-learning mode. Aptech also completed the process of automation of the appraisal procedure for all segments as well as the development of the e-induction programme.

11. CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, changes in Government regulations, tax laws and other factors such as litigation and industrial relations.

CORPORATE GOVERNANCE

PHILOSOPHY:

Your Company believes that Corporate Governance is critical to sustaining corporate development, increasing productivity and competitiveness. The governance process should ensure that available resources are utilized in a manner that meets the aspirations of all its stakeholders. Your Company's essential charter is shaped by the objectives of transparency, professionalism and accountability. The Company continuously endeavors to improve on these aspects on an ongoing basis.

BOARD OF DIRECTORS:

Composition:

The Board of Directors provide strategic direction and thrust to the operations of the Company. The Board has a Non-Executive Chairman who is the Promoter of the Company and the number of Independent Directors are one-half of the total number of Directors. The number of Non-Executive Directors (NEDs) are more than 50% of the total number of Directors. None of the Directors on the Board is a Member on more than 10 Committees and Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. Hence, the Company complies with the listing agreement norms for Composition of Board of Directors.

Attendance at Meetings:

During the 15 months period ended 31st March, 2010 under review, the Board of Directors met 9 times on 31st January, 2009, 14th March, 2009, 31st March, 2009, 29th April, 2009, 9th May, 2009, 20th July, 2009, 10th August, 2009, 31st October, 2009 and 27th January, 2010. The gap between two meetings did not exceed three months.

The names and categories of the Directors on the Board, their attendance at Board Meetings during the period and at the last Annual General Meeting held on 25th September, 2009, and also the number of Directorships and Committee Memberships held by them in other companies are given below:

Names of the Directors	Category	No. of Board Meetings attended during the period ended 31st March, 2010	Whether attended AGM held on 25th September, 2009	No. of Directorships in other public companies incorporated in India as on 31st March, 2010	No. of Committee positions held in other public companies incorporated in India as on 31st March, 2010	
					Chairman	Member
Mr. Rakesh Jhunjhunwala, Chairman	Promoter Non-Independent Non-Executive	5	Yes	9	Nil	1
Mr. C. Y. Pal, Vice Chairman	Independent Non-Executive	9	Yes	3	2	1
Mr. Utpal Sheth	Promoter Non Independent Non-Executive	8	No	8	Nil	Nil
Mr. Asit Koticha	Promoter Non-Independent Non-Executive	7	Yes	Nil	Nil	Nil
Mr. Rajiv Agarwal	Promoter Non-Independent Non-Executive	7	No	4	Nil	1
*Mr. Pramod Khera	Non-Independent Non Executive	8	Yes	1	Nil	Nil
Mr. Ramesh S. Damani	Independent Non-Executive	7	Yes	Nil	Nil	Nil
Mr. Yash Mahajan	Independent Non-Executive	3	No	2	Nil	1
Mr. Vijay Aggarwal	Independent Non-Executive	6	Yes	5	1	2
**Mr. Ashish Pant	Independent Non-Executive	0	No	Nil	Nil	Nil
***Mr. Ninad Karpe, Managing Director & CEO	Non Independent Executive	9	Yes	3	2	2
Mr. Walter Clifford Saldanha	Independent Non-Executive	9	Yes	Nil	Nil	Nil

*Mr. Pramod Khera resigned as the Managing Director of the Company with effect from March 31, 2009, however he continues as the Non-Executive Director of the Company with effect from 1st April, 2009.

** Mr. Ashish Pant has resigned as Director vide his letter dated 20th May, 2010 which was accepted by the Board of Directors at its meeting held on 31st May, 2010.

*** Mr. Ninad Karpe who was appointed as Chief Executive Officer & Executive Director of the Company at the meeting of the Board of Directors of the Company held on January 31, 2009, was appointed as the Managing Director of the Company designated as "Managing Director & CEO" with effect from 1st April, 2009. The shareholders at the annual general meeting held on 25th September, 2009 had approved his appointment for the period upto 31st January, 2014.

Necessary Declaration has been furnished by all the Independent Directors of the Company to confirm that :

a. Apart from receiving Director's Sitting Fees, the Directors do not have any material pecuniary relationships or transactions with the Company, its promoters, its directors, its senior management or its holding company, its subsidiaries and associates which may affect independence of the Director;

b. Is not related to promoters or persons occupying management positions at the Board level or at one level below the Board;

c. Has not been an executive of the Company in the immediately preceding three financial years;

d. Is not a partner or an executive or was not a partner or an executive during the preceding three years, of any of the following :

   (i) The statutory audit firm or the internal audit firm that is associated with the Company and

   (ii) The legal firm(s) and consulting firm(s) that have a material association with the Company.

e. Is not a material supplier, service provider or customer or a lessor or lessee of the Company, which may affect independence of the Director; and

f. Is not a substantial shareholder of the Company i.e., owning two percent or more of the block of voting shares.

g. Is not less than 21 years of age.

Other Provisions:

The Company also confirms that it did not have any material pecuniary relationship or transaction with any Non-Executive Director during the period ended 31st March, 2010, except for the payment of Sitting Fees made to them for attending the Board and/or the Committee meetings.

The information as required under Annexure 1 to Clause 49 of the listing agreement is being made available to the Board. The Audit Committee of the Board of Directors periodically review the compliance report submitted by the Managing Director regarding compliance with the various laws applicable to the Company.

Code of Conduct:

The Board of Directors have laid down a code of conduct for all Board Members and Senior Management of the Company. The said code of conduct has been posted on the website of the Company. Further all the Board Members and Senior Management personnel have affirmed compliance with the said code of conduct for the period ended 31st March, 2010. Necessary declaration to this effect signed by the Managing Director forms a part of the Annual Report of the Company for the period ended 31st March, 2010.

AUDIT COMMITTEE:

The Composition of the Audit Committee as on 31st March, 2010 is as follows:-

Mr. C.Y. Pal (Chairman)

Mr. Ramesh S. Damani

Mr. Vijay Aggarwal

All the members of Audit Committee are Independent Directors. Statutory auditors, Internal auditors and CFO attend the meetings of the Committee at the invitation of the Chairman. The Company Secretary acts as the Secretary of the Committee. All the members are financially literate and possess necessary expertise in finance or accounting or any other comparable experience or background.

The Company has complied with the requirements of Clause 49 (II) (A) as regards composition of Audit Committee.

In accordance with Clause 49(II)(D) of the Listing Agreement, the role of the Audit Committee includes the following:

(a) Oversight of the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible.

(b) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the Statutory Auditors and the fixation of audit fees and approving payments for any other services rendered by them.

(c) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:

   - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956;
   - Changes, if any, in accounting policies and practices and reasons for the same;
   - Major accounting entries involving estimates based on the exercise of judgment by Management;
   - Significant adjustments made in the financial statements arising out of audit findings;
   - Compliance with listing and other legal requirements relating to financial statements;
   - Disclosure of any related party transactions;
   - Qualifications in the draft audit report.

(d) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval, with particular reference to:

   Matters required, focusing primarily on:

   - Any changes in accounting policies and practices.
   - 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 the accounting standards.
   - Compliance with Stock Exchanges and legal requirements concerning financial statements.
   - Any related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of Company at large.

(e) Reviewing , with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

(f) Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.

(g) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

(h) Discussion with internal auditors of any significant findings and follow up thereon.

(i) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

(j) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

(k) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

(l) To review the functioning of the Whistle Blower mechanism, in case the same is existing.

(m) Reviewing the Company's financial and risk management policies.

(n) Carrying out any other function as is mentioned in the terms of reference for the Audit Committee.

The Audit Committee has also been granted powers as prescribed under Clause 49 (II) (C).

Further as per the requirements of Clause 49 (II) (E), the Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by Management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

During the year under review, the Committee met 7 times on 31st March 2009, 29th April, 2009, 2nd June, 2009, 20th July, 2009, 10th August, 2009, 31st October, 2009 and 27th January, 2010 with a gap of not more than four months. The details of the meetings attended by the Directors are given below:

Names of Members	Category	No. of Meetings attended during the period ended 31st March, 2010
Mr. C. Y. Pal – Chairman	Independent, Non-Executive	7
Mr. Ramesh S. Damani	Independent, Non-Executive	7
Mr. Vijay Aggarwal	Independent, Non-Executive	6

The Chairman of the Audit Committee, Mr. C. Y. Pal, was present at the Annual General Meeting held on 25th September, 2009.

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

During the year under review, the Committee met 4 times on 31st March, 2009, 20th July, 2009, 31st October, 2009 and 27th January, 2010.

The Composition of the Shareholders/Investors Grievance Committee along with the details of the meetings attended by the Directors are given below:

Names of Members	Category	No. of Meetings attended during the period ended 31st March, 2010.
Mr. Ramesh S. Damani – Chairman	Independent, Non-Executive	4
Mr. Asit Koticha	Promoter, Non Independent, Non-Executive	3
Mr. C. Y. Pal	Independent, Non-Executive	4

The Committee is empowered to consider and approve matters relating to transfer and transmission of shares, issue of duplicate share certificates, dematerialisation of shares and other share related matters.

Name and Designation of Compliance Officer:

Mr. Ketan H. Shah

Group Company Secretary & General Manager (Legal)

Status of Complaints received during the period ended March 31, 2010 :

Nature of Complaints	Received	Resolved	Pending
Relating to Transfer, Transmission, etc.	Nil	Nil	Nil
Other / Miscellaneous	5	5	Nil
TOTAL	5	5	Nil

Pending Transfers:

There were no pending transfers as on 31st March, 2010.

REMUNERATION COMMITTEE:

During the year under review, the Remuneration Committee met 5 times on 14th March, 2009, 29th April, 2009, 9th May, 2009, 27th January, 2010 and 24th February, 2010. The composition of the Remuneration Committee along with the details of the meeting attended by the Directors are given below :

Names of Members	Category	No. of Meetings attended during the period ended 31st March, 2010
Mr. Vijay Aggarwal – Chairman	Independent, Non-Executive	4
Mr. Utpal Sheth	Promoter, Non-Independent, Non-Executive	5
Mr. C. Y. Pal	Independent, Non-Executive	5

The Chairman of the Committee, Mr. Vijay Aggarwal was present at the Annual General meeting held on 25th September, 2009.

The terms of reference of the Remuneration Committee are as follows :

a) To determine the Company's policy on specific remuneration packages for Managing Director/Whole-time Director including pension rights and any compensation payment.

b) To do such other acts, deeds, matters and things as are necessary for or incidental to the carrying out of any of the above functions.

The matters relating to remuneration of Managing Director/Whole time Director is decided by the Board of Directors based on the recommendations of the Remuneration Committee and as per the terms approved by the shareholders at the General Meeting.

Pursuant to the Ordinary resolution passed by the Shareholders at the Extraordinary General meeting of the Company held on September 16, 2006, the Shareholders had approved the re-appointment of Mr. Pramod Khera as the Managing Director of the Company with effect from December 28, 2006 for a period of five years on a revised scale of remuneration as per the terms of his contract of reappointment approved by them at the said meeting and in accordance with the overall limits specified under the Schedule XIII of the Companies Act, 1956. The service contract entered by the Company with Mr. Pramod Khera contained the detailed terms and conditions of his re-appointment, including the term of notice period which was at 6 months by either side or salary in lieu thereof.

However, with effect from 1st April, 2009, Mr. Pramod Khera resigned as Managing Director but continues as a Non-Executive Director on the Board.

Pursuant to the Ordinary Resolution passed by the Shareholders at the Annual General Meeting of the Company held on 25th September, 2009, the Shareholders had ratified the appointment of Mr. Ninad Karpe as the Executive Director & CEO for the period 1st February, 2009 to 31st March, 2009 and approved his appointment as the Managing Director & CEO for the period from 1st April, 2009 upto 31st January, 2014 on a remuneration of Rs. 8,75,750/- per month plus perquisites as per the terms of his contract of appointment and in accordance with the overall limits specified under the Schedule XIII of the Companies Act, 1956.

The details of remuneration paid to Mr. Pramod Khera and Mr. Ninad Karpe during the period ended 31st March 2010 are as follows:

Particulars of remuneration	**Amount (in Rs.)**	
	Mr. Pramod Khera (Period : January 1, 2009 to 31st March 2009)	**Mr. Ninad Karpe (Period : 1st February 2009 to 31st March 2010)**
Salary & Allowances	5,669,220	1,03,14,332
Perquisites	—	—
Contribution to Provident Fund, Superannuation Fund and Gratuity	5,191,374	8,86,662
TOTAL	10,860,594	11,200,994

For the duration of the tenure of Mr. Pramod Khera during the period ended 31st March 2010, the remuneration paid to him has exceeded the limits specified under Section I of Part II of Schedule XIII of the Companies Act,1956 by Rs. 46,81,225/- and the Company has applied to the Central Government for waiver of the excess remuneration paid to Mr. Pramod Khera and the approval is awaited.

Pursuant to the Aptech Equity Option Plan formulated in 2006, for the benefit of the employees of the Company and its subsidiaries, following are the details of options granted, vested, exercised and lapsed during the year in respect of the Directors.

Aptech Equity Option Plan 2006

Name of the Director	**Options Granted in 2007**	**Options Vested in 2008**	**Qualified Options Exercised in 2008**	**Exercise Period**	**Exercise Price (Rs.) paid per share at the time of allotment**	**Details of corresponding allotment of Equity Shares of Face Value Rs. 10/- each made during 2008**	**Balance options lapsed during the period**
Mr. Pramod Khera	*2,65,000	39750	30000	One Year from the respective vesting Date	Rs. 113/-	30000	225250
Mr. C.Y. Pal	#50,000	50000	NIL	One Year from the respective vesting Date	Rs. 113/-	N.A.	50000
Mr. Vijay Aggarwal	#25,000	25000	NIL	One Year from the respective vesting Date	Rs. 113/-	N.A.	25000
Mr. Yash Mahajan	#5,000	5000	NIL	One Year from the respective vesting Date	Rs. 113/-	N.A.	5000
Mr. Ramesh Damani	#15,000	15000.	NIL	One Year from the respective vesting Date	Rs. 113/-	N.A.	15000
Mr. Ninad Karpe **	#5,000	5000	5000	One Year from the respective vesting Date	Rs. 113/-	5000	NIL

* These Options were performance linked options subject to graded vesting over a period of four years from the grant date i.e. 15% on 4th May, 2008, 20% on 4th May, 2009, 25% on 4th May, 2010 and 40% on 4th May, 2011 subject to being qualified for vesting based on annual performance. 225250 options for Mr. Pramod Khera lapsed due to his resignation as Managing Director on 31st March, 2009.

These Options were due for vesting after the expiry of 12 months from the grant date. The options for Non-Executive Directors who did not exercise within the exercise period were lapsed.

** 5000 options granted on 4th May, 2007, to Mr. Ninad Karpe, the then Non-Executive Director, had a vesting period of 1 year. Accordingly, the said options had vested in him on 4th May, 2008, and as Mr. Ninad Karpe had exercised the entire options at a price of Rs. 113/- per option, corresponding 5000 equity shares of face value Rs. 10/- each were allotted to him by the Company in 2008. During the period ended 31st March, 2010, 2,65,000 Options were granted to Mr. Ninad Karpe, Managing Director & CEO which are performance linked options subject to vesting after one year from the grant date i.e. 62,353 on 29th April, 2010, 77,941 on 4th May, 2010 and 1,24,706 on 4th May, 2011 subject to being qualified for vesting based on annual performance.

Details of shareholding of non-executive directors other than promoter directors in the Company as on 31st March 2010 are as follows:

Names of Directors	Category	No. of shares
Mr. Pramod Khera	Non-Independent Non-Executive	201115
Mr. C. Y. Pal	Independent Non-Executive	50000
Mr. Ramesh Damani	Independent Non-Executive	12500
Mr. Vijay Aggarwal	Independent Non-Executive	250000

The Non-Executive Directors (NEDs) do not draw any remuneration from the Company except the Sitting Fees which is paid to them for attending Board/Committee meeting(s) (hereinafter referred to as "meeting").

The details of the Sitting Fees paid to the Non-Executive Directors for the period ended 31st March 2010 are as follows:

Names of the Directors	Amount (in Rs.)
Mr. C. Y. Pal	5,25,000.00
Mr. Ramesh S. Damani	2,70,000.00
Mr. Yash Mahajan	45,000.00
Mr. Vijay Aggarwal	3,30,000.00
Mr. Walter Saldanha	1,35,000.00
Mr. Pramod Khera (after his resignation as Managing Director)	75,000.00
Mr. Ninad Karpe (before he became Managing Director)	15,000.00
TOTAL	**13,95,000.00**

Subsidiary Companies:

The Company does not have any material non-listed Indian subsidiary company which falls within the definition of Clause 49 (III).

Disclosures:

(a) Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company:

Apart from the related party transactions mentioned in the Notes to Accounts, which in the opinion of the Company does not have potential conflict with the interests of the company, there are no materially significant related party transactions during the period under review that may have potential conflict with the interests of the Company.

(b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

No penalties and strictures have been imposed by any statutory authorities on matters relating to capital markets during the last three years.

(c) Though the Company does not have a Whistle Blower policy in place, the Company maintains a website known as 'Aptalk' which is a platform developed exclusively for all Aptech employees to Connect, Converse & Collaborate. This site helps employees to know their colleagues, to share information & industry news with them, to exchange their thoughts and collaborate together to create a vibrant online community of Aptech employees all over the world. This site is open to all members who have been assigned an Aptech e-mail ID. Further the Company holds open house meetings, skip level meetings, exit interviews, etc., wherein the employees are encouraged to freely express the various issues faced by them within the Company and the same are noted by the HR Division for escalation and necessary resolution.

(d) Details of compliance with mandatory requirements and adoption of the non mandatory requirements of Clause 49 :

All the mandatory items of Clause 49, as listed below, have been complied with and covered in this report :

(i) Brief statement on Company's philosophy on code of governance;

(ii) Board of Directors;

(iii) Audit Committee;

(iv) Remuneration Commit tee;

(v) Shareholders Committee;

(vi) General Body Meetings;

(vii) Disclosures;

(viii) Means of Communication;

(ix) General Shareholder Information;

In respect of the non-mandatory requirements of Clause 49, the Company has complied with the following:

Remuneration Committee has been constituted by the Company which comprises three Directors and all of them are Non-Executive Directors. The composition of this Committee has been detailed earlier in this report. Mr. Vijay Aggarwal, the Chairman of this Committee is an Independent Director.

Board Disclosures:

The Company has initiated the process for laying down procedures to inform Board members about the risk assessment and minimization procedures.

CEO and CFO Certification:

In terms of Clause 49 (V), Mr. Ninad Karpe, Managing Director & CEO and Mr. T. K. Ravishankar, CFO and Executive Vice-President have issued certificates to the Board of Directors which forms a part of the Annual Report of the Company for the year ended 31st March, 2010.

General Body Meetings:

Details of the last three Annual General Meetings along with the details of the Extraordinary General Meetings held from the year 2007 to 2009-10 are given below, in the ascending order :

2007: (i) The Seventh Annual General Meeting of the Company was held on 28th June, 2007 at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021 at 4.30 p.m.

(ii) An Extraordinary General Meeting of the Company was held on 15th March, 2007 at Kamalnayan Bajaj Hall, Ground Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021 at 4:30 p.m.

2008: (i) The Eighth Annual General Meeting of the Company was held on 23rd December, 2008 at Kamalnayan Bajaj Hall, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021 at 4.00 p.m.

2009-10 (i) The Ninth Annual General Meeting of the Company was held on 25th September, 2009 at Ambassador Hotel, 'Panorama', 1st Floor, V.N. Road, Churchgate, Mumbai 400 020 at 4.30 p.m.

(ii) An Extraordinary General Meeting of the Company was held on 24th February, 2010 at Walchand Hirachand Hall, Indian Merchants Chamber, IMC Building, IMC Marg, Churchgate, Mumbai 400020 at 3.30 p.m.

(ii) An Extraordinary General Meeting (Court Convened Meeting) of the Company was held on 6th March 2010 at Kamalnayan Bajaj Hall, Ground Floor, Bajaj Bhawan, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai – 400 021 at 3:30 p.m.

Details of the Special Resolutions passed during the last three years including in the previous three Annual General Meetings:

At the Seventh Annual General Meeting held on 28th June, 2007, Special Resolution was passed pertaining to the following business:

- Increase in the total strength of Directors from twelve to fifteen.

At the Eighth Annual General Meeting held on 23rd December, 2008, no Special Resolution was passed.

At the Ninth Annual General Meeting held on 25th September 2009 no Special Resolution was passed.

Postal Ballot: In terms of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution By Postal Ballot) Rules, 2001, Special resolution was passed by way of a Postal Ballot on 24th March, 2009 pursuant to provisions of Section 372A according consent of the Members, to the Board of Directors of the Company ("the Board") (which term shall be deemed to include any Committee which the Board may have constituted or hereafter constitute for the time being exercising the powers conferred on the Board by this resolution) , to acquire, by way of subscription, purchase or otherwise the securities of any other body corporate, upto a limit not exceeding Rs. 200,00,00,000/- (Rupees Two Hundred Crores only) on such terms and conditions and at such price as the Board may in its absolute discretion deem fit, notwithstanding that the aggregate of the securities so far acquired or to be acquired in all bodies corporate may exceed the limits prescribed under Section 372A of the Companies Act, 1956.

At Extraordinary General Meeting of the Company held on 24th February, 2010 a Special Resolution was passed for empowering the Board of Directors to issue and allot by way of preferential allotment of 21,96,773 equity shares at a price of Rs. 216/- per share in accordance with SEBI ICDR guidelines to certain shareholders of Maya Entertainment Limited in terms of the Share Purchase Agreement dated 27th January, 2010.

At Extraordinary General Meeting (Court Convened Meeting) of the Company held on 6th March 2010, a Special Resolution was passed unanimously by the shareholders through ballots and approved the Scheme of Amalgamation of Aptech Software Limited with Aptech Limited.

Means of Communication :

• Is Half yearly report sent to each household of shareholders	:	No
• Quarterly Results -		
Which newspapers normally published in	:	Free Press Journal, Navshakti
• Any Website, where displayed	:	www.aptech-worldwide.com
• Whether it also displays, official news releases and presentations made to institutional investors / analysts	:	Yes
• Whether MD & A is a part of Annual Report	:	Yes

General Shareholder Information :

AGM : Date, Time and Venue	:	Monday, 27th September, 2010 at 12.00 noon Walchand Hirachand Hall, Indian Merchants' Chambers, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020.

As required under Clause 49 (VI) (A), particulars of Directors seeking appointment/re-appointment are given in the Explanatory Statement to the Notice of the Annual General Meeting to be held on Monday, 27th September, 2010.

Financial Calendar :

A. Next Financial Year	:	1st April, 2010 to 31st March, 2011
B. First Quarter results	:	to be published by 15th August, 2010
C. Second Quarter results	:	to be published by 15th November, 2010
D. Third Quarter results	:	to be published by 15th February, 2011
E. Results for the year ending 31st March, 2011	:	to be published by end May, 2011
Date of Book Closure	:	Monday, 20th September, 2010 to Monday, 27th September, 2010
September 2010 (both days inclusive)		
Dividend Payment Date	:	Within 30 days of Annual General Meeting, if declared

Listing of Equity Shares : The Company's equity shares are listed on the following Stock Exchanges in India

(i) Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai – 400 001

(ii) The National Stock Exchange of India Limited,
Exchange Plaza, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051

The Company has paid the annual listing fees to the above Stock Exchanges for the financial year 2009-2010

Stock Code

The Code for the Company's shares is as follows:

Bombay Stock Exchange Limited	:	532475
The National Stock Exchange of India Limited	:	APTECHT
ISIN No. for Shares in Dematerialised Mode	:	INE266F01018

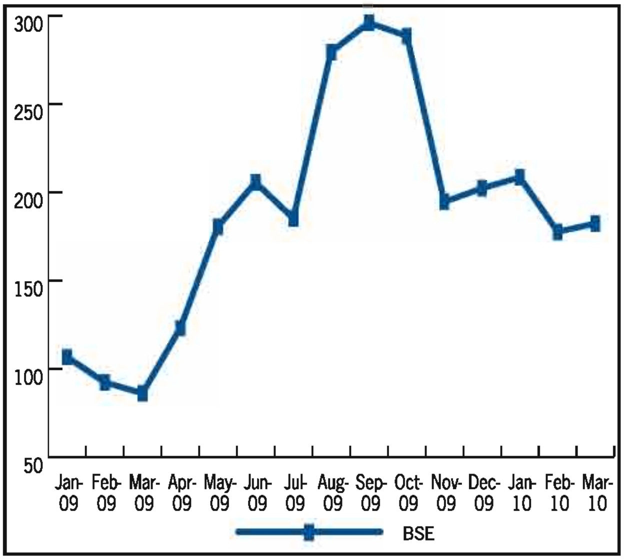
Market Information:

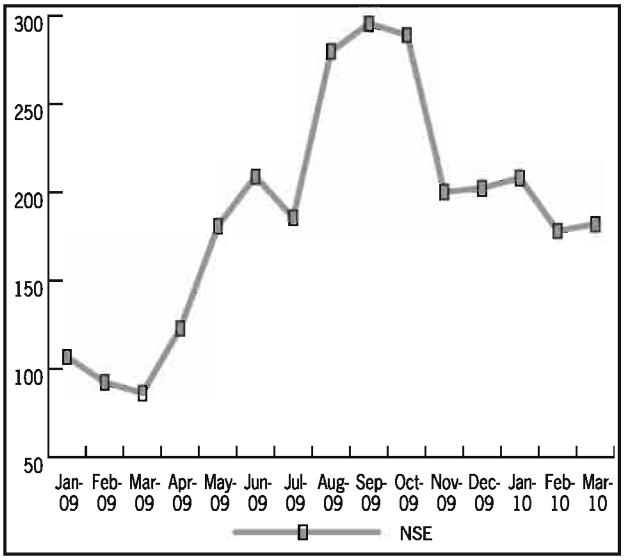
Aptech Share Price Data:

Month and Year	Bombay Stock Exchange Limited (Rs.)		The National Stock Exchange of India Limited (Rs.)	
	High	Low	High	Low
January 2009	106.70	65.00	106.70	65.00
February 2009	92.40	71.30	92.45	70.10
March 2009	86.25	64.75	86.20	64.80
April 2009	123.00	82.70	122.90	82.50
May 2009	180.50	94.10	180.70	93.50
June 2009	205.40	150.25	208.75	150.60
July 2009	185.20	127.35	185.50	127.25
August 2009	279.50	171.25	279.65	171.50
September 2009	296.00	250.40	295.45	250.05
October 2009	288.50	178.65	288.95	178.80
November 2009	194.50	157.25	200.00	161.50
December 2009	202.10	167.00	202.20	167.00
January 2010	208.25	161.80	207.95	161.30
February 2010	177.65	152.95	178.10	158.85
March 2010	182.30	164.15	182.00	165.40

(Source: www.bseindia.com and www.nseindia.com)

Stock Performance : (Indexed)





Registrar and Share Transfer Agents : M/s. Sharepro Services (India) Private Limited
13AB Samhita Warehousing Complex,
2nd floor, Sakinaka Telephone Exchange Lane,
off. Andheri kurla Road, Andheri (East), Mumbai - 400 072.
Contact Person: Mrs. Indira Karkera
Tel. No. : 91-22-67720400
Fax No. : 91-22-28591568
E-mail : sharepro@shareproservices.com
Business Hours : Monday to Friday
(10.00 a.m. to 5.00 p.m.)

M/s. Sharepro Services (India) Private Limited
912, Raheja Centre,
Free Press Journal Road, Nariman Point,
Mumbai - 400 021.
Tel. No. : 91-22-2288 1568/2288 1569
Fax No. : 91-22-22825484

Share Transfer System:

Share Transfers in physical form can be lodged with Sharepro Services at any of the above mentioned addresses.

Such transfers are normally processed within 30 days from the date of receipt, the documents are in order in all respects. The Shareholders/ Investors Grievance Committee usually approves the transfer of shares once in every 15 days.

Distribution of Shareholding:

	As on March 31, 2010				As on December 31, 2008			
No. of Equity shares held	No. of Shareholders	% of Shareholders	Total No. of Shares held	% of Shareholding	No. of Shareholders	% of Shareholders	Total No. of Shares held	% of Shareholding
1-500	94258	95.96	6042942	12.98	84695	96.31	4814514	10.35
501-1000	1912	1.95	1551665	3.33	1434	1.63	1149312	2.47
1001-2000	974	0.99	1499965	3.22	846	0.97	1280609	2.76
2001-3000	315	0.32	803366	1.73	272	0.31	691488	1.49
3001-4000	169	0.17	611356	1.31	142	0.16	507680	1.09
4001-5000	166	0.17	788546	1.70	135	0.15	633048	1.36
5001-10000	204	0.21	1530763	3.29	185	0.21	1373334	2.95
10001 and above	230	0.23	33721731	72.44	230	0.26	36051999	77.53
TOTAL	**98228**	**100.00**	**46550334**	**100.00**	**87939**	**100.00**	**46501984**	**100.00**

Categories of shareholding:

Sr. No.	As on March 31, 2010				As on December 31, 2008		
	Category	No. of Shareholders	No. of Shares	Voting Strength	No. of Shareholders	No. of Shares	Voting Strength
1	Promoter & Promoter Group	6	17464603	37.52	5	16504403	35.49
2	Mutual Funds	7	2558	0.01	15	1049617	2.26
3	Banks / Financial Institutions / Insurance Companies (Central / State Government Institutions / Non-Government Institutions)	41	57901	0.12	33	85207	0.18
4	FIIs	26	6555072	14.08	31	8820616	18.97
5	NRIs	2838	642721	1.38	2763	568676	1.22
6	OCBs	1	1	0.00	1	1	0.00
7	Foreign Financial Banks	–	–	–	6	106	0.00
8	Domestic Companies	1709	6358436	13.66	1801	5864969	12.61
9	GDR	1	15651	0.03	1	16671	0.04
10	Trust	1	4802	0.01	1	4802	0.01
11	Indian Public	93598	15448589	33.19	83282	13586916	29.22
	TOTAL	**98228**	**46550334**	**100.00**	**87939**	**46501984**	**100.00**

Dematerialization of Shares and liquidity:

Trading in the Equity Shares of the Company is permitted only in dematerialized form. Over 98.01% of the Company's Share Capital was dematerialized as on 31st March, 2010.

The Company's shares are regularly traded on Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity:

1. 31302 Global Depository Receipts of erstwhile Aptech Limited (hereinafter "Old GDRs") (P.Y. 33342) representing 15651 underlying equity shares (2 GDR equals 1 Equity Share) of face value Rs. 10/- each are outstanding as on 31st March, 2010

2. Under the Employee Stock Option Scheme (ESOS), 2006, (hereinafter the "Scheme") in respect of the performance based options granted to employees which were due for vesting in 2010, 72,750 options qualified for vesting, of which 48,350 options were exercised by eligible employees by making payment of the exercise price @ Rs. 113/- per equity share and accordingly corresponding 48,350 equity shares of face value Rs. 10/- each has been allotted by the Company. Accordingly as on 31st March, 2010, total allotment made under the Scheme is 1,36,717 equity shares of face value Rs. 10/- each.

During the period 2,83,000 options were lapsed on account of resignations from employees and 2,65,000 Options were granted to Mr. Ninad Karpe, Managing Director & CEO which are performance linked options subject to vesting after one year from the grant date i.e. 62,353 on 29th April, 2010, 77,941 on 4th May, 2010 and 1,24,706 on 4th May, 2011 subject to being qualified for vesting based on annual performance.

If the balance 6,19,150 Options granted to existing employees would have exercised by them resulting in corresponding allotment of equity shares by the Company, then the issued and paid up capital of the Company will go up by 6,19,150 equity shares of face value Rs. 10/- each.

Company's Office Address:

Registered and Corporate Office:

Aptech House, A-65, M.I.D.C., Marol,
Andheri (East), Mumbai – 400 093.
Tel.: +91-22-28272300/01
Fax : +91-22-28272399
E-mail: investor_relations@aptech.ac,in
Website: www.aptech-worldwide.com

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of Aptech Limited

We have examined the compliance of conditions of Corporate Governance by Aptech Limited ('the Company') for the year ended 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
Khimji Kunverji & Co
Chartered Accountants
Firm Registration No. 105146W

Shivji K Vikamsey
Partner (F–2242)

Place : Mumbai
Date : 12th August, 2010

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) IN ACCORDANCE WITH CLAUSE 49 V OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

We, Ninad Karpe, CEO and Managing Director and T. K. Ravishankar, CFO and Executive Vice President, of Aptech Limited, hereby certify that :

a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2010 and that to the best of our knowledge and belief :

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements 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 our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2010 which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee :

   (i) significant changes in internal control 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 statements; and

   (iii) instances of significant fraud of which they 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.

Ninad Karpe
Chief Executive Officer
and Managing Director

T. K. Ravishankar
Chief Financial Officer
and Executive Vice President

Place : Mumbai
Date : 12th August, 2010

DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO) AS PER CLAUSE 49 (I) (D) (ii) OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGES

I, Ninad Karpe, CEO & Managing Director of Aptech Limited, hereby declare that, as per the requirements of Clause 49 (I) (D)(ii) of the Listing Agreement with the Stock Exchanges, all the Board Members and the Senior Management Personnel of the Company have affirmed their compliance with the Aptech Code of Conduct, for the year ended 31st March, 2010 over financial reporting.

Ninad Karpe
Chief Executive Officer
and Managing Director

Place : Mumbai
Date : 12th August, 2010

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of APTECH LIMITED

1. We have audited the attached Consolidated Balance Sheet of **APTECH LIMITED** (hereinafter referred to as "the Company") and its Subsidiaries (hereinafter collectively referred to as the 'Group') as at 31st March, 2010 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the period from 1st January, 2009 to 31st March, 2010 (hereinafter referred to as 'the period'). These financial statements are the responsibility of Aptech Limited's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. 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. We report that the Consolidated Financial Statements (CFS) have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21 'Consolidated Financial Statements' and AS 27 'Financial Reporting of Interests in Joint Ventures', notified under Companies (Accounting Standards) Rules, 2006.
4. Included in these CFS are Assets of Rs. 2,223,276,459 as at 31st March, 2010, revenue of Rs. 11,352,181 and net cash inflow amounting to Rs. 262,034 for the period then ended of 7 (Seven) Subsidiaries, which have not been audited by us. These have been audited / certified by other auditors, whose reports have been furnished to us, and in our opinion, in so far as it relates to the amounts included in respect of these subsidiaries are based solely on the reports of those respective auditors.
5. Further the CFS includes Assets of Rs. 9,669,399 as at 31st March, 2010, Revenues of Rs. Nil and Net Cash Outflow of Rs. 275 for the period then ended of a Subsidiary which are based on unaudited financial statements of that Subsidiary, and our opinion in so far as it relates to those amounts is based solely on such unaudited financial statements.
6. Attention is drawn to Note No. B-5 of Schedule 16 stating the details of revising the Financial Statements for/as at the end of the period, in supersession of previously approved Financial Statements for/as at the end of the same period, inter alia, for the reason of the Scheme of Amalgamation of Aptech Software Limited (a wholly owned subsidiary) with the Company becoming effective consequent to receipt of necessary approvals, subsequent to the date of earlier approval of the financial statements by the Board of Directors of the Company.
7. Attention is drawn to Note No. B.25 (B) of Schedule 16 regarding the payment of Remuneration by certain subsidiaries to their Directors, which in the opinion of the Company, are not covered under the limits specified and requirements of disclosures as per the Companies Act, 1956, on which we are unable to express our opinion.
8. Attention is drawn to Note No B.25 (A) of Schedule 16 the payment of remuneration in excess of amount payable as per provisions of the Act to the Managing Director aggregating Rs. 4,681,225 for which application for approval of Central Government is being made by the Company.
9. Based on our audit and on consideration of reports of other auditors on separate financial statements/management certification and on the other financial information of the components and to the best of our information and according to the explanations given to us, we are of the opinion that the attached CFS, read with Para 4, 6, 7 and subject to Para 5 and 8 above, give a true and fair view in conformity with the accounting principles generally accepted in India:
   (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2010;
   (b) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the period ended on that date; and
   (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the period ended on that date.

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2010

Particulars	Schedule	As at 31st March, 2010 Rupees	As at 31st March, 2010 Rupees	As at 31st December, 2008 Rupees	As at 31st December, 2008 Rupees
SOURCES OF FUNDS					
SHAREHOLDERS' FUNDS					
Share Capital	1	465,503,340		465,019,840	
Warrants		1,363,283		1,411,633	
Stock Option Outstanding	2	25,513,412		45,719,893	
Reserves and Surplus	3	1,504,794,816		2,045,533,030	
			1,997,174,851		2,557,684,395
LOAN FUNDS					
Secured Loans	4	238,064,192		189,407,635	
			238,064,192		189,407,635
Minority Interest (Refer Note No. B 3 (iii) of Schedule "16")			1,776,401		–
TOTAL FUNDS EMPLOYED			2,237,015,444		2,747,092,031
APPLICATION OF FUNDS					
FIXED ASSETS	5				
Gross Block		1,214,001,755		1,268,227,901	
Less: Accumulated Depreciation and Impairment		809,882,295		741,709,265	
		404,119,460		526,518,636	
Capital work-in-progress including capital advances		7,341,990		2,875,420	
Net Block			411,461,450		529,394,055
Investments	6		1,081,320,756		–
Deferred Tax Asset (Refer Note No. B-22 of Schedule "16")			–		309,489,972
CURRENT ASSETS, LOANS AND ADVANCES	7				
Inventories		16,322,256		38,781,694	
Sundry Debtors		273,776,660		448,664,260	
Cash and Bank Balances		393,861,533		1,901,718,113	
Loans and Advances		320,766,920		148,173,180	
		1,004,727,369		2,537,337,247	
Less:					
CURRENT LIABILITIES AND PROVISIONS	8				
Current Liabilities		176,911,827		610,905,502	
Provisions		83,582,304		18,223,741	
		260,494,131		629,129,243	
NET CURRENT ASSETS			744,233,238		1,908,208,004
TOTAL FUNDS UTILISED			2,237,015,444		2,747,092,031
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	16				

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet

As per our attached report of even date

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

For and on behalf of the Board of Directors

Ninad Karpe
Managing Director

C. Y. Pal
Vice Chairman

T. K. Ravishankar
Executive Vice President & CFO

Ketan Shah
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE FIFTEEN MONTHS ENDED 31ST MARCH, 2010

Particulars	Schedule	For the period from 1st January, 2009 to 31st March, 2010 Rupees	Rupees	For the year ended 31st December, 2008 Rupees	Rupees
INCOME					
Income from Operations	9	1,576,429,133		2,739,217,905	
Other Income	10	51,790,765		64,689,751	
			1,628,219,898		2,803,907,656
EXPENDITURE					
Training & Education Expenses	11	413,240,384		688,235,556	
Marketing and Advertisement Expenses	12	134,419,628		480,969,072	
Payments to and Provision for Employees	13	454,892,493		484,454,157	
Administration and Other Expenses	14	365,660,220		452,390,331	
Interest and Finance Expenses (Net)	15	36,164,727		22,982,287	
Depreciation and Amortisation	5	156,763,607		173,539,744	
			1,561,141,059		2,302,571,147
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX			67,078,839		501,336,509
EXCEPTIONAL ITEMS					
Provision for Rebate		–		(108,000,000)	
Profit/(Loss) on Sale of Subsidiary/JVS		11,850,165		(41,721,538)	
Tax Refund (Institutional Project)		20,000,000			
Net Dimnution in Value of Long Term Investment Written Back		–	–	15,144,628	
			31,850,165		(134,576,910)
PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS			98,929,004		366,759,599
Provision for Taxation					
- Income Tax		208,804,637		179,670,247	
- MAT Credit Entitlement		(101,818,059)			
- Fringe Benefit Tax		1,081,000		9,146,122	
- Wealth Tax		125,350		156,842	
- Deferred Tax		220,402,396		(264,388,468)	
			328,595,324		(75,415,257)
PROFIT/(LOSS) AFTER TAX			(229,666,320)		442,174,856
Less: Minority Interest			(6,208,434)		(2,224,798)
PROFIT/(LOSS) AFTER TAX AND MINORITY INTEREST			(223,457,886)		444,399,654
PROFIT/(LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR			719,641,557		275,241,904
Less: Proposed Dividend			48,275,737		–
Less: Dividend Distribution Tax			8,017,996		–
BALANCE CARRIED TO BALANCE SHEET			439,889,937		719,641,557
Earning Per Share (Refer Note No. B-19 of Schedule "16")					
- Basic			(4.80)		9.70
- Diluted			(4.80)		9.66
[Nominal Value of Share Rs.10 (Previous Year Rs.10)]					
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	16				

The schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account

As per our attached report of even date

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

For and on behalf of the Board of Directors

Ninad Karpe
Managing Director

C. Y. Pal
Vice Chairman

T. K. Ravishankar
Executive Vice President & CFO

Ketan Shah
Company Secretary

CASH FLOW STATEMENT FOR THE FIFTEEN MONTHS ENDED 31ST MARCH, 2010

Particulars	For the period from 1st January, 2009 to 31st March, 2010		For the year ended 31st December, 2008	
	Rupees	Rupees	Rupees	Rupees
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) Before Tax		98,929,004		366,759,599
Adjustments For:				
Warrants Written Back	(48,350)		–	
Employee Stock Compensation Net Recovery (2006 Scheme)	(16,024,205)		21,905,342	
ESOP Write Back	(4,182,275)			
Depreciation and Amortisation	156,763,607		173,539,744	
Provision for Rebates	–		108,000,000	
Provision for Bad debts	67,210,047		72,578,767	
Bad debts Written-Off	13,385,894		–	
Profit on Sale of Subsidiary (China)	(11,850,165)		–	
Tax Refund (Institutional Project)	(20,000,000)		–	
Interest and Finance Costs/(Income) (Net)	(360,027)		1,875,433	
Liability no longer required	(11,849,780)		(15,144,628)	
Unrealised Exchange Loss/(Gain)	2,270,462		14,616,923	
Loss/(Profit) on Sale of Investment	–		41,721,538	
Loss/(Profit) on Sale of Fixed Assets (Net)	32,560		1,076,764	
		175,347,767		420,169,882
Operating Profit Before Working Capital Changes		274,276,771		786,929,481
Adjustments for Working Capital Changes				
Decrease/(Increase) in Inventory	4,717,391		(7,912,038)	
Decrease/(Increase) in Sundry Debtors	50,601,705		(132,637,856)	
Decrease/(Increase) in Loans and Advances - Other than Subsidiaries	111,660,265		(9,528,777)	
Increase/(Decrease) in Current Liabilities and Provisions	13,182,008		222,121,973	
Impact of Foreign Currency Translation Reserve	(685,036,770)		258,805,379	
		(504,875,401)		330,848,680
Cash From/(used) in Operating Activities		(230,598,630)		1,117,778,162
Wealth Tax Paid (Net)	(168,820)		(182,832)	
Income Tax Paid (Net)	(186,234,877)		(135,959,085)	
		(186,403,697)		(136,141,917)
Net Cash From/(used) in Operating Activities		(417,002,327)		981,636,245
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(92,531,875)		(145,728,664)	
Sale of Fixed Assets	24,335,971		15,116,587	
Purchase of Investment	(1,081,320,756)		–	
Minority Interest Paid	–		(1,941,753)	
		(1,149,516,660)		(132,553,830)
Net Cash used in Investing Activities		(1,149,516,660)		(132,553,830)

CASH FLOW STATEMENT FOR THE FIFTEEN MONTHS ENDED 31ST MARCH, 2010

Particulars	For the period from 1st January, 2009 to 31st March, 2010		For the year ended 31st December, 2008	
	Rupees	Rupees	Rupees	Rupees
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of Share Capital/Warrants (ESOP and Preferential Issue)/Share Premium	9,645,825		276,147,400	
Repayment of Borrowings	–		(46,778,030)	
Increase in Borrowings/(Repayment) (Net)	51,000,000		(54,000,000)	
Increase/(Reduction) of Cash credit facility from bank	(2,343,443)		118,058,649	
Interest (paid)/received (Net)	360,027		(1,875,433)	
Net Cash from Financing Activities		58,662,409		291,552,586
Net (Decrease)/Increase in Cash & Cash equivalents		(1,507,856,579)		1,140,635,000
Cash & Cash equivalents at the beginning of the year		1,901,718,112		761,083,112
Cash & Cash equivalents at the end of the year		393,861,533		1,901,718,112
		(1,507,856,579)		1,140,635,000

Notes:

1) Cash and Cash equivalents include cash and bank balances in current accounts and deposit accounts (Refer Schedule 6C of the Balance Sheet)
2) Cash and Cash equivalents include:

	As at 31st, March, 2010 Rupees	As at 31st, December, 2008 Rupees
Cash and Bank balance		
Amount in EEFC Account	66,676,338	6,325,234
Amount in Fixed Deposit Account	319,209,601	283,034,624
Amount in Other Cash & Bank Account	7,975,594	1,612,358,254
Total Cash and Cash equivalents	393,861,533	1,901,718,112

3) Proceeds from borrowings reflect the increase in secured and unsecured loans and is net of repayments.
4) Additions to fixed assets, sale of fixed assets and loans and advances given to Subsidiaries are considered as part of investing activities.
5) Previous period figures have been regrouped wherever necessary to correspond with the figures of the current year.

As per our attached report of even date
For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

For and on behalf of the Board of Directors

Ninad Karpe
Managing Director

C. Y. Pal
Vice Chairman

T. K. Ravishankar
Executive Vice President & CFO

Ketan Shah
Company Secretary

SCHEDULES TO CONSOLIDATED BALANCE SHEET

Particulars	As at 31st March, 2010 Rupees	Rupees	As at 31st December, 2008 Rupees	Rupees
SCHEDULE '1' - SHARE CAPITAL				
AUTHORISED				
60,000,000 (Previous year 60,000,000) Equity Shares of Rs. 10 each		600,000,000		600,000,000
		600,000,000		600,000,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL				
46,550,334 (Previous year 46,501,984) Equity Shares of Rs.10/- Each Fully Paid		465,503,340		465,019,840
Of the above:				
1. During the year 48,350 Equity Shares (Previous year 88,367) of Rs. 10 each fully paid-up allotted under Employees Stock Option Scheme 2006 @ Rs.113 per share (Refer Note No. B-12 of Schedule "16")				
2. 18,147,437 Equity Shares of Rs. 10 each fully paid-up had been allotted in accordance with the Scheme of demerger of the training division of erstwhile Aptech Limited into the Company for consideration other than cash				
3. 15,651 Equity Shares (Previous year 16,671) of Rs. 10 each fully paid up represented by 31,302 (Previous year 33,942) Global Depository Receipts (GDRs) of USD 7.175 each				
4. During the previous year 2,662,000 Equity Shares of Rs. 10/- each fully paid-up, had been allotted to the current Promoters on conversion of warrants				
		465,503,340		465,019,840
SCHEDULE '2' - STOCK OPTIONS OUTSTANDING				
ESOP-2006 SCHEME				
Employee Stock options outstanding	30,633,975		73,433,659	
Less: Deferred Employee compensation outstanding (Refer Note No. B-12 of Schedule "16")	5,120,563		27,713,766	
		25,513,412		45,719,893
SCHEDULE '3' - RESERVES AND SURPLUS				
FOREIGN CURRENCY FLUCTUATION RESERVE				
Balance as per last accounts	258,501,223		(16,899,185)	
Addition during the year	426,872,287		275,400,408	
Deletion on sale of Subsidiaries/JV's	(685,205,140)	168,370	–	258,501,223
CAPITAL REDEMPTION RESERVE		88,480,000		88,480,000
CAPITAL RESERVE				
Balance as per last accounts	150,046		150,046	
Deletion on sale of Subsidiaries/JV's	(150,046)	-	–	150,046
SECURITIES PREMIUM ACCOUNT				
Balance as per last accounts	967,094,184		676,111,137	
Add : Additions during the year (Refer Note no. B-12 of schedule "16")	9,162,325		290,983,047	
		976,256,509		967,094,184
GENERAL RESERVE				
Balance as per last accounts	11,666,020		11,666,020	
Deletion on sale of Subsidiaries/JV's	(11,666,020)		–	
		-		11,666,020
SURPLUS IN PROFIT & LOSS ACCOUNT		439,889,937		719,641,557
		1,504,794,816		2,045,533,030

SCHEDULES TO CONSOLIDATED BALANCE SHEET

Particulars	As at 31st March, 2010 Rupees	As at 31st March, 2010 Rupees	As at 31st December, 2008 Rupees	As at 31st December, 2008 Rupees
SCHEDULE '4' - SECURED LOANS				
From Banks				
- Working Capital Demand Loan		**91,000,000**		40,000,000
- Cash Credit		**142,556,121**		146,777,631
- Vehicle Loans		**4,508,071**		2,630,004
		238,064,192		189,407,635

1) Working Capital Demand Loan and Cash Credit facility from banks are secured as under:

   a) Working Capital Demand Loan are secured by equitable mortgage on title deeds of the Company's immovable properties situated at Pune, Chennai, Bangalore, Mumbai and Baroda. All tangible movable fixed assets which include Plant and Machinery, Furniture and Fittings, Computers and Vehicles (other than those stated in Note No. 2 below) including Stocks and Book Debts at all locations specified has been hypothecated vide the supplementary deed with the bank dated 25th June, 2003.

   b) Cash credit from bank is secured by hypothecation of fixed deposit with the said bank .

2) Vehicle loans are secured by charge on the concerned vehicles purchased.

SCHEDULE - '5' – FIXED ASSETS

(Rupees)

Particulars	GROSS BLOCK					DEPRECIATION AND AMORTISATION						IMPAIRMENT			NET BLOCK	
	As at 01.01.2009	Additions	Deletion on Sale of Joint Venture/ Subsidiary	Deductions/ Adjustments	**As at 31.03.2010**	As at 01.01.2009	For the year	Deletion on Sale of Joint Venture/ Subsidiary	Deductions/ Adjustments	Intercomp Adjustments	**As at 31.03.2010**	As at 01.01.2009	For the year	**As at 31.03.2010**	**As at 31.03.2010**	As at 31.12.2008
Freehold Land	29,333,500	–	–	–	**29,333,500**	–	–	–	–	–	**–**	–	–	**–**	**29,333,500**	29,333,500
Buildings	162,491,695	–	–	–	**162,491,695**	16,000,650	3,986,132	–	–	–	**19,986,782**	–	–	**–**	**142,504,913**	146,491,044
Computer Hardware	143,636,471	21,325,073	–	39,322,011	**125,639,534**	111,214,208	25,804,124	–	26,934,924	–	**110,083,407**	–	–	**–**	**15,556,126**	32,422,269
Office Equipment	54,945,912	8,146,018	22,229,605	2,695,638	**38,166,686**	17,616,072	2,803,733	10,868,752	268,642	240,520	**9,522,932**	–	–	**–**	**28,643,755**	37,329,841
Electrical fittings	28,091,805	1,082,262	–	7,477,213	**21,696,854**	13,296,785	4,530,011	–	6,430,510	–	**11,396,286**	–	–	**–**	**10,300,568**	14,795,004
Furniture and Fixtures	85,835,187	6,839,801	–	13,797,029	**78,877,958**	44,985,579	15,644,299	–	8,235,315	–	**52,394,563**	–	–	**–**	**26,483,395**	40,849,601
Vehicles	37,891,829	5,523,200	12,213,899	4,185,545	**27,015,586**	11,583,873	5,890,783	1,443,072	1,483,236	–	**14,548,348**	–	–	**–**	**12,467,238**	26,307,957
Intangible Assets																
Goodwill	105,440,598	–	–	–	**105,440,598**	57,288,115	13,149,393	–	–	–	**70,437,508**	–	–	**–**	**35,003,090**	48,152,483
Courseware	407,080,219	36,747,353	–	59,393	**443,768,178**	156,550,362	55,596,762	–	53,342	–	**212,093,781**	156,717,988	–	**156,717,988**	**74,956,409**	93,809,036
Computer Software	174,280,685	7,568,256	–	1,113,969	**180,734,972**	57,344,366	29,330,601	–	1,113,969	–	**85,560,998**	67,111,932	–	**67,111,932**	**28,062,042**	49,824,389
Patents	39,200,000	836,193	39,200,000	–	**836,193**	31,999,336	27,769	31,999,336	–	–	**27,769**	–	–	**–**	**808,424**	7,200,664
Total	**1,268,227,901**	**88,068,156**	**73,643,504**	**68,650,798**	**1,214,001,755**	**517,879,345**	**156,763,607**	**44,311,160**	**44,519,938**	**240,520**	**586,052,375**	**223,829,920**	**–**	**223,829,920**	**404,119,460**	**526,518,636**
Total (Previous year)	1,666,178,903	197,366,821	–	595,320,670	1,268,227,901	821,820,353	173,539,746	–	471,748,365	5,732,388	517,879,345	312,797,924	(88,868,004)	223,829,920	526,518,636	531,560,909

SCHEDULES TO CONSOLIDATED BALANCE SHEET

Particulars	As at 31st March, 2010 Rupees	Rupees	As at 31st December, 2008 Rupees	Rupees
SCHEDULE '6' - INVESTMENTS				
Long-term Investment (At Cost)				
Unquoted:				
55,684,931 Equity Shares of a Face Value of US$ 0.000125 (Refer Note No. B-3 (vi) of Schedule "16")		**1,081,320,756**		–
		1,081,320,756		–
Note: Aggregate Book Value - Unquoted		**1,081,320,756**		–
SCHEDULE '7' - CURRENT ASSETS				
A. INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)				
Education and Training Materials		**16,322,256**		38,781,694
Total - A		**16,322,256**		38,781,694
B. SUNDRY DEBTORS				
(Unsecured, Considered Good Except Otherwise Stated)				
Due for Period Exceeding Six Months				
- Considered Good	**92,876,579**		177,011,209	
- Considered Doubtful	**181,852,145**		181,830,516	
- Considered Provision For Rebate	**163,000,000**		163,000,000	
Others Considered Good	**180,900,081**		271,653,051	
	618,628,804		793,494,776	
Less: Provision For Doubtful Debts	**344,852,145**		344,830,516	
(Refer Note Nos. B-16 & 17 of Schedule "16")				
Total - B		**273,776,660**		448,664,260
C. CASH AND BANK BALANCES				
1) Cash in Hand	**3,936,869**		231,791	
2) Balances with Scheduled Banks				
i) Current Accounts (including Exchange Earners Foreign Currency Accounts Rs. 66,676,338/- (Previous year Rs. 63,25,234/-)	**70,715,062**		58,252,643	
ii) Deposit Accounts (including Margin deposit Rs. 575,000/- (Previous year Rs. 575,000/-) and including interest accrued Rs. 21,451,611/- (Previous year Rs. 16,182,658/-) The above fixed deposit is under lien with bank for cash credit facility	**319,209,601**		283,034,624	
3) Balances with Non-Scheduled Banks on Current Accounts -				
Balances with Non-scheduled Banks				
South East Bank Ltd.	–		4,362	
Maximum balance during the year Rs. Nil (Previous year Rs. 4,362/-)				
Cash & Cash equivalents in China JV	–		1,560,194,692	
Total - C		**393,861,533**		1,901,718,113

SCHEDULES TO CONSOLIDATED BALANCE SHEET

Particulars	As at 31st March, 2010 Rupees	Rupees	As at 31st December, 2008 Rupees	Rupees
SCHEDULE '7' - CURRENT ASSETS (Contd.)				
D. LOANS AND ADVANCES				
(Unsecured, Considered Good Except Otherwise Stated)				
Advances Towards Share Application Monies (Brazil JV)	11,825,591		–	
Advances Recoverable in Cash or in Kind	9,571,858		40,045,313	
Deposits	33,394,880		31,427,878	
Advance Tax (Net of Provision for Tax Rs. 225,332,841/-(Previous year Rs. 118,418,782)	186,234,877		6,211,923	
Others	79,771,402		71,030,160	
	320,798,608		148,715,275	
Less: Provision	31,689		542,094	
Notes: Loans and advances includes				
a) Considered good Rs. 317,483,725/- (Previous year Rs. 148,173,180/-)				
b) Considered doubtful Rs. 31,689/- (Previous year Rs. 542,094/-)				
Total - D		320,766,920		148,173,180
Total		1,004,727,369		2,576,118,941
SCHEDULE '8' - CURRENT LIABILITIES AND PROVISIONS				
A. CURRENT LIABILITIES				
Sundry Creditors*	147,056,918		547,089,135	
		147,056,918		547,089,135
Unclaimed Dividend**		591,360		591,360
Franchisee/Other Deposits		3,913,409		14,611,088
Other Liabilities		25,350,140		48,613,919
		176,911,827		610,905,502
* Includes total dues outstanding to Micro, Small and Medium Enterprises (Refer Note No. B-27 of Schedule "16")				
** Includes amounts outstanding to be credited, as and when due, to Investor Education and Protection Fund.				
B. PROVISIONS FOR				
Compensated Absences	10,210,747		9,939,200	
Gratuity (Refer Note No. 21 of Schedule "16")	17,077,823		8,284,541	
Proposed Dividend on Equity Shares	48,275,737		–	
Provision for Tax on Proposed Dividend	8,017,996		–	
		83,582,304		18,223,741
		260,494,131		629,129,243

SCHEDULES TO CONSOLIDATED PROFIT AND LOSS ACCOUNT

Particulars	For the period from 1st January, 2009 to 31st March, 2010	For the year ended 31st December, 2008
	Rupees	Rupees
SCHEDULE '9' - INCOME FROM OPERATIONS		
Training and Education Income	1,392,502,551	2,560,806,615
Income from Testing Service Operations	124,239,279	76,174,000
Income from Content Development	59,687,302	102,237,290
	1,576,429,133	2,739,217,905
SCHEDULE '10' - OTHER INCOME		
Exchange Rate Gain (Net)	-	22,676,602
Liabilities no longer required written back	11,849,780	-
Interest Income	36,524,754	21,106,853
Miscellaneous Income	2,247,593	20,906,296
Profit on Sale of Assets	1,168,638	-
	51,790,765	64,689,751
SCHEDULE '11' - TRAINING AND EDUCATION EXPENSES		
Education, Training Expenses and Course Materials	103,698,857	341,039,105
Course Execution Charges	309,541,527	347,196,451
[Included Royalty Payment of Rs. Nil (Previous Year Rs. 4,110,435)]		
	413,240,384	688,235,556
SCHEDULE '12' - MARKETING AND ADVERTISEMENT EXPENSES		
Advertisement Expenses	132,927,539	476,042,594
Business Promotion	1,492,089	4,926,478
	134,419,628	480,969,072
SCHEDULE '13' - PAYMENTS TO AND PROVISION FOR EMPLOYEES		
Salary and Other Allowances	416,147,866	399,621,800
Contribution to Provident, Gratuity and Other Funds	32,897,822	49,428,150
Staff Welfare Expenses	21,871,010	13,498,865
ESOP Compensation Cost (Net)	(16,024,205)	21,905,342
	454,892,493	484,454,157

SCHEDULES TO CONSOLIDATED PROFIT AND LOSS ACCOUNT

Particulars	For the period from 1st January, 2009 to 31st March, 2010		For the year ended 31st December, 2008	
	Rupees	Rupees	Rupees	Rupees
SCHEDULE '14' - ADMINISTRATION AND OTHER EXPENSES				
Rent		63,815,434		54,154,900
Rates and Taxes		3,578,200		4,867,904
Travelling and Conveyance Expenses		53,887,887		62,658,059
Electricity Charges		23,003,392		20,184,556
Communication Expenses		27,401,572		23,575,670
Repairs and Maintenance				
- Buildings	352,082		619,068	
- Plant & Machinery	1,554,251		5,197,514	
- Others	12,031,100		7,704,961	
		13,937,432		13,521,543
Insurance Premium		861,273		872,783
Legal and Professional Charges		41,055,454		31,288,177
Provision for Doubtful Debts		67,210,047		72,573,954
Bad Debts/Advances/Stock written Off		13,385,894		1,276,033
Audit Fees		5,208,211		3,790,676
Safety and Security		16,859,131		13,883,296
Exchange Difference (Net)		6,944,403		–
Loss on Sale/Disposal of Fixed Assets		1,201,198		1,076,764
Director's Sitting Fees		1,592,354		919,729
Miscellaneous Expenses		25,718,338		147,746,288
		365,660,220		452,390,331
SCHEDULE '15' - INTEREST AND FINANCE EXPENSES				
Interest on				
- Term Loans	–		3,579,697	
- Working Capital Demand Loan	5,377,985		3,271,750	
- Others	27,489,274		13,547,870	
- Commitment & Finance Charges	3,297,468		2,582,971	
		36,164,727		22,982,287
		36,164,727		22,982,287

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

SCHEDULE "16"

A) SIGNIFICANT ACCOUNTING POLICIES:

(a) ACCOUNTING CONVENTION:

The Consolidated Financial Statements (CFS) comprises the financial statement of Aptech Ltd ("the Company") and its Subsidiaries, Joint Ventures and Associates (herein after collectively referred to as "Group Companies" and together as "Group"). The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year, unless otherwise mentioned in the notes. In case of BEIJING APTECH BEIDA JADE BIRD INFORMATION TECHNOLOGY CO., LTD. (China JV) the accounts are made in accordance with United States (U.S) Generally Accepted Accounting Principles (GAAP) (US GAAP) and In case of ACE Educação Profissional do Brasil S.A (BRAZIL S.A) the accounts are made in accordance with Brazilian Accounting Practices (Brazil AP) which was converted by management as per Indian Generally Accepted Accounting Principles (Indian GAAP).

(b) USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) PRINCIPLES OF CONSOLIDATION:

The CFS have been prepared in accordance with Accounting Standard 21 "Consolidated Financial Statements" (AS 21) and Accounting Standard 27 "Financial reporting of interests in Joint Ventures" (AS 27) and are prepared on the following basis:

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and transactions as per AS 21.

Interest in jointly controlled entities, where the Company is direct venturer, are accounted for using proportionate consolidation in accordance with AS 27. The difference between cost of the Company's interest in jointly controlled entities over its share of net assets in the jointly controlled entities, at the date on which interest is acquired, is recognised in the CFS as Goodwill or Capital Reserve as the case may be.

The excess/deficit of cost to the Company of its investment over its portion of net worth in the consolidated entities at the respective dates on which the investment in such entities was made is recognised in the Consolidated Financial Statements as goodwill/capital reserve.

Entities acquired during the year have been consolidated from the respective dates of their acquisition unless otherwise mentioned in the notes.

The CFS are prepared by using uniform accounting policies for like transactions and other events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible, are made in the CFS and are presented in the same manner as the Company's separate financial statements except otherwise stated elsewhere in this schedule. However, since certain subsidiaries/joint ventures which function in a different countries and have different regulatory environment, certain accounting policies differ in accordance with GAAP of the respective countries.

Translation of foreign subsidiary is done in accordance with Accounting Standard 11 (Revised) "The Effects of Changes in Foreign Exchange Rates" (AS 11). In case of foreign subsidiaries and joint ventures the financial statements have been translated into Indian rupees. The Assets and liabilities which are non integral have been translated at closing rate. The income and expenditure items have been translated at the average rate for the year. Resulting Exchange difference are accumulated in the foreign currency translation reserve account until the disposal of the investment.

In case of foreign subsidiaries which are integral the foreign exchange transaction is recorded at the rate of exchange prevailing on the date of transaction. Current assets and liabilities are translated at the year-end closing rates. The resulting exchange gain/ loss is reflected in the Profit and Loss Account.

The list of entities included in CFS is mentioned in Note B.1.

(d) FIXED ASSETS:

Fixed assets are stated at cost less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any cost, attributable to bringing the asset to its working condition for its intended use.

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortisation.

(e) DEPRECIATION AND AMORTISATION:

Depreciation on fixed assets is provided on Straight-Line Method at the rates and in the manner specified in the Schedule XIV of the Indian Companies Act, 1956, except,

i) Certain items of plant and machinery (including computers) installed at and used for institutional projects, and certain training centres which are depreciated over the number of years till the completion of the period of the contract when the assets are transferred to those parties.

ii) Vehicles purchased under the "Own Your Car" (OYC) scheme for the employees, which are depreciated over the period of the scheme.

iii) Goodwill arising on acquisition of business unit is amortised over a period of ten years.

iv) Depreciation on Buildings, Computer Hardware, Software, Courseware and Furniture and Fixtures acquired on or after 1st January, 2006 is provided at the following higher rates based on its estimated useful life –

Office Premises	3.33%
Furniture and fixtures	20.00%
Computers Hardware, Software and Courseware	33.33%

v) Depreciation on furniture and fixtures, which are installed at leasehold premises, are amortised over lease period.

vi) Depreciation on the fixed assets added/disposed off/discarded during the year has been provided on pro-rata basis with reference to the date of addition/disposition/discardation.

vii) Assets purchased during the year whose acquisition cost is Rs. 5,000 or less are depreciated fully in the month of purchase.

viii) The method and rates of depreciation of some of the foreign entities are different from that of the Company.

(f) IMPAIRMENT OF FIXED ASSETS:

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceed its recoverable value. An impairment loss, if any, is charged to the Profit and Loss Account in the year, in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

(g) BORROWING COSTS:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are charged to Profit and Loss Account in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(h) FOREIGN CURRENCY TRANSACTIONS:

Transactions in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using closing rate of exchange at the end of the period. The resulting exchange gain/loss is reflected in the Profit and Loss Account. Other non-monetary items, like fixed assets, investments in equity shares, are carried in terms of historical cost using the exchange rate at the date of transaction. Premium/discount, in respect of forward exchange contract is recognised over the life of the contracts. Profit/Loss on cancellation/renewal of forward exchange contract is recognised as income/expense for the period.

(i) INVESTMENTS:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market/fair value. Long-term investments are stated at cost. However, provision for diminution in the value is made to recognise a decline other than temporary in the value of long-term investments.

(j) INVENTORIES:

Inventory of educational course material is valued at cost or net realisable value whichever is lower. Cost is determined on Weighted Average basis.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(k) GOVERNMENT GRANTS:

Government Grants are recognised when there is reasonable assurance that the same will be received and attaching conditions are complied with. Revenue grants are recognised in the Profit and Loss Account. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to capital reserve.

(l) REVENUE RECOGNITION:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Training and Education Income

Revenue in respect of training and education services is recognised on rendering of services, only when it is reasonably certain that the ultimate collection will be made. The revenue from fixed time contracts is recognised over the period of contracts. For services rendered through franchisees only the Company's share of revenue is recognised.

ii) Sale of Education Course Materials

Initial franchise fees are recognized when all material services or conditions have been substantially rendered or satisfied as follows:

i. The Group has no remaining obligations or intent by Agreement, practice or law to refund any cash received or to forgive any unpaid receivables,

ii. the Group has rendered all services stipulated and required in the franchise agreement, and

iii. no other material conditions or obligations related to the determination of substantial performance exist. For all periods presented, these criteria were met upon the opening of the BJB-Aptech-franchised training centre. Renewal franchise fees are recognized when the above criteria have been met, which for all periods presented were met when the renewal agreement became effective. To the extent these conditions have not been met at the end of the reporting period, any initial and renewal franchise fees received are deferred and recognized as revenue in the period in which the conditions have been satisfied.

Revenue in respect of sale of education course materials is recognised on delivery of the course materials to the customers.

iii) Dividend

Dividend income is accounted for when the right to receive the payment is established.

In Case of China JV

Revenue is recognised when all of the following conditions are met: persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the price is fixed or determinable, and collectibility is reasonably assured. These criteria as they relate to each of the following major revenue generating activities are described below. Revenue is recorded, net of business tax, which is levied on the Company's revenues generated in the PRC at the rate of 5%.

a) Revenue from Franchise Fee

Franchise fee revenues primarily consist of initial and renewal franchise fees, marketing and advertising fees, and sale of textbooks and exam services to franchisees.

Initial and renewal franchise fee revenues

Initial franchise fees are recognised when all material services or conditions have been substantially rendered or satisfied as follows:

i. the Group has no remaining obligations or intent by Agreement, practice or law to refund any cash received or to forgive any unpaid receivables,

ii. the Group has rendered all services stipulated and required in the franchise agreement, and

iii. no other material conditions or obligations related to the determination of substantial performance exist. For all periods presented, these criteria were met upon the opening of the BJB-Aptech-franchised training centre. Renewal franchise fees are recognised when the above criteria have been met, which for all periods presented were met when the renewal agreement became effective. To the extent these conditions have not been met at the end of the reporting period, any initial and renewal franchise fees received are deferred and recognised as revenue in the period in which the conditions have been satisfied.

b) Area Agent Fee

The Group grants third-party sales agents the exclusive right to sell the Group's instructor training services and related instructor materials, textbooks and exam services to vocational schools, universities and colleges in designated territories for a contractually specified period of time, normally four to five years, and in return, the sales agents pay a non-refundable fee. The fee is deferred and recognised as revenue ratably on a straight-line basis over the period of the agreement.

c) **Marketing and Advertising Fees**

Beginning 1st January, 2006, franchisees are required to pay a monthly fee to the Group for marketing and advertising. The monthly fee is determined at the beginning of the year or upon entering into initial franchisee agreements for new franchisees during the year. Because the advertising is directed and controlled entirely at the Group's discretion, the marketing and advertising fee is recognised as revenue on a monthly basis when the fee is earned. Costs incurred by the Company for marketing and advertising are expensed as incurred.

d) **Sale of Textbooks and Exam Services**

The franchise agreements include terms for the continuing delivery of textbooks and provision of exam services to franchisees. Pursuant to the franchisee agreement, the Company delivers textbooks and provides exam services on a per enrolled student basis for which franchisees pay the Company a percentage of tuition fees, textbook fees and exam fees received from each enrolled student. The Company receives payment prior to the start of each course. Textbooks are delivered to the franchisees at the start of the course and exam services, which include organisation, proctoring, grading of exams, and the issuance of certificates of completion to students who pass the exam, are provided at the end of the course. Revenue allocated to exam services is deferred and recognised upon completion of the exam services. Revenue allocated to exam services is determined based upon the separate selling price the Company sells exam services to franchisees whose enrolled students apply for taking the exam without taking the relevant training for the course. The remaining portion of total cash collected at the beginning of each course is allocated to the sale of textbooks for which revenue is recognised when the textbooks are delivered, which is when risks and rewards of ownership have been transferred. To the extent textbooks have not been delivered or exam services have not been rendered, any fees received are deferred and recognised as revenue in the period in which textbooks are delivered or exam services are rendered. Under the Company's agreements with franchisees, textbooks are considered delivered when they reach the franchisee's location and are accepted by franchisees.

(iv) **Interest**

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(m) **RETIREMENT BENEFITS:**

Defined Contribution Plan

The Group makes defined contribution to Provident Fund and Superannuation Scheme which are recognised in the Profit and Loss Account on accrual basis.

Defined Benefit Plan

The Group's liabilities under Payment of Gratuity Act (funded) and long-term compensated absences are determined on the basis of actuarial valuation made at the end of each financial period using the projected unit credit method except for short-term compensated absences, which are provided on estimates. Actuarial gain and losses are recognised immediately in the statement of Profit and Loss Account as income or expenses. Obligation is measured at the present value of estimated future cash flows using the discounted rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

(n) **DERIVATIVE INSTRUMENTS:**

As per the ICAI Announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the Profit and Loss Account. Net gains are ignored.

(o) **EMPLOYEES STOCK OPTION PLAN ('ESOP'):**

The stock options granted are accounted for as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines,1999, issued by Securities and Exchange Board of India, whereby the intrinsic value of the option is recognized as deferred employee compensation. The deferred employee compensation is charged to Profit and Loss Account on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, to the extent of the amortised portion of value of lapsed portion. The costs incurred on account of ESOP granted to employees of subsidiary companies are recovered from the subsidiaries. The Employee Stock Option Account, net of any unamortised deferred employee compensation is shown separately as part of reserves.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(p) INCOME TAX:

Tax expense comprises of current and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

The Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. Deferred tax assets in case of China operations are recognised at appropriate tax rates based on reasonable certainty.

At each Balance Sheet date the Companies in the Group re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Companies in the Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the Companies in the Group will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement. The Companies in the Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

In Case of China JV

Income taxes are accounted for under the asset and liability method. Deferred income tax assets and liabilities are recognised for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and any operating loss and tax credit carry forwards. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The effect on deferred income tax assets and liabilities of a change in tax rates or tax laws is recognised in the consolidated statements of income in the period the change in tax rates or tax laws is enacted. A valuation allowance is provided to reduce the carrying amount of deferred income tax assets if it is considered more likely than not that some portion or all of the deferred income tax assets will not be realised.

On 1st January, 2007, the Company adopted Financial Accounting Standards Board ("FASB") Interpretation No. 48, Accounting for Uncertainty in Income Taxes — an Interpretation of FASB Statement No. 109 ("FIN 48"). FIN 48 clarifies the accounting for uncertain tax positions. This interpretation requires that an entity recognises in the consolidated financial statements the impact of a tax position, if that position is more likely than not of being sustained upon examination, based on the technical merits of the position. Recognised income tax positions are measured at the largest amount that is greater than 50% likely of being realised. Changes in recognition or measurement are reflected in the period in which the change in judgment occurs. The initial adoption of FIN 48 did not have any impact on the Company's consolidated financial position or results of operations. The Company has elected to classify interest and penalties related to unrecognised tax benefits, if and when required, as part of income tax expense in the consolidated statements of income.

(q) SEGMENT REPORTING POLICIES:

Identification of Segments

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

Inter segment Transfers

The Group generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of Common Costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Items

Includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

(r) EARNINGS PER SHARE:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(s) OPERATING LEASE:

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Profit and Loss Account as per terms of lease agreement.

(t) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liabilities are possible but not probable obligations as on the Balance Sheet date, based on the available evidence.

Department appeals, in respect of cases won by the Company, are also considered as contingent liabilities.

Contingent Assets are neither recognised, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

(u) FAIR VALUE MEASUREMENTS:

In case of China JV

On 1st January, 2008, the Company adopted the provisions of FASB Statement No. 157, Fair Value Measurements, for fair value measurements of financial assets and financial liabilities and for fair value measurements of non-financial items that are recognised or disclosed at fair value in the financial statements on a recurring basis. Statement 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Statement 157 also establishes a framework for measuring fair value and expands disclosures about fair value measurements. On 1st January, 2009, the Company was required to apply the provisions of Statement 157 to fair value measurements of non-financial assets and nonfinancial liabilities that are recognised or disclosed at fair value in the financial statements on a non-recurring basis. The Company is in the process of evaluating the impact, if any, of applying these provisions on its financial position and results of operations. In October 2008, the FASB issued FASB Staff Position FAS 157-3, Determining the Fair Value of a Financial Asset When the Market for That Asset is Not Active, which was effective immediately. FSP FAS 157-3 clarifies the application of Statement 157 in cases where the market for a financial instrument is not active and provides an example to illustrate key considerations in determining fair value in those circumstances. Management has considered the guidance provided by FSP FAS 157-3 in its determination of estimated fair values during 2008.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

B) NOTES TO ACCOUNTS:

1) The names of Subsidiary Companies and Joint Venture, which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Country of Incorporation	Ownership Interest 31st March, 2010	Ownership Interest 31st December, 2008
Subsidiaries			
Aptech Training Limited FZE	UAE	**100%**	100%
Aptech Worldwide Bangladesh Limited	Bangladesh	**100%**	100%
Aptech Worldwide Corporation, USA	United States of America	**100%**	100%
Aptech Software Limited (Merged with holding company on 1st April, 2009)	India	**100%**	100%
Attest Testing Services Limited	India	**100%**	100%
AGLSM SDN.BHD (w.e.f. 8th June, 2006)	Malaysia	**100%**	100%
Avalon Aviation Academy Private Limited (w.e.f. 1st April, 2006)	India	**100%**	100%
Aptech Manpower Services Ltd.	India	**100%**	100%
Aptech Ventures Limited (w.e.f. 10th August, 2009)	Mauritius	**100%**	100%
Aptech Investment Enhancers Limited (Subsidiary of Aptech Ventures Limited) w.e.f. 31st October, 2007	Mauritius	**100%**	100%
Aptech Global Investment Limited (Subsidiary of Aptech Training Limited FZE) w.e.f. 14th April, 2009	Mauritius	**100%**	
ACE Educação Profissional do Brasil S.A. (Subsidiary of Aptech Global Investment Limited) w.e.f. 27th October, 2009	Brazil	**51%**	–
Control – Subsidiary			
Aptech Training & Education Trust	India	**–**	–
Aptech Education Society	India	**–**	–
Aptech Worldwide Limited (ceased w.e.f. 29th April, 2009)	South Africa	**–**	–
Joint Venture			
Beijing Aptech Beida Jade Bird Information Technology Co. Limited (ceased w.e.f. 29th April, 2009)	China	**–**	50%

2) The Aptech Limited and its Subsidiaries/JVs (Group) has changed its financial year end from December to March to align with the financial year and therefore, the audited financial statements have been prepared and presented for the fifteen months period from 1st January, 2009 to 31st March, 2010 as against previous financial statements for the year ended 31st December, 2008. Therefore, the numbers of current period and previous year are not comparable.

3) **During the 15 months ended 31st March, 2010:**

i) The Company has incorporated through its subsidiary in Dubai, a subsidiary in Mauritius in the name and form of Aptech Global Investment Limited, for expansion of education and training in information technology in new markets.

ii) The Group has incorporated a new wholly owned subsidiary in Mauritius on 14th April, 2009 by the name Aptech Global Investment Limited.

iii) Subsequently, through the said subsidiary, during the year, the Company has entered into a joint venture agreement on 27th October, 2009 with Falgo & MAC, Brazil by virtue of which it holds 51% stake in ACE Educação Profissional do Brasil S.A. a new company formed for imparting information technology education and training at Brazil.

iv) The Group has disposed of its entire holding in Beijing Aptech Beida Jade Bird Information Technology Co. Limited, a joint venture of the Company, on 27th April, 2009 for an agreed consideration of Rs. 1,065,875,910 and recognised profit on disposal of Joint Venture amounting to Rs. 11,850,165 which is included in "Profit on sale of long-term Investment". The transaction was effective 26th March, 2009. The Company has sold its investment in Beijing Aptech Beida Jade Bird Information Technology Company Limited (China Joint Venture) on 26th March, 2009. Due to unavailability of financial statements of China Joint Venture for the period from 1st January, 2009 to 26th March, 2009, the consolidated financial statements for period ended 31st March, 2010, does not include proportionate share of income and expenses of China Joint Venture till date of sale.

v) The Group has discontinued a wholly owned subsidiary in South Africa by the name Aptech Worldwide Limited w.e.f. 29th April, 2009

vi) The CFS of Aptech Ventures Limited (AVL) includes Financial Statements of its wholly owned and controlled subsidiary Aptech Investment Enhancers Limited (AIEL). The AIEL has acquired 19.50% as a long-term investment and 2.91% as a short term investment, to be offloaded on the IPO listing as per the definitive agreement signed in March 2009 in BJB Career Education Company Limited (Investee Company) in which the holding is 22.41%. Although the Group has a Board representation, considering its non participation in the financial and operational decision making process, management is of the considered view that there is little influence in the investee company's decision making process and therefore considers this investment as merely strategic and cannot be termed as an "Associate" in term of provisions of Accounting Standard 23 – "Accounting for Investment in Associates in Consolidated Financial Statements" (AS 23), for the purpose of being reflected, as such, in the books of accounts. Accordingly, the investment made in the Investee Company has been reflected as an investment at the acquisition cost in term of provisions of Accounting Standard 13 – "Accounting for Investment" (AS 13).

4) The effect of disposal/discontinuation of subsidiaries/Joint Venture during the 15 months ended 31st March, 2010 is as under:

Name of Company	Nature	Sales Consideration	Carrying Value
Current Year:			
Beijing Aptech Beida Jade Bird Information Technology Co. Limited	Joint Venture	1,065,875,910	1,520,528,117
Aptech Worldwide Limited (South Africa)	Subsidiary	–	144,480
Previous Year:			
Synergetics Information Technology Services India Pvt. Ltd.	Subsidiary	2,000,000	3,350,579

5) The Financial Statements of the Company for the period ended 31st March, 2010 were earlier approved by the Board of Directors (BOD) at its meeting held on 31st May, 2010 and reported upon by the Statutory Auditors vide their report dated 31st May, 2010, but the same were not submitted to the general body members for adoption. The said Financial Statements didn't include the effect of the following transactions:

i. The Scheme of Amalgamation (the Scheme) of Aptech Software Limited (ASL) (a wholly owned subsidiary) with the Company which has been approved by Hon'ble High Court of Mumbai subsequent to the adoption of accounts by the BOD as aforesaid on 23rd July, 2010. The Scheme has become operational on 9th August, 2010 on filing of requisite forms with Registrar of Companies, with effect from the appointed date, i.e. 1st April, 2009. The Management has revised the Financial Statements of the Company for the period ended 31st March, 2010 to give effect of the Scheme. Accordingly, the Company has accounted for brought forward losses of ASL as at 1st April, 2009 aggregating Rs. 322,288,671 after reducing the reversal of provision for doubtful advances made by the Company to ASL of Rs. 157,919,571 resulting into net adjustment of Rs. 164,369,100 in opening balance of Profit and Loss Account and transactions of ASL for the year ended 31st March, 2010 in Profit and Loss Account of the Company for the period.

ii. On 12th August, 2010, the Board of Directors have proposed dividend for the period ended 31st March, 2010, which has been now accounted in Revised Financial Statements for the period ended 31st March, 2010.

Accordingly, these Revised Financial Statements have been prepared in supercession of the Financial Statements, previously approved as referred above, for giving consequential effect to the above transactions.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

6) Capital Commitments and Contingent Liabilities :

(Rupees)

Particulars	As on 31st March, 2010	As on 31st December, 2008
A. Capital commitments		
Estimated amounts of contracts remaining to be executed on capital account and not provided for	**6,584,401**	5,401,789
B. Contingent liabilities in respect of:		
i) Claims against the Company not acknowledged as debts	**98,268,772**	98,929,351
ii) Counter guarantee to bank for projects	**31,426,669**	18,057,133
iii) Corporate Guarantees to banks/third Parties	–	–
iv) Income Tax	–	83,175,188

7) a) The Company had a Joint Venture in the previous year and its percentage Holding is given below:

Name of the Joint Venture	% Share holding
Beijing Aptech Beida Jade Bird Information Technology Co. Ltd ("China JV")	50%

The proportionate share of assets, loans & advances, income and expenditure of the above joint venture Company included in these consolidated financial statements are as follows:

(Rupees)

ASSETS	As on 31st March, 2010	As on 31st December, 2008(*)
Net Block	–	29,332,344
Current Assets	–	1,691,942,683
Loans & Advances	–	23,967,751
TOTAL ASSETS	–	1,745,242,778
LIABILITIES		
Share Capital	–	22,130,994
Reserve & Surplus	–	1,285,617,010
Current Liabilities	–	437,494,774
TOTAL LIABILITIES	–	1,745,242,778

INCOME	15 months Ended 31st March, 2010	Year Ended 31st December, 2008(*)
Sales	–	1,153,476,947
Other Income	–	29,372,751
TOTAL INCOME	–	1,182,849,698
EXPENSES		
Employment Expenses	–	13,090,245
Training & Education	–	217,714,981
Marketing Expenses	–	271,411,273
Administration & Other Expenses	–	121,178,935
Depreciation	–	15,017,124
Taxes	–	136,532,633
TOTAL	–	**774,945,191**
Contingent Liabilities & Capital Commitment	**NIL**	**NIL**

***Notes:**

i. Figures for the year ended 31st December, 2008 is as per audited US GAAP financial statements of joint venture. The USGAAP financial statements have not been converted to Indian GAAP, hence impact if any on above disclosure is not quantifiable.

ii. The Company has divested its entire investment in above joint venture on 26th March, 2009. Disclosure for proportionate share in income and expenses for the period from 1st January, 2009 to 26th March, 2009 is not made, since the financial statements for truncated period are not available.

8) a) The financial statements of China JV till 2006 were prepared and audited as per People's Republic of China (PRC) GAAP. From the year 2007, the financial statements under PRC - GAAP are not prepared. The same have been prepared in conformity with US GAAP. Accordingly, the Financial Statement of the previous years i.e. of 2005 & 2006 have been restated to comply with US GAAP. The details of items of revenue, expenses, assets and liabilities restated in conformity with the US GAAP, being not made available are not shown separately.

b) The Financial Statements of China JV are made up in accordance with US GAAP; as such details as required under Schedule VI to Companies Act, 1956 are given in CFS to the extent of availability of information thereof.

c) From 13th February, 2006 China JV as established Wholly Owned Subsidiary, Shanghai Aptech Beida Jade Bird Information Technology Co., Ltd. ("SJB-Aptech"). The financial statements of SJB-Aptech have been included in Consolidated Financial Statement of China JV.

d) The difference in accounting policies if any is mentioned in this schedule (Refer Note no.24).

9) The board has recommended 10% final Dividend on equity share capital, pending for shareholder's approval.

10) AGLSM SDN.BHD, Malaysia, Aptech Venture Limited (AVL), Aptech Investment Enhancers Limited (AIEL), Aptech Global Investment Limited (AGI), (Located in Mauritius is considered as integral operation). Aptech Worldwide Bangladesh Limited, Bangladesh, is considered as integral operation but due to operational difficulties the translation procedures relating to addition to fixed assets, income & expenses are worked out at average rates. China JV & Brazil S.A. are considered as non-integral operation.

11) The reporting period of Aptech Worldwide Bangladesh Limited, Bangladesh is October to September. In case of Brazil S.A. figures till 31st December, 2009 were considered for consolidation.

12) Based on the resolution for Employee Stock Option Scheme approved by the shareholders on 16th September, 2006, the Aptech Employees Stock Options Trust - 2006 ("Trust") was set up on 6th December, 2006 and 1,500,000 Warrants of Re. 1/- each have been granted by the Company to the Trust on 12th March, 2007. As confirmed by the company's legal counsel:

The employees/directors were granted 1,165,000 stock options on 19th March, 2007 effective from 4th May, 2007 post Fringe Benefit Tax clarification. 1,065,000 stock options were issued to eligible employees and 100,000 stock options to Non-Executive Directors. 1,065,000 stock options granted to eligible employees have been granted with a vesting schedule comprising 159,750, 213,000, 266,250 and 426,000 options over a vesting period of 12, 24, 36 and 48 months respectively from the grant date and an exercise period of one year from the respective vesting dates. The right to exercise 50% of the vested options shall be subject to the employees continuance of service with the Company on the exercise date, 25% of the vested option shall be subject to achievement of KRAs as decided by the Managing Director and balance 25% of the vested option shall be based on financial performance with reference to budgets.

During the year 72,750 options were vested with the employees. The entire 100,000 stock options granted to Non-Executive Directors has a vesting period of 12 months from the grant date and an exercise period of one year from the vesting date. The options have been repriced at Rs. 113/- as against the formula approved by Shareholders based on the powers given by the Shareholders to the Board to alter, vary and modify the scheme. The stock option discount in the aforesaid scheme, computed as per SEBI guidelines from the date of grant viz 19th March, 2007, is being amortised on a straight line basis over the vesting period and the reversal on account of lapse options is netted off against the charege for the year. Accordingly, during the period proportionate net recovery of Rs. 16,024,205/- (where as net charge in Previous Year Rs. 21,905,342/-), has been included in "Salaries and other allowances" in the schedule of "Payments to and Provisions for Employees" (Schedule "13") as ESOP Compensation Cost. The said cost is net of recoveries of Rs. 201,485/- (Previous Year Rs. 1,011,357/-) made from ESOPs granted to employees of wholly owned subsidiaries. During the period, 444,089 stock options (Previous year 200,044) have been lapsed/forfeited/expired and reversal of discount charge aggregating Rs. 30,963,414 (Previous year Rs. 6,632,092) have been credited to "Salaries and other Allowances" in the schedule of "Payment to and Provision for Employees" (Schedule "13"). The net reserve as reflected in Schedule "2" under ESOP-2006 scheme is net of ESOP Outstanding Account Rs. 30,633,975/- (Previous Year Rs. 73,433,659/-) and Deferred Employee Compensation Account Rs. 5,120,563 (Previous Year Rs. 27,713,767/-).

During the year, 197,764 options were exercisable against which 48,350 were exercised. Accordingly Rs. 9,162,325/- was transferred from Employee Stock Options Outstanding (ESOP 2006) Account to Securities Premium Account in Schedule "3".

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Details of Options Granted, exercised and lapsed	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Options granted and outstanding at the beginning of the year	**846,589**	1,135,000
Add: Granted during the year	**265,000**	-
Less: Lapsed/Forfeited/Expired during the year	**444,089**	200,044
Less: Options exercised during the year	**48,350**	88,367
Options granted and outstanding at the end of the year(*)	**619,150**	846,589
Option Exercisable	**22,650**	125,014

*Includes 21,500 (Previous Year 99,038) options granted to employees of Subsidiary companies.

Fair value of Options granted by the Company on 29th April, 2009 & 24th February, 2010 is Rs. 37.85 and Rs. 92.58 per option respectively.

The details of variables used for the computation of fair value are presented in the table below:

Grant : 29th April, 2009	Vest 1 29th April, 2010	Vest 2 4th May, 2010	Vest 3 4th May, 2011
Variables			
Stock price (Rs.)	91.20	91.20	91.20
Volatility	90.89%	90.64%	79.67%
Riskfree Rate	5.07%	5.08%	5.33%
Exercise Price (Rs.)	113.00	113.00	113.00
Time to Maturity (in years)	1.50	1.51	2.51
Dividend Yield	0.00%	0.00%	0.00%
Fair Value per Vest (Rs.)	34.88	34.97	41.14
Vesting	23.53%	29.41%	47.06%
Option Fair Value (Rs.)	37.85	37.85	37.85

Grant : 24th February, 2010	Vest 1 4th May, 2011
Variables	
Stock price (Rs.)	166.3
Volatility	83.61%
Riskfree Rate	6.24%
Exercise Price (Rs.)	113.00
Time to Maturity (in years)	1.69
Dividend Yield	0.00%
Fair Value per Vest (Rs.)	92.58
Vesting	100%
Option Fair Value (Rs.)	92.58

The Fair Value of the Options has been calculated using Black-Scholes Option Pricing Formula

13) i) During the earlier years, the Company had formed Aptech Education Society in Chattisgarh, which established a private university viz. Aptech University.

The Company being the sponsor had advanced interest free unsecured loans/advances to the society which were fully provided for. During the year, the management has taken the decision to write off the same against the provisions earlier made.

ii) Aptech Training and Education Trust setup in Tamilnadu to which Company had advanced Rs. 6,266,637 (Previous Year 9,123,807) in earlier years which are fully provided for.

14) In 2007, the Company and Asian Institute of Communication & Research (AICAR) had formed a strategic alliance to create a premier educational institute of world-class quality. The AICAR Business School is a world-class Residential Institute offering Graduate Students and Corporate the opportunity to enhance skills in the research and development of management and communication practices of a standard unparalleled in most other institutes.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

The two-year full time Post Graduate Diploma in Management offered by AICAR Business School is approved by the All India Council of Technical Education, New Delhi and is affiliated to the Directorate of Technical Education Board, Government of Maharashtra.

The Company has advanced of Rs. 55,558,230/- inclusive of interest (Previous Year Rs. 47,084,270) to AICAR.

15) Sundry Debtors and Sundry Creditors are subject to confirmation & reconciliation.

16) Sundry Debtors are net of Rs. 77,653,267/- (Previous Year Rs. 98,018,000/-) being the amounts payable to franchisees/ vendors for services rendered to Institutional Clients by the Company, since as per the contract terms the same are payable only after the recovery from Institutional clients.

17) Out of the dues receivable by the Company from one Institutional project which was completed, Rs. 7,059,458 has been held back by the client during the period (Previous Years Rs. 2,925,289) aggregating to Rs. 158,339,998 (Previous Year Rs. 151,280,540) towards certain alleged non-fulfilment of the Contract Terms without giving the requisite details. Based on certain details made available, the Company has been able to recover an amount of Rs. Nil (Previous Year Rs. 8,209,608) aggregating to Rs. 27,150,745. Based on prevailing pattern of payments the Company estimates that out of the balance dues, a further amount could be held back by the client. The Company is in correspondence with the client to obtain the full details and resolve the differences. The Company has to recover Rs. 43,563,094 (Previous Year Rs. 101,300,563) over and above the aforesaid penalty.

Further, the Company has to recover since long, Rs. 59,886,303 (Previous Year Rs. 87,133,744) from another institutional client who has held back Rs. 9,029,038 (Previous Year Rs. 9,029,038) towards certain alleged non-fulfilment of contract terms. The Company has to recover Rs.50,857,265 (Previous Year Rs. 78,104,706) over and above the aforesaid penalty. Against the aforesaid receivable, the Company has to pay the business partners Rs. 30,778,365 (Previous Year Rs.33,328,337) only on recovery from the project client, after adjustment of penalty attributable to them.

Pending the final outcome of the discussions/correspondence with the clients, as a measure of abundant caution, the Company had provided Rs. 163,000,000 as at 31st March, 2010 (previous year Rs. 108,000,000) and has made provision for doubtful debts in earlier years amounts Rs. 16,469,000.

18) Related Party Disclosures

a) Names of related parties and description of relation:

i) Company Whose Control Exists : Aptech Investments

Others:

Aptech Employees Stock Option Trust

ii) Key Management Personnel :

Mr. Pramod Khera (till March 31, 2009) : Managing Director

Mr.Ninad Karpe (w.e.f April 1, 2009) Managing Director

b) Transactions with related parties

Nature of Transactions	Company whose control exists (Rupees)	Key Management Personnel (Rupees)	Others (Rupees)	Total (Rupees)
Expenses	-	22,061,588	–	22,061,588
(Previous year)	-	(11,115,331)	–	(11,115,331)

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

c) Out of the above items transactions which are in excess of 10% of the total related party transactions are as under:

(Rupees)

Transaction	Relationship	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Expenditure : Remuneration			
Mr. Pramod Khera	Key Management Personnel	**10,860,594**	8,139,649
Mr. Ninad Karpe	Key Management Personnel	**11,200,994**	–
Mr. R. Krishnan	Key Management Personnel	**–**	2,975,682

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

19) Earnings per Share:

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
(Loss)/Profit after tax attributable to Shareholders (Rupees)	**(223,457,886)**	444,399,654
Weighted average number of equity shares		
Outstanding during the year		
Basic	**46,518,374**	45,791,667
Add: Diluted Impact of Employee Stock Options	**748,027**	191,058
Diluted	**48,014,428**	45,982,725
Nominal value of equity shares (Rupees)	**10/-**	10/-
Basic EPS (Rupees)	**(4.80)**	9 .70
Diluted EPS (Rupees)	**(4.80)**	9 .66

20) Operating Leases:

The maximum obligation on non-cancelable operating lease payable as per the lease agreement is as follows:

(Rupees)

Obligation on non-cancellable operating lease	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Lease payment for the period/year	**8,380,688**	8,853,250
Not later than one year	**7,158,463**	4,397,316
Later than one year and not later than five years	**4,645,594**	6,775,060

21) Retirement Benefits.

A) Defined benefit plan

The amount recognised in the Balance Sheet in respect of the gratuity:

(Rupees)

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Present value of the defined benefit obligation at the end of the period	**20,933,207**	19,927,381
Fair value of the plan assets	**3,855,385**	9,988,181
Net Liability/(Assets)	**17,077,822**	9,939,200

The amount recognised in salary and employee benefits in the Profit & Loss Account as follows in respect of the gratuity:

(Rupees)

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Current Service Cost	**5,116,425**	3,860,486
Interest on defined benefit obligation	**1,868,192**	1,364,764
Expected return on plan assets	**(749,114)**	(698,228)
Net actuarial (Gain)/Loss on plan Assets	**903,120**	1,943,636
Net Gratuity Cost	**7,138,622**	6,470,658

Actual Return on plan assets:

(Rupees)

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Expected Return on plan assets	**749,114**	698,228
Actuarial Gain/(Loss) on plan assets	**635,919**	(1,206,514)
Actual return on plan assets	**1,385,033**	(508,286)

Reconciliation of present value of the obligation and the fair value of the plan assets:

(Rupees)

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Opening defined benefit obligation as on 1.1.2009	**19,927,381**	18,196,856
Current Service Cost	**4,851,709**	3,860,486
Interest Cost	**2,132,908**	1,364,764
Actuarial (Gain)/Loss	**1,539,038**	737,122
Benefit Paid	**(7,517,829)**	(4,231,847)
Closing defined benefit obligation as on 31.03.2010	**20,933,206**	19,927,381

Change in fair value plan assets:

(Rupees)

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Fair value of the plan assets at the beginning of the period	**9,988,181**	8,727,848
Expected return on plan assets for the period	**749,114**	698,228
Contributions during the period	**-**	6,000,466
Benefits paid during the period	**(7,517,829)**	(4,231,847)
Acturial Gain/(Loss) on plan assets	**635,919**	(1,206,514)
Fair value of the plan assets at the end of the period	**3,855,385**	9,988,181

Principal Actuarial Assumptions at the Balance Sheet date 31.03.2010:

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Discount Rate	**7.75%**	7.50%
Estimated rate of return on plan assets	**7.50%**	8.00%
Rate of Salary Growth	**6.50%**	6.25%

The estimates of the future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other related factors.

General description of the fair value of the plan

Gratuity liability under the Payment of Gratuity Act, 1972 is accrued on actuarial valuation and funded through group gratuity scheme of the holding company administrated by ICICI Prudential Life Insurance Company Limited.

None of the foreign subsidiary or JV has any defined benefit plans for the employees.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

The amount recognised in the Balance Sheet in respect of the Leave Encashment:

(Rupees)

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Present value of the defined benefit obligation at the end of the period	**10,210,737**	8,284,541
Fair value of the plan assets	**–**	–
Net Liability/(Assets)	**10,210,737**	8,284,541

The amount recognised in salary and employee benefits in the Profit & Loss Account as follows in respect of the:

(Rupees)

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Current Service Cost	**3,189,257**	1,308,543
Interest on defined benefit obligation	**776,676**	774,340
Expected return on plan assets	**–**	–
Net actuarial (Gain)/Loss on plan assets	**724,450**	(2,170,186)
Net Gratuity Cost	**4,690,383**	(87,303)

Reconciliation of present value of the obligation:

(Rupees)

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Opening defined benefit obligation as on 1.01.2009	**8,284,541**	10,324,532
Current Service Cost	**3,189,257**	1,308,543
Interest cost	**776,676**	774,340
Actuarial (Gain)/Loss	**724,450**	2,170,186
Benefit Paid	**(2,764,187)**	(1,952,688)
Closing defined benefit obligation as on 31.03.2010	**10,210,737**	8,284,541

Principal Actuarial Assumptions at the Balance Sheet date 31.03.2010:

	15 months Ended 31st March, 2010	Year Ended 31st December, 2008
Discount Rate	**7.75%**	7.50%
Estimated rate of return on plan assets	**0.00%**	0.00%
Rate of Salary Growth	**6.50%**	6.25%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other related factors, such as supply & demand in the employment market.

B) Defined Contribution Plan –

Amount recognised as an expense and included in the Schedule 13 - "Contribution to Provident & Other Funds – Rs. 32,897,822/- (Previous Year Rs. 49,428,150/-).

22) Deferred Tax

Deferred Tax Asset on carry forward business losses/depreciation and other reversible timing differences has not been recognised as a matter of prudence.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Deferred Tax (Asset)/Liability at the period end comprise timing difference on account of

(Rupees)

Particulars	Consolidated Amount	
	As on 31st March, 2010	As on 31st, December, 2008
Deferred Revenue (China JV)	–	62,474,173
Property and Equipment (China JV)	–	3,868,329
Intangible Assets (China JV)	–	5,105,030
Advertising expenses carry forward (China JV)	–	17,640,045
Carried forward Unabsorbed Depreciation	–	103,856,768
Carry Forward Capital Loss	–	73,433,588
Provision For Bad Debts	–	43,112,039
Total Deferred Tax Asset (A)	–	309,489,972
Related to Fixed Assets	–	–
Expenditure/provisions	–	–
Total Deferred Tax Liability (B)	–	–
Net Deferred Tax Asset (A-B)	–	309,489,972

Deferred Tax Asset is not recognised on Losses and unabsorbed depreciation in certain subsidiaries out of prudence.

23) Segmental Report for the year of the group is annexed.

24) Some of the subsidiaries and China JV follow different accounting policies, as compared to the policies followed by the Company where, in the opinion of the management, it is not practicable to use uniform accounting policies in the CFS and the impact of which is not ascertainable. The portions of the items in the Consolidated Financial Statements, for which different accounting policies have been followed are as stated below:

Particulars	Accounting Policies		2010		2008	
	Company	Subsidiaries	Amount	Proportion	Amount	Proportion
Depreciation and amortisation	Depreciation on fixed assets is provided on Straight-Line Method at the rates and in the manner specified in the Schedule XIV of the Indian Companies Act, 1956, except some items	Depreciation on fixed assets is provided on Written Down value Method	**2,051,604**	**0.35%**	1,592,794	0.21%
Fixed Assets	Different Useful Life estimated for some assets	Gross Block - Different Us eful Life estimated for some assets	-	-	78,838,613	6.21%
Inventory Valuation	Inventory of educational course material is valued at cost or net realisable value whichever is lower. Cost determined based on weighted average	Cost determined on FIFO assumption	-	-	17,742,047	45.74%
Deferred Tax Asset	Creation of deferred tax assets only after satisfying reasonable certainty or virtual certainty, as the case may be	Creation of Deferred Tax Asset is considered if it is more likely than not, that such assets would be realised	-	-	89,087,577	28.79%

25) A) Managerial remuneration to Managing Director ('MD') and Executive Director ('ED') under Section 198 of the Companies Act 1956:

(Rupees)

Particulars	Period ended 31st March, 2010	Year ended 31st December, 2008	
	MD	MD	ED (upto 23.10.2008)
Salaries and Allowances	**14,538,294**	7,569,392	2,768,488
Contribution to Provident and other funds	**7,523,294**	570,257	207,194
Total	**22,061,588**	8,139,649	2,975,682

Notes:

i. The computation of net profits under Section 349 of the Companies Act, 1956 is not given since no commission is payable to any director.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

ii. In determination of Managerial remuneration, certain perquisites have been valued in accordance with Income Tax Act, 1961.

iii. As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors are not included above.

iv. The managerial remuneration for the period under report being in excess by Rs. 4,681,225 of limits specified under Section 198 read with Schedule XIII of the Act, the application for the approval of Central Government for the waiver of such excess is being made by the Company.

v. The Company has received approvals from the Central Government for waiver of excess remuneration paid to the Managing Director and Executive Director during the year 2008.

vi. Under the Employee Stock Option Scheme 2006, Mr. Ninad Karpe, Managing Director & CEO was granted 265,000 stock options in three phases in April 2009. Since as per the SEBI guidelines there has to be a gap of minimum one year between the date of grant and the date of vesting of the stock options, the said stock options were not vested as on 31st March, 2010. Erstwhile Managing Director Mr. Pramod Khera who exercised and was accordingly allotted 30,000 equity shares during last year out of 265,000 stock options that were granted to him, 225,250 stock options were lapsed on 31st March, 2009 as he resigned as Managing Director on that date. However as per the said Scheme, he is eligible for grant of stock options in the capacity as non-executive director.

B) **Some of the subsidiaries have paid Remuneration to Directors who in the opinion of the** Company, do not wield as much powers of management of the affairs of the Company or of a particular function to be considered as a whole time Director. The employment of the director with the Company does not arise due to his position as a director, being an independent position. Hence in the Company's opinion, it is not required to comply with the provisions of the Companies Act, 1956 pertaining to remuneration limits of director and disclosure thereof, etc.

The company has relied upon an expert legal opinion obtained in this regard and also the latest circular (no.16/39/ CL–1–111/85 dated 26th June 1987) issued by the Department of Company Affairs.

26) The Group has started hedging its risk of foreign currency fluctuations relating to receivables of highly probable forecast transactions pertaining to franchise income by entering into Exchange Traded Futures (ETF's). In accordance with Group's risk mitigating policy, it has designated these ETFs as cash flow hedge by early application of the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instrument - Recognition and Measurement" (AS-30) to these transactions. Accordingly, changes in the fair value of these ETF's designated as effective hedges for the future cash flows are recognised directly in shareholder's funds and ineffective portion thereof is recognised directly in the 'Profit and Loss Account'. On squaring off the complete position of such ETF as on 31st March, 2010 profit of Rs.1,021,722 for the period ended 31st March, 2010 is accounted in Profit & Loss Account.

27) Based on information available with the Group, there are no dues payable to Micro Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

28) In terms of the Share Purchase Agreement and Addendum thereon executed amongst the Company, Maya Entertainment Limited (Maya) and Shareholders of Maya (Vendors), the Group acquired 89.66% of shareholding in Maya on 23rd April, 2010 for consideration of Rs.88,781,916 in cash and 1,717,103 equity shares at Rs.216 per share. Balance 10.33% in Maya, is being acquired pending regulatory approvals. Maya is engaged in the business of Animation & Multimedia education.

29) Figures for the current period of consolidated financial statement are not comparable with the previous year since there has been acquisitions/disposals/stake changes/mergers/demergers in subsidiaries and Joint Ventures of the Company.

30) The figures for the previous accounting year have been regrouped/rearranged wherever necessary to correspond with the figures of the current year.

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

For and on behalf of the Board of Directors

Ninad Karpe
Managing Director

C. Y. Pal
Vice Chairman

T. K. Ravishankar
Executive Vice President & CFO

Ketan Shah
Company Secretary

SEGMENTAL REPORT FOR 15 MONTHS ENDED 31ST MARCH 2010

Primary Segment information : Business Segment

Particulars	15 Months ended 31st March, 2010 Business Segments				Year ended 31st December, 2008 Business Segments			
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
Revenue								
Income from Segment *	1,277,802,820	302,390,663	48,026,415	1,628,219,898	2,290,036,496	480,590,639	33,280,521	2,803,907,657
Results before Interest and Tax and Exceptional Items	344,613,258	(48,161,108)	(196,506,052)	99,946,098	826,710,430	(84,065,297)	(218,326,337)	524,318,796
Less: Interest Expenses and Finance Charges	236,947	554,883	32,075,429	32,867,259	1,799,525	2,502,383	18,680,380	22,982,287
Profit before Tax and Exceptional Items	344,376,311	(48,715,991)	(228,581,481)	67,078,839	824,910,904	(86,567,679)	(237,006,717)	501,336,509
Exceptional Items								
Reinstatement of China JV Profits	–	–	–	–	–	–	–	–
Profit/(Loss) On Sale of Stake in Subsidiary	–	–	11,850,165	11,850,165	–	–	(41,721,538)	(41,721,538)
Tax Refund (Institutional Project)	–	20,000,000	–	20,000,000	–	–	–	–
Impairment of Fixed Assets	–	–	–	–	–	–	–	–
Provision for Rebate	–	–	–	–	30,000,000	78,000,000	–	108,000,000
Provision no longer required written back	–	–	–	–	(2,021,483)	(9,186,390)	(3,936,755)	(15,144,628)
Profit/(Loss) before Tax	344,376,311	(28,715,991)	(216,731,316)	98,929,003	796,932,388	(155,381,289)	(274,791,500)	366,759,599
Less: Provision for Current tax (net of write back)	260,000	90,637	328,244,687	328,595,324	137,850,633	109,318	(213,375,208)	(75,415,257)
Less: Transfer to Goodwill	–	–	–	–	–	–	–	–
Add/(Less) : Minority Interest	–	–	6,208,434	6,208,434	–	(2,224,798)	–	(2,224,798)
Profit/(Loss) after Tax	344,116,311	(28,806,628)	(538,767,569)	(223,457,887)	659,081,754	(153,265,809)	(61,416,292)	444,399,654
Other Information								
Carrying amount of Segment Assets	411,860,214	220,812,049	1,864,837,312	2,497,509,575	2,247,921,262	351,290,560	895,428,233	3,494,640,055
Carrying amount of Segment Liabilities	100,853,140	44,786,716	114,854,276	260,494,131	606,089,558	77,054,617	64,403,849	747,548,024
Capital Expenditure	62,221,695	3,261,051	29,927,400	95,410,145	100,579,026	20,685,507	76,102,288	197,366,821
Depreciation/Amortisation	81,803,377	22,710,362	52,225,343	156,739,082	59,429,861	73,127,282	40,982,601	173,539,744
Significant Non-Cash Expenditure (ESOP, BAD DEBTS)	31,347,677	37,133,163	(17,294,998)	51,185,841	87,276,087	16,309,225	20,893,985	124,479,297

Notes :

1) The Company has identified Business Segments as the primary segment. Segments have been identified taking into account the nature of services, the differing risks and returns, the organisational structure and the internal reporting system.

* Income from Segment includes interest income & other income of Rs. 51,790,765 and this revenue is excluded in presentation for Geographical Segment.

Secondary Segment information : Geographical Segment

Particulars	2010			2008		
	Revenue from customers by location	Carrying amount of Segment assets by location	Addition to Fixed Assets	Revenue from customers by location	Carrying amount of Segment assets by location	Addition to Fixed Assets
India	1,201,670,567	1,359,858,844	110,296,482	1,325,476,466	1,776,982,672	183,580,626
Outside India	374,758,566	1,137,650,730	8,578,764	1,457,324,337	1,717,657,428	13,786,195

AUDITORS' REPORT

To the Members of Aptech Limited

1. We have audited the attached Balance Sheet of **APTECH LIMITED** (hereinafter referred to as 'the Company'), as at 31st March, 2010 and also the Profit and Loss Account and Cash Flow Statement for the period from 1st January, 2009 to 31st March, 2010 (hereinafter referred to as 'the period') annexed thereto. 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 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 the 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 (hereinafter referred to as 'the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (hereinafter referred to as 'the Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:

   I. 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;

   II. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;

   III. 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;

   IV. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards (AS) referred to in sub-section (3C) of Section 211 of the Act;

   V. On the basis of written representations received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of Section 274(1) (g) of the Act;

   VI. Attention is drawn to Note No. B-2 of Schedule 16 stating the details of revising the Financial Statements for/as at the end of the period, in supersession of previously approved Financial Statements for/as at the end of the same period, inter alia, for the reason of the Scheme of Amalgamation of Aptech Software Limited (a wholly owned subsidiary) with the Company becoming effective consequent to receipt of necessary approvals, subsequent to the date of earlier approval of the financial statements by the Board of Directors of the Company.

   VII. Refer Note No. B-16 of Schedule 16 regarding the payment of remuneration in excess of amount payable as per provisions of the Act to the Managing Director aggregating Rs. 46,81,225 for which application for approval of Central Government is being made by the Company.

   VIII. Subject to 'VII' above in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

   (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010;

   (b) in the case of the Profit and Loss Account, of the 'profit' of the Company for the period ended on that date; and

   (c) in the case of Cash Flow statement of the cash flow of the Company for the period ended on that date.

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 3 of Auditor's Report of even date to the members of Aptech Limited

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets As informed, no material discrepancies were noticed on such verification.

(c) The disposal of fixed assets during the period was not substantial.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the period.

(b) 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) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.

(iii) (a) According to the information and explanations provided to us, 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. Hence, Clauses (iii) (b), (c) & (d) of para 4 of the Order are not applicable.

(b) The Company had taken loan from a firm covered in the register maintained under Section 301 of the Act. The maximum amount involved during the period was Rs. 93 crore and the balance of loans taken from such party as at the date of Balance sheet was Rs. Nil.

(c) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loan are not prima facie prejudicial to the interest of the Company.

(d) In respect of loan taken, repayment of the principal amount was made as stipulated and payment of interest was regular.

(iv) 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 and fixed assets and for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. As regards the internal control in the area of the sale of services, though there is improvement as compared to prior years, in our opinion, the same needs to be strengthened further to make it commensurate with the size of the Company and the nature of its business.

(v) (a) Based on the audit procedures applied and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered into the register maintained under Section 301 of the Act have been so entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lacs in respect of each party have been entered into during the period under report at prices which are reasonable having regard to the prevailing market prices at the relevant time.

(vi) According to information and explanations given and based on legal opinion obtained, no deposits have been accepted by the Company from the public in terms of the provisions of Sections 58A, 58AA or rules made thereunder. As informed, no order has been passed by the Company Law Tribunal or any other authority in this respect.

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

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

(ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, cess and other material statutory dues applicable to it. As informed, provisions of investor education and protection fund, customs duty, excise duty are not applicable to the Company during the period.

(b) According to the information and explanations given to us, undisputed amounts payable in respect of profession tax aggregating Rs. 24,690 was outstanding at the period end, for a period exceeding six months from the date they became payable, which has since been paid by the Company.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, cess and other undisputed statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable. As informed, provisions of investor education and protection fund, customs duty, excise duty are not applicable to the Company during the period.

(c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax and cess which have not been deposited on account of any dispute. As informed, provisions of customs duty and excise duty are not applicable to the Company during the period.

(x) The Company has neither accumulated losses at the end of the financial period nor has incurred cash losses in the current period or in immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution or bank.

(xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/ society; hence the provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments; hence the provisions of clause 4(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) According to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Act during the period.

(xix) The Company has not issued any debentures during the period.

(xx) The Company has not raised any money through a public issue during the period.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	As at 31st March, 2010 Rupees	As at 31st December, 2008 Rupees
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	**465,503,340**	465,019,840
Warrants		**1,363,283**	1,411,633
Stock Option Outstanding	2	**25,513,412**	45,719,893
Reserves and Surplus	3	**1,779,663,465**	1,126,820,134
		2,272,043,500	1,638,971,500
LOAN FUNDS			
Secured Loans	4	**238,064,192**	189,407,635
		238,064,192	189,407,635
Total		**2,510,107,692**	1,828,379,135
APPLICATION OF FUNDS			
FIXED ASSETS	5		
Gross Block		**1,016,683,908**	752,675,478
Less: Accumulated Depreciation and Impairment		**653,164,689**	367,626,223
NET BLOCK		**363,519,219**	385,049,255
Capital Work-in-Progress including Capital Advances		**1,758,876**	2,764,423
		365,278,095	387,813,678
INVESTMENTS	6	**1,174,873,494**	263,160,600
DEFFERED TAX ASSET (Refer Note No. B(23) of Schedule "16")		**–**	220,402,396
CURRENT ASSETS, LOANS AND ADVANCES	7		
Inventories		**15,635,187**	18,404,869
Sundry Debtors		**238,985,012**	354,106,489
Cash and Bank Balances		**376,218,979**	320,411,749
Loans and Advances		**579,980,036**	488,901,514
(A)		**1,210,819,214**	1,181,824,621
Less: **CURRENT LIABILITIES AND PROVISIONS**	8		
Current Liabilities		**159,837,039**	209,256,765
Provisions		**81,026,072**	15,565,396
(B)		**240,863,111**	224,822,161
NET CURRENT ASSETS (A-B)		**969,956,103**	957,002,460
Total		**2,510,107,692**	1,828,379,135
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	16		

The schedules referred to above and notes to accounts form an integral part of the Balance Sheet
As per our attached report of even date.

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

For and on behalf of the Board of Directors

Ninad Karpe
Managing Director

C. Y. Pal
Vice Chairman

T. K. Ravishankar
Executive Vice President & CFO

Ketan Shah
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE FIFTEEN MONTHS ENDED 31ST MARCH, 2010

	Schedule		For the period from 1st January, 2009 to 31st March, 2010 Rupees	For the year ended 31st December, 2008 Rupees
INCOME				
Income from Operations	9		**1,237,912,120**	1,129,901,313
Other Income	10		**52,095,241**	43,926,552
			1,290,007,361	1,173,827,865
EXPENDITURE				
Training and Education Expenses	11		**290,016,125**	343,243,132
Marketing and Advertisement Expenses	12		**106,900,805**	151,706,129
Payments to and Provision for Employees	13		**313,043,582**	258,753,991
Administration and Other Expenses	14		**297,889,343**	243,924,611
Interest and Finance Expenses	15		**35,580,873**	23,428,198
Depreciation and Amortisation	5		**126,992,920**	130,735,893
			1,170,423,648	1,151,791,954
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX			**119,583,713**	22,035,911
EXCEPTIONAL ITEMS				
Tax Refund (Institutional Project)			**(20,000,000)**	-
Provision for Rebate			**-**	108,000,000
(Profit)/Loss on Sale of Investment			**(1,043,744,917)**	82,999,977
Dimunition in Value of Long Term Investment Written Back (Net)			**(9,259,896)**	(3,080,625)
			(1,073,004,813)	187,919,352
PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS AND BEFORE TAX			**1,192,588,526**	(165,883,440)
Provision for Taxation				
- Income Tax			**208,800,000**	2,888
- Mat Credit Entitlement			**(101,818,059)**	-
- Fringe Benefit Tax			**735,000**	6,867,458
- Wealth Tax			**125,350**	156,842
- Deferred Tax			**220,402,396**	(220,402,396)
			328,244,687	(213,375,208)
PROFIT/(LOSS) AFTER TAX			**864,343,839**	47,491,768
Profit/(Loss) Brought Forward from Previous Year			**71,245,949**	23,754,181
Transfer of Retained Earning of ASL on Merger			**164,369,099**	
Less: Equity Dividend (Final Proposed)		**48,275,737**		
Corporate Tax on Final Dividend		**8,017,996**	**56,293,733**	
BALANCE CARRIED TO BALANCE SHEET			**714,926,956**	71,245,949
Earnings Per Share (Refer Note No. B(17) of Schedule "16")				
- Basic			**18.58**	1.04
- Diluted			**18.00**	1.03
[Nominal value of share Rs.10 (Previous year Rs.10)]				
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	16			

The schedules referred to above and the notes to accounts form an integral part of the Profit and Loss Account
As per our attached report of even date.

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

For and on behalf of the Board of Directors

Ninad Karpe
Managing Director

C. Y. Pal
Vice Chairman

T. K. Ravishankar
Executive Vice President & CFO

Ketan Shah
Company Secretary

CASH FLOW STATEMENT FOR THE FIFTEEN MONTHS ENDED 31ST MARCH, 2010

	For the period from 1st January, 2009 to 31st March, 2010 Rupees		For the year ended 31st December, 2008 Rupees	
(A) CASH FLOW FROM OPERATING ACTIVITIES				
Net Profit/(Loss) Before Tax		1,192,588,526		(165,883,440)
Adjustments for:				
Employee Stock Compensation Net Charge	(16,225,690)		20,893,985	
Esop Write Back	(3,980,790)		(6,632,092)	
Depreciation and Amortisation	126,992,920		130,735,894	
Provision for Rebates	–		108,000,000	
Provision for Doubtful Debts	51,643,651		65,312,174	
Loss on Sale of Investment	–		82,999,977	
Investments in Shares of Subsidiary Companies (dimuntion of investment)	5,00,000		(3,080,625)	
Provision for Leave Encashment Written Back	–		(1,133,051)	
Interest and Finance Costs (Net)	780,514		364,373	
Loss on Sale of Fixed Assets (Net)	(318,098)	159,392,507	97,707	397,558,342
Operating Profit Before Working Capital Changes		1,351,981,033		231,674,902
Adjustments for Working Capital Changes				
Decrease/(Increase) in Inventory	2,769,682		905,191	
Decrease/(Increase) in Sundry Debtors	62,977,825		(79,319,676)	
Decrease/(Increase) in Loans and Advances-Other than Subsidiaries	(101,495,922)		(25,119,285)	
Increase/(Decrease) in Current Liabilities and Provisions	(91,801,340)	(127,549,755)	17,686,284	(85,847,486)
Cash from/(used) in Operating Activities		1,224,431,278		145,827,416
Wealth Tax Paid (Net)	(168,820)		(182,832)	
Income Tax/Fringe Benefit Tax Paid (Net)	(158,756,573)	(158,925,393)	(29,881,037)	(30,063,869)
Net Cash from/(used) in Operating Activities		1,065,505,885		115,763,547
(B) CASH FLOW ON INVESTING ACTIVITIES				
Purchase of Fixed Assets		(120,152,255)		(118,264,585)
Sale of Fixed Assets		16,013,017		12,394,957
Investment in Shares of Subsidiary Company (Net)		(911,712,894)		–
Loans and Advances to Subsidiary Companies (Net)		4,973,692		(45,414,319)
Proposed Dividend		(56,293,733)		–
Net Cash from/(used) in Investing Activities		(1,067,172,173)		(151,283,947)

CASH FLOW STATEMENT FOR THE FIFTEEN MONTHS ENDED 31ST MARCH, 2010

	For the period from 1st January, 2009 to 31st March, 2010 Rupees	For the year ended 31st December, 2008 Rupees
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital/Warrants (ESOP and Preferencial Issue)/Share Premium	**9,597,475**	283,790,850
Repayment of Borrowings	**52,878,067**	(100,480,571)
Increase/(Reduction) of Cash credit facility from bank	**(4,221,510)**	117,808,107
Interest paid (Net)	**(780,514)**	(364,373)
Net Cash from/(Used) Financing Activities	**57,473,518**	300,754,013
Net (Decrease)/Increase in Cash & Cash equivalents	**55,807,230**	265,233,614
Cash & Cash equivalents at the beginning of the year	**320,411,749**	55,178,135
Cash & Cash equivalents at the end of the year	**376,218,979**	320,411,749
	55,807,230	265,233,614

Notes :

1) Cash and Cash equivalents include cash and bank balances in current accounts and deposit accounts (Refer Schedule 7C)

2) Cash and Cash equivalents include:

	As at 31st March, 2010 Rupees	As at 31st December, 2008 Rupees
Cash and Bank balances		
Amount in EEFC account	**33,672,092**	6,320,872
Amount in FIXED DEPOSIT account	**319,179,541**	283,007,658
Amount in Other Cash & Bank Account	**23,367,346**	31,083,218
Total Cash and Cash equivalents	**376,218,979**	320,411,749

3) Proceeds from borrowings reflect the increase in secured and unsecured loans and is net of repayments.

4) Additions to fixed assets, sale of fixed assets and loans and advances given to Subsidiaries are considered as part of investing activities.

5) Previous period figures have been regrouped wherever necessary to correspond with the figures of the current year.

6) The Company has undrawn working capital facility of Rs.54,419,544 (previous year Rs.123,328,848)

As per our attached report of even date.

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

For and on behalf of the Board of Directors

Ninad Karpe
Managing Director

C. Y. Pal
Vice Chairman

T. K. Ravishankar
Executive Vice President & CFO

Ketan Shah
Company Secretary

SCHEDULES TO THE BALANCE SHEET

	As at 31st March, 2010 Rupees	As at 31st December, 2008 Rupees
SCHEDULE '1' - SHARE CAPITAL		
AUTHORISED		
60,000,000 (Previous year 60,000,000) Equity Shares of Rs.10 each	**600,000,000**	600,000,000
ISSUED, SUBSCRIBED AND PAID-UP		
46,550,334 (Previous year 46,501,984) Equity Shares of Rs.10 each fully paid up	**465,503,340**	465,019,840
Of the above :-		
1. During the year 48,350 Equity Shares (Previous year 88,367) of Rs.10 each fully paid-up allotted under Employees Stock Option Scheme 2006 @ Rs.113 per share (Refer Note No. B (5) of Schedule 16)		
2. 18,147,437 Equity Shares of Rs.10 each fully paid up had been allotted in accordance with the Scheme of demerger of the training division of erstwhile Aptech Limited into the Company for consideration other than cash.		
3. 15,651 Equity Shares (Previous year 16,671) of Rs.10 each fully paid up represented by 31,302 (Previous year 33,942) Global Depository Receipts (GDRs) of USD 7.175 each		
4. During the previous year 2,662,500 shares of Rs.10 each fully paid up, had been allotted to the 'Promoters on conversion of warrants		
Total	**465,503,340**	465,019,840
SCHEDULE '2' - STOCK OPTION OUTSTANDING		
Employee Stock options outstanding	**30,633,975**	73,433,659
Less : Deferred Employee compensation outstanding (Refer Note No. B (5) of Schedule "16")	**5,120,563**	27,713,766
Total	**25,513,412**	45,719,893
SCHEDULE '3' - RESERVES AND SURPLUS		
CAPITAL REDEMPTION RESERVE	**88,480,000**	88,480,000
SECURITIES PREMIUM ACCOUNT		
Balance as per last accounts	**967,094,184**	676,111,137
Add : Additions during the year (Refer Note No. B(5) of Schedule "16")	**9,162,325**	290,983,047
	976,256,509	967,094,184
SUPLUS IN PROFIT & LOSS ACCOUNT	**714,926,956**	71,245,950
Total	**1,779,663,465**	1,126,820,134
SCHEDULE '4' - SECURED LOANS		
From Banks		
- Working Capital Demand Loan	**91,000,000**	40,000,000
- Cash Credit	**142,556,121**	146,777,631
- Vehicle Loans	**4,508,071**	2,630,004
Total	**238,064,192**	189,407,635

1. Working Capital Demand Loan and Cash Credit facility from banks are secured as under :
   a) Working Capital Demand Loan are secured by equitable mortgage on title deeds of the Company's immovable properties situated at Pune, Chennai, Bangalore, Mumbai and Baroda.

      All tangible movable fixed assets which include Plant and Machinery, Furniture and Fittings, Computers and Vehicles (other than those stated in Note No.2 below) including Stocks and Book Debts at all locations specified has been hyphothecated vide the supplimentary deed with the bank dated 25th June, 2003.

   b) Cash credit from bank is secured by hypothecation of fixed deposit with the said bank.
2. Vehicle loans are secured by charge on the concerned vehicles purchased.

SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

SCHEDULE - 5 : FIXED ASSETS

(Rupees)

PARTICULARS	GROSS BLOCK						DEPRECIATION AND AMORTISATION								NET BLOCK	
	As at 01-01-2009	Additions	Asset Addition on ASL merger 01.04.2009-31.03.2010	Deductions/ Adjustments	Asset deletion on ASL merger from 01.04.2009-31.03.2010	**As at 31.03.2010**	As at 01.01.2009	Opening Dep on ASL merger at 01.04.2009	For the year	Deductions/ Adjustments	Deduction/ adjustment on ASL merger at 31.03.2010	Impairment	Intercomp Adjustments	**As at 31.03.2010**	**As at 31.03.2010**	As at 31.12.2008
Tangible Assets:																
Freehold Land	29,333,500					**29,333,500**								**-**	**29,333,500.00**	29,333,500
Buidings	121,561,760		40,929,935			**162,491,695**	12,694,203	3,476,749	3,815,830					**19,986,782**	**142,504,913**	108,867,557
Computer Hardware	117,111,713	15,480,442	14,492,601	30,488,615	7,721,957	**108,874,185**	92,212,121	10,636,772	21,533,098	20,975,764	5,535,197			**97,871,030**	**11,003,155**	24,899,592
Office equipment	21,349,468	3,136,970	8,148,694	1,124,024	853,384	**30,657,724**	4,459,093	1,235,229	2,141,515		122,491		240,520	**7,953,866**	**22,703,858**	16,890,375
Electrical fittings	22,374,102	1,061,992	1,812,310	6,725,630		**18,522,773**	11,113,846	165,750	3,809,609	6,270,876				**8,818,328**	**9,704,445**	11,260,256
Furniture and Fixtures	66,893,863	6,413,376	3,005,558	8,601,149		**67,711,648**	36,403,142	1,346,781	12,566,359	6,798,268				**43,518,014**	**24,193,634**	30,490,721
Vehicles	22,555,925	5,523,200	1,091,880	3,801,425		**25,369,580**	8,625,224	428,458	5,272,837	1,247,587				**13,078,933**	**12,290,647**	13,930,699
Intangible Assets:																
Goodwill	95,260,844					**95,260,844**	54,785,430	-	11,881,493					**66,666,922**	**28,593,922**	40,475,414
Courseware	193,883,830	32,689,891	146,473,053	59,393		**372,987,381**	121,407,581	14,095,024	45,169,782	53,342		132,378,029		**312,997,074**	**59,990,307**	72,476,249
Computer Software	62,350,473	7,059,143	37,178,930	1,113,969		**105,474,578**	25,925,582	11,462,693	20,802,398	1,113,969		25,197,036		**82,273,740**	**23,200,838**	36,424,891
Total	**752,675,478**	**71,365,014**	**253,132,961**	**51,914,205**	**8,575,339**	**1,016,683,908**	**367,626,223**	**42,847,456**	**126,992,920**	**36,459,806**	**5,657,687**	**157,575,065**	**240,520**	**653,164,689**	**363,519,219**	**385,049,255**
Total (Previous year)	1,162,067,450	156,957,932		566,349,905		752,675,478	701,779,566		130,735,894	460,619,098			4,270,139	367,626,223	385,049,255	

Note:

1) In case of inter company transfer of Fixed assets Gross Block at cost alongwith accumulated depriciation is transferred and reflected above.

SCHEDULES TO THE BALANCE SHEET

	As at 31st March, 2010 Rupees		As at 31st December, 2008 Rupees	
SCHEDULE '6' - INVESTMENTS				
LONG-TERM INVESTMENT (AT COST)				
IN SUBSIDIARY COMPANIES (TRADE - UNQUOTED)				
Aptech Worldwide Bangladesh Limited (Bangladesh)				
160,000 (Previous year 160,000) Equity Shares of 10 Bangladeshi Takkas each Fully Paid-up	**1,409,334**		1,409,334	
Less: Provision for Diminution in Value of Investment (Refer Note No. B(6) of Schedule "16")	**1,409,334**	**–**	1,409,334	–
Aptech Training Limited F.Z.E.				
37 (Previous Year 37) Equity Shares of 100,000 AED each	**46,007,103**		46,007,103	
Less: Provision for Diminution in Value of Investment (Refer Note No. B(6) of Schedule "16")	**–**	**46,007,103**	9,759,896	36,247,207
AGLSM SDN.BHD' Malaysia				
545,140 (Previous year 545,140) Equity Shares of Rm 1 each (Rs. 12.32 each)		**6,717,000**		6,717,000
Aptech Worldwide Limited				
900,000 (Previous year 900,000) Equity Shares of US$ 1 each	**40,950,000**		40,950,000	
Less: Provision for Diminution in Value of Investment (Refer Note No. B(6) of Schedule "16")	**40,950,000**	**–**	40,950,000	–
Aptech Software Limited				
15,673,699 (Previous year 15,673,699) Equity Shares of Rs.10 each (Refer Note No. B(6) of Schedule "16")		**–**		156,736,990
Attest Testing Services Limited				
82,841 (Previous year 82,841) Equity Shares of Rs.10 each		**828,410**		828,410
Aptech Manpower Services Limited				
50,000 (Previous year 50,000) Equity Shares of Rs.10 each	**500,000**		500,000	
Less: Provision for Diminution in Value of Investment (Refer Note No. B(6) of Schedule "16")	**500,000**	**–**	–	500,000
Avalon Aviation Academy Private Limited				
4,000,000 (Previous year 4,000,000) Equity Shares of Rs.10 each (Refer Note No. B(6) of Schedule "16")		**40,000,000**		40,000,000
Aptech Venture Limited				
15,787,680 (Previous year Nil) Preference Shares of 1 Euro each		**1,058,180,685**		
345,245 (Previous year Nil) Equity Shares 1 Euro each		**23,140,296**		
OTHERS (TRADE - UNQUOTED)				
Beijing Aptech Beida Jade Bird Information Technology Company Limited				
NIL (Previous year 1) stock of Rs.22,130,994 (50% share) (Refer Note No. B(22) of Schedule "16")		**–**		22,130,994
Total		**1,174,873,494**		263,160,600
Note: Aggregate of unquoted Investments at Cost				

SCHEDULES TO THE BALANCE SHEET

	As at 31st March, 2010 Rupees	As at 31st December, 2008 Rupees
SCHEDULE '7' - CURRENT ASSETS		
A. INVENTORIES (AT LOWER OF COST OR NET REALISABLE VALUE)		
Education and Training Materials	**15,635,187**	18,404,869
Total - A	**15,635,187**	18,404,869
B. SUNDRY DEBTORS (UNSECURED)		
Dues Outstanding for Period Exceeding Six Months		
- Considered Good	**81,439,927**	143,639,828
- Considered Doubtful	**321,470,847**	335,882,761
- Others Considered Good	**157,545,085**	210,466,661
	560,455,859	689,989,250
Less : Provision for Doubtful Debts	**321,470,847**	335,882,761
(Refer Note No. B(11) of Schedule "16")		
Total - B	**238,985,012**	354,106,489
C. CASH AND BANK BALANCES		
1) Cash in Hand	**2,714,445**	210,862
2) Bank Balances		
Balances with Scheduled Banks		
i) Current Accounts (including Exchange Earners Foreign Currency Accounts Rs.33,672,092 (Previous year Rs.6,326,014))	**54,324,992**	37,193,228
ii) Deposit Accounts (including Margin deposit Rs.5,75,000 (Previous year Rs.5,75,000) and including interest accrued Rs.21,451,408 (Previous year Rs.16,182,658)) The above fixed deposit is under lien with bank for cash credit facility	**319,179,541**	283,007,658
Total - C	**376,218,979**	320,411,749
D. LOANS AND ADVANCES (Unsecured, Considered Good Except Otherwise Stated)		
Loans Given:		
To Subsidiaries (Considered Doubtful Rs.9,173,885, Previous year Rs.160,023,144)	**305,108,220**	467,739,900
To Aptech Education Society (Considered Doubtful Nil, Previous year Rs.216,223,369) (Refer Note No. B(6)(b) of Schedule "16")	**-**	216,223,369
To Aptech Training and Education Trust (Considered Doubtful Rs.6,266,636, Previous year Rs.9,123,807) (Refer Note No. B(6)(b) of Schedule "16")	**6,266,636**	9,123,807
To Others (Considered Doubtful Rs.332,880 Previous year Rs.542,095)	**78,541,448**	68,724,834
Advances Recoverable in Cash or in kind (Prepaid Exp & Service Tax Credit)	**8,789,870**	7,357,863
Deposits	**30,885,159**	26,396,067
MAT Credit Entitlement	**101,818,059**	-
Advance Tax (Net of Provision for Tax Rs.112,743,428 (Previous year Rs. 23,189,431)	**57,744,529**	79,248,088
	589,153,921	874,813,928
Less : Provision	**9,173,885**	385,912,414
Total - D	**579,980,036**	488,901,514
Total	**1,210,819,214**	1,181,824,621

SCHEDULES TO THE BALANCE SHEET

	As at 31st March, 2010 Rupees	As at 31st December, 2008 Rupees
SCHEDULE '8' - CURRENT LIABILITIES AND PROVISIONS		
A. Current Liabilities		
Sundry Creditors*	**42,744,818**	83,214,731
Loan from Subsidiary - Aptech Training Limited F.Z.E.	**–**	4,027,450
Unclaimed Dividend**	**591,360**	591,360
Franchisee/Other Deposits	**4,841,009**	14,383,282
Other Liabilities	**111,659,852**	107,039,942
Total - A	**159,837,039**	209,256,765
* Includes total dues outstanding to Micro, Small and Medium Enterprises (Refer Note No. B(13) of Schedule "16")		
** Includes amounts outstanding to be credited, as and when due, to Investor Education and Protection Fund.		
B. Provisions		
Compensated Absences	**8,975,411**	7,335,945
Gratuity	**15,756,928**	8,229,451
(Refer Note No. B(18) of Schedule "16")		
Proposed Dividend (Final) on Equity Shares	**48,275,737**	–
Dividend Tax on Proposed Dividend	**8,017,996**	–
Total - B	**81,026,072**	15,565,396
Total	**240,863,111**	224,822,161

SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

	For the period from 1st January, 2009 31st March, 2010 Rupees	For the year ended 31st December, 2008 Rupees
SCHEDULE '9' - INCOME FROM OPERATIONS		
Training and Education Income	**1,237,912,120**	1,129,901,313
Total	**1,237,912,120**	1,129,901,313
SCHEDULE '10' - OTHER INCOME		
Exchange Rate Gain (Net)	**–**	15,334,318
Interest Income	**36,361,387**	20,950,169
Liabilities No Longer Required Written Back	**12,614,112**	5,905,183
Miscellaenous Income	**2,248,691**	1,454,396
Profit on Sale of Assets	**871,051**	282,486
Total	**52,095,241**	43,926,552
SCHEDULE '11' - TRAINING AND EDUCATION EXPENSES		
Education, Training Expenses and Course Materials	**73,070,321**	78,574,841
Course Execution Charges (Refer Note No. B(14) of Schedule "16")	**216,945,804**	264,668,291
Total	**290,016,125**	343,243,132

SCHEDULES TO THE PROFIT AND LOSS ACCOUNT

	For the period from 1st January, 2009 31st March, 2010 Rupees	For the year ended 31st December, 2008 Rupees
SCHEDULE '12' - MARKETING AND ADVERTISEMENT EXPENSES		
Advertisement Expenses	**103,396,159**	144,753,015
Businesss Promotion	**3,504,646**	6,953,114
Total	**106,900,805**	151,706,129
SCHEDULE '13' - PAYMENTS TO AND PROVISION FOR EMPLOYEES		
Salary and Other Allowances	**294,364,798**	194,670,142
Contribution to Provident, Gratuity and Other Funds	**25,143,508**	33,777,013
Staff Welfare Expenses	**9,760,966**	9,412,851
ESOP Compensation Cost (Net) (Refer Note No. B (5)of Schedule "16")	**(16,225,690)**	20,893,985
Total	**313,043,582**	258,753,991
SCHEDULE '14' - ADMINISTRATION AND OTHER EXPENSES		
Rent	**52,526,223**	40,677,878
Rates and Taxes	**3,113,332**	2,963,754
Travelling and Conveyance Expenses	**42,355,559**	39,198,182
Electricity Charges	**19,759,758**	13,907,592
Communication Expenses	**24,182,008**	18,168,999
Repairs and Maintenance - Buildings	**–**	376,813
Repairs and Maintenance - Others	**12,588,818**	10,600,584
Insurance Premium	**1,998,970**	689,575
Legal and Professional Charges	**39,336,785**	25,565,226
Bad Debts Written off	**13,385,894**	–
Provision for Doubtful Debts/Advances	**51,643,651**	65,312,174
Provision for Dimunition of Investment	**500,000**	–
Loss on Sale/Disposal of Fixed Assets	**1,189,150**	380,193
Director's Sitting Fees	**1,686,189**	869,581
Audit Fees (Refer Note No. B(15) of Schedule "16")	**4,041,435**	2,733,425
Miscellaneous Expenses (Refer Note No. B(10)(C) of Schedule "16")	**29,581,570**	22,480,635
Total	**297,889,343**	243,924,611
SCHEDULE '15' - INTEREST AND FINANCE EXPENSES		
Interest on		
- Term Loans	**–**	3,579,697
- Working Capital Demand Loans	**29,223,737**	16,394,383
- Others	**3,617,542**	406,676
Commitment and Finance Charges	**2,739,594**	3,047,442
Total	**35,580,873**	23,428,198

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

SCHEDULE "16"

A. SIGNIFICANT ACCOUNTING POLICIES:

(a) ACCOUNTING CONVENTION

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

(b) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation and impairment loss if any. Cost comprises the purchase price and any cost, attributable to bringing the asset to its working condition for its intended use.

Intangible assets are recognised only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortisation.

(d) DEPRECIATION AND AMORTISATION

Depreciation on fixed assets is provided on Straight-Line Method at the rates and in the manner specified in the Schedule XIV of the Indian Companies Act, 1956, except,

i) Certain items of plant and machinery (including computers) installed at and used for Institutional Projects and certain training centers which are depreciated over the number of years till the completion of the period of the contract when the assets are transferred to those parties.

ii) Vehicles purchased under the "Own Your Car" ('OYC') scheme for the employees, which are depreciated over the period of the scheme.

Goodwill arising on acquisition of business unit is amortised over a period of ten years.

Depreciation on Buildings, Computer Hardware, Software, Courseware and Furniture & Fixtures acquired on or after 1st January 2006 is provided at the following higher rates based on its estimated useful life –

Office Premises	3.33%
Furniture & Fixtures	20.00%
Computers Hardware, Software & Courseware	33.33%

Depreciation on furniture & fixtures which are installed at leasehold premises, are amortised over lease period

Depreciation on the fixed assets added/disposed off/discarded during the year has been provided on *pro rata* basis with reference to the date of addition/disposition/discardation.

Assets purchased during the year whose acquisition cost is Rs.5,000 or less are depreciated fully in the month of purchase.

(e) IMPAIRMENT OF FIXED ASSETS

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Profit and Loss Account in the year, in which an asset is identified as impaired. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.

(f) BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(g) FOREIGN CURRENCY TRANSACTIONS

Transaction in foreign currency are recorded at the rate of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using closing rate of exchange at the end of the period. The resulting exchange gain/loss is reflected in the Profit and Loss Account. Other non-monetary items, like fixed assets, investments in equity shares, are carried in terms of historical cost using the exchange rate at the date of transaction. Premium/discount, in respect of forward exchange contract is recognised over the life of the contracts. Profit/Loss on cancellation/renewal of forward exchange contract is recognised as income/expense for the period.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

(h) INVESTMENTS

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and market/fair value. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

(i) INVENTORIES

Inventory of educational course material is valued at cost or net realizable value whichever is lower. Cost is determined on Weighted Average basis.

(j) GOVERNMENT GRANTS

Government Grants are recognised when there is reasonable assurance that the same will be received and attaching conditions are complied with. Revenue grants are recognised in the Profit and Loss Account. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to capital reserve.

(k) REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

i) Training and Education Income

Revenue in respect of training and education services is recognised on rendering of services, only when it is reasonably certain that the ultimate collection will be made. The revenue from fixed time contracts is recognised over the period of contracts. For services rendered through franchisees only the Company's share of revenue is recognised.

ii) Sale of Education Course Materials

Revenue in respect of sale of education course materials is recognised on delivery of the course materials to the customers.

iii) Dividend

Dividend income is accounted for when the right to receive the payment is established.

iv) Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

(l) RETIREMENT BENEFITS

Defined Contribution Plan

The Company makes defined contribution to Provident fund and Superannuation Scheme which are recognised in the Profit and Loss account on accrual basis

DEFINED BENEFIT PLAN

The Company's liabilities under Payment of Gratuity Act (funded) and long term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year/period using the projected unit credit method except for short term compensated absences, which are provided on estimates. Actuarial gain and losses are recognised immediately in the statement of profit and Loss Account as income or expenses. Obligation is measured at the present value of estimated future cash flows using the discounted rate that is determined by reference to market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

(m) DERIVATIVE INSTRUMENTS

As per the ICAI Announcement, accounting for derivative contracts, other than those covered under AS-11, are marked to market on a portfolio basis, and the net loss after considering the offsetting effect on the underlying hedge item is charged to the income statement. Net gains are ignored.

(n) EMPLOYEES STOCK OPTION PLAN ('ESOP')

The stock options granted are accounted for as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines,1999, issued by Securities and Exchange Board of India, whereby the intrinsic value of the option is recognised as deferred employee compensation. The deferred employee compensation is charged to Profit & Loss Account on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, to the extent of the amortised portion of value of lapsed portion. The costs incurred on account of ESOP granted to employees of subsidiary companies are recovered from the subsidiaries. The Employee Stock Option Account, net of any unamortised deferred employee compensation is shown separately as part of reserves.

(o) INCOME TAX

Tax expense comprises of current and deferred tax.

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(p) SEGMENT REPORTING POLICIES

Identification of segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Intersegment transfers

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

Allocation of common costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated items

Includes general corporate income and expense items which are not allocated to any business segment.

Segment policies

The company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

(q) EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(r) OPERATING LEASE

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Profit and Loss Account as per terms of lease agreement.

(s) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

Contingent liabilities are possible but not probable obligations as on the Balance Sheet date, based on the available evidence.

Department appeals, in respect of cases won by the company, are also considered as contingent Liabilities.

Contingent Assets are neither recognised, nor disclosed.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

B. NOTES TO ACCOUNTS:

1) Aptech Limited ('the Company') has changed its financial year end from December to March from this year. As a result, these financial statements have been prepared for the period of fifteen months from 01st January, 2009 to 31st March, 2010 ('Period') as against previous financial statements which were prepared for the year ended 31st December, 2008. Therefore, the numbers of current period and previous year are not comparable.

2) The Financial Statements of the Company for the period ended 31st March, 2010 were earlier approved by the Board of Directors(BOD) at its meeting held on 31st May, 2010 and reported upon by the Statutory Auditors vide their report dated 31st May, 2010, but the same were yet to be submitted to the general body of members for adoption. The said Financial Statements didn't include the effect of the following transactions:

   The Scheme of Amalgamation (the Scheme) of Aptech Software Limited (ASL) (a wholly owned subsidiary) with the Company which has been approved by Hon'ble High Court of Mumbai subsequent to the adoption of accounts by the BOD as aforesaid on 23rd July, 2010. The Scheme has become operational on 09th August, 2010 on filing of requisite forms with Registrar of Companies, with effect from the appointed date .i.e. 1st April, 2009. The Management has revised the Financial Statements of the Company for the period ended 31st March, 2010 to give effect of the Scheme. Accordingly, the Company has accounted for brought forward losses of ASL as at 1st April, 2009 aggregating Rs. 322,288,670 after reducing the reversal of provision for doubtful advances made by the Company to ASL Rs. 157,919,571, resulting into net adjustment of Rs. 164,369,099 in opening balance of Profit and Loss Account and transactions of ASL for the year ended 31st March, 2010 in Profit and Loss Account of the Company for the period.

   On 12th August, 2010, the Board of Directors have proposed dividend for the period ended 31st March 2010, which has been now accounted in Revised Financial Statements for the period ended 31st March 2010.

   Accordingly, these Revised Financial Statements have been prepared in supersession of the Financial Statements, previously approved as referred above, for giving consequential effect to the above transactions.

3) Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) Rs. 6,281,401 (Previous year: Rs. 5,349,190).

4) Contingent Liabilities in respect of:

(Amount in Rs.)

No.	Particulars	As at 31.03.10	As at 31.12.08
(a)	Counter Guarantees to banks for projects	**31,426,669**	18,057,133
(b)	Claims against the Company not acknowledged as debts	**98,268,772**	98,929,351
(c)	Income Tax	**–**	83,175,188

5) Based on the resolution for Employee Stock Option Scheme ('Scheme') approved by the shareholders on 16th September, 2006, the Aptech Employees Stock Options Trust - 2006 ('Trust') was set up on 6th December, 2006 and 1,500,000 Warrants of Re. 1 each have been granted by the Company to the Trust on 12th March, 2007. As confirmed by the Company's legal counsel :

   The employees/directors were granted 1,165,000 stock options on 19th March, 2007 effective from 4th May, 2007 post Fringe Benefit Tax clarification. 1,065,000 stock options were issued to eligible employees and 100,000 stock options to Non Executive Directors. 1,065,000 stock options granted to eligible employees have been granted with a vesting schedule comprising 159,750, 213,000, 266,250 and 426,000 stock options over a vesting period of 12, 24, 36 and 48 months respectively from the grant date and an exercise period of one year from the respective vesting dates. The right to exercise 50% of the vested stock option shall be subject to the employees continuance of service with the Company on the exercise date, 25% of the vested stock option shall be subject to achievement of KRA (Key result area) as decided by the Managing Director and balance 25% of the vested stock option shall be based on financial performance with reference to budgets.

   During the period 72,750 stock options were vested with the employees. The entire 100,000 stock options granted to Non Executive Directors has a vesting period of 12 months from the grant date and an exercise period of one year from the vesting date. The stock options have been repriced at Rs. 113 as against the formula approved by Shareholders based on the powers given by the Shareholders to the Board to alter, vary and modify the Scheme. The stock option discount in the aforesaid Scheme, computed as per SEBI guidelines from the date of grant viz. 19th March, 2007, is being amortised on a straight line basis over the vesting period and the reversal on account of lapse options is netted off against the charge for the year. Accordingly, during the period the net charge to Profit & Loss Account is write back of Rs. 16,225,690 (Previous year charge of Rs. 20,893,985) being the proportionate charge of discount for the period net of write back on account of lapse option, has been included in "Salaries and other allowances" in the schedule of "Payments to and Provisions for Employees" (Schedule "13") as ESOP Compensation Cost. The said cost is net of recoveries of Rs. 201,485 (Previous year Rs. 1,011,357) made from ESOPs granted to employees of wholly owned subsidiaries. During the period, 444,089 stock options (Previous year 200,044) have been lapsed/forfeited/expired and reversal of discount charge aggregating Rs. 30,963,414 (Previous year Rs. 6,632,092) have been credited to "Salaries and other allowances" in the schedule of "Payments to and Provisions for Employees" (Schedule "13") as ESOP Compensation Cost. The net reserve as reflected in Schedule "2" under ESOP-2006 scheme is net of ESOP Outstanding Account Rs. 30,633,975 (Previous year Rs. 73,433,659) and Deferred Employee Compensation Account Rs. 5,120,563 (Previous year Rs. 27,713,767).

During the period, 197,764 stock options were exercisable against which 48,350 were exercised. Accordingly Rs. 9,162,325 was transferred from Employee Stock Options Outstanding (ESOP 2006) Account to Securities Premium Account in Schedule "3".

Particulars	**Period ended 31st March, 2010**	Year ended 31st December, 2008
Options granted and outstanding at the beginning of the period/year	**846,589**	1,135,000
Add: Granted during the period/year	**265,000**	–
Less: Lapsed/Forfeited/Expired during the period/year	**444,089**	200,044
Less: Options exercised during the period/year	**48,350**	88,367
Options granted and outstanding at the end of the period/year *	**619,150**	846,589
Option Exercisable	**22,650**	125,014

*Includes 21,500 (Previous year 99,038) stock options granted to employees of Subsidiary companies.

Fair value of Options granted by the Company on 29th April, 2009 & 24th February, 2010 is Rs. 37.85 and Rs. 92.58 per option respectively.

The details of variables used for the computation of fair value are presented in the table below:

Grant: 29th April, 2009	**Vesting 1 29th April, 2010**	**Vesting 2 4th May, 2010**	**Vesting 3 4th May, 2011**
Variables			
Stock price (Rs.)	91.20	91.20	91.20
Volatility	90.89%	90.64%	79.67%
Riskfree Rate	5.07%	5.08%	5.33%
Exercise Price (Rs.)	113.00	113.00	113.00
Time to Maturity (in years)	1.50	1.51	2.51
Dividend Yield	0.00%	0.00%	0.00%
Fair Value per Vest (Rs.)	34.88	34.97	41.14
Vesting	23.53%	29.41%	47.06%
Option Fair Value (Rs.)	37.85	37.85	37.85

Grant: 24th February, 2010	**Vesting 1 4th May, 2011**
Variables	
Stock price (Rs.)	166.3
Volatility	83.61%
Riskfree Rate	6.24%
Exercise Price (Rs.)	113.00
Time to Maturity (in years)	1.69
Dividend Yield	0.00%
Fair Value per Vest (Rs.)	92.58
Vesting	100%
Option Fair Value (Rs.)	92.58

The Fair Value of the Options has been calculated using Black-Scholes Option Pricing Formula

6) During the period, some of the subsidiaries of the Company incurred losses and/or have accumulated losses as at the period-end or previous year-end.

a) i) In case of certain subsidiaries, the Company has investments in the equity shares aggregating Rs. 47,545,410 (Previous year Rs. 47,545,410) and Loans and Advances aggregating Rs. 294,260,588 (Previous year Rs. 208,203,171) as at the period end. The said subsidiaries have been set up in recent years. Considering the strategic long-term nature of the investment and the business plans of the said subsidiaries, in the opinion of the management, the decline in the book value of the investments is temporary and the investments, loans and advances and debts will be recoverable, requiring no provision.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

ii) In case of certain other subsidiaries the Company has investments in equity shares aggregating Rs. 88,866,436 (Previous year Rs. 245,603,426) and Loans and Advances aggregating Rs. 11,234,979 (Previous year Rs. 255,509,277) at the period end against which the Company has provided during the period Rs. 500,000 (Previous year Rs. 18,019,375) as diminution in value of investment and written back Rs. 9,759,896 (Previous year Rs. 21,100,000) thus continuing to carry balance of Rs. 42,859,334 (Previous year Rs. 52,119,230) as provided for diminution in value of investments and Rs. 9,173,885 (Previous year Rs. 160,023,144) towards provisions for doubtful advances. In the opinion of the management, the balance amounts are recoverable, requiring no additional provision.

b) i) During the earlier years, the Company had formed Aptech Education Society (Society) in Chattisgarh, which established a private university viz. Aptech University.

The Company being the sponsor had advanced interest free unsecured loans/advances in earlier years aggregating Rs. 216,223,369 to the society which were fully provided for. During the period, full amount has been written off.

ii) Aptech Training and Education Trust setup in Tamilnadu to which the Company had advanced Rs. 6,266,636 (Previous year Rs. 9,123,807) in earlier years which are fully provided for.

7) In 2007, the Company and Asian Institute of Communication & Research (AICAR) had formed a strategic alliance to create a premier educational institute of world-class quality. The AICAR Business School is a world-class Residential Institute offering Graduate Students and Corporate the opportunity to enhance skills in the research and development of management and communication practices of a standard unparalleled in most other institutes.

The two-year full time Post Graduate Diploma in Management offered by AICAR Business School is approved by the All India Council of Technical Education, New Delhi and is affiliated to the Directorate of Technical Education Board, Government of Maharashtra.

The Company has advanced of Rs. 55,558,230 inclusive of interest (Previous year Rs. 47,084,270) to AICAR.

8) In terms of the Share Purchase Agreement and Addendum thereon executed amongst the Company, Maya Entertainment Limited (Maya) and Shareholders of Maya (Vendors), the Company acquired 89.66% of shareholding in Maya on 23rd April, 2010 for consideration of Rs. 88,781,916 in cash and 1,717,103 equity shares at Rs. 216 per share. Balance 10.33% in Maya, is being acquired pending regulatory approvals. Maya is engaged in the Animation & Multimedia education.

9) Details of loans and advances in the nature of loans (as required by Clause 32 of the Listing Agreement with the Stock exchanges).

Particulars	Loans and Advances as at		Maximum outstanding during the period/year	
	31st March, 2010 Rupees	31st December, 2008 Rupees	**31st March, 2010 Rupees**	31st December, 2008 Rupees
Wholly Owned Subsidiary Company				
Aptech Training Limited, FZE	**7,065,878**	–	**9,656,713**	682,692
Aptech Worldwide Bangladesh Limited @	**2,103,600**	2,103,600	**2,103,600**	2,103,600
Aptech Software Limited	**–**	256,882,486	**–**	325,,720,706
Attest Testing Services Limited	**100,309,876**	92,089,974	**101,292,559**	92,954,890
Aptech Worldwide Corporation	**1,594,704**	–	**1,758,970**	5,846,469
Aptech Manpower Services Limited @	**470,797**	468,315	**470,797**	468,315
Avalon Aviation Academy Private Limited	**189,951,527**	111,963,622	**189,951,527**	111,963,622
Aptech Worldwide Ltd, South Africa	**–**	82,326	**82,326**	82,326
AGLSM SDN. BHD Malaysia	**3,999,184**	4,149,576	**4,687,990**	4,149,575
Entity in which director has significant influence				
Aptech Training and Education Trust @	**6,266,636**	9,123,807	**9,123,807**	9,123,807
Aptech Employee Welfare Trust @	**286,122**	286,122	**286,122**	286,122
Aptech Education Trust @	**15,000**	15,000	**15,000**	15,000
Aptech Education Society @	**–**	216,223,369	**216,223,369**	216,223,369

Notes:

a) Above Loans and Advances are interest free and repayable on demand

b) Loans to employees as per the Company's policy are not considered

c) There are no investments by the loanees in the shares of the Company

d) The loans marked @ are fully/partly provided for as doubtful of recovery

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

10) a) Sundry Debtors and Sundry Creditors and Some Bank Balances are subject to confirmation and reconciliation.

b) Administration and other expenses are net of recoveries for share of common expenses from Subsidiary Companies.

c) Miscellaneous Expenses includes printing and stationery Rs. 7,530,809 (Previous year Rs. 6,222,763), office security and service charges Rs. 15,004,881 (Previous year Rs. 10,541,419) and other expense.

11) The debtors are net of Rs. 77,653,267 (Previous year Rs. 89,426,189) being the amounts payable to franchisees/vendors for services rendered to Institutional Clients and International Clients, since as per the contract terms the same are payable only after the recovery from Institutional/international clients.

12) Out of the dues receivable by the Company from one Institutional project which was completed, Rs. 7,059,458 has been held back by the client during the period (Previous year Rs. 2,925,289) aggregating to Rs. 158,339,998 (Previous year Rs. 151,280,540) towards certain alleged non-fulfillment of the Contract Terms without giving the requisite details. Based on certain details made available, the Company has been able to recover an amount of Rs. Nil (Previous year Rs. 8,209,608) aggregating to Rs. 27,150,745. Based on prevailing pattern of payments the Company estimates that out of the balance dues, a further amount could be held back by the client. The Company is in correspondence with the client to obtain the full details and resolve the differences. The Company has to recover Rs. 43,563,094 (Previous year Rs. 101,300,563) over and above the aforesaid penalty.

Further, the Company has to recover since long, Rs. 59,886,303 (Previous year Rs. 87,133,744) from another institutional client who has held back Rs. 9,029,038 (Previous year Rs. 9,029,038) towards certain alleged non-fulfillment of contract terms. The Company has to recover Rs. 50,857,265 (Previous year Rs. 78,104,706) over and above the aforesaid penalty. Against the aforesaid receivable, the Company has to pay the business partners Rs. 30,778,365 (Previous year Rs. 33,328,337) only on recovery from the project client, after adjustment of penalty attributable to them.

Pending the final outcome of the discussions/correspondence with the clients, as a measure of abundant caution, the Company had provided in previous year Rs. 108,000,000 aggregating to Rs. 163,000,000 as at 31st March, 2010 and has made provision for doubtful debts in earlier years amounts Rs. 16,469,000.

13) Based on information available with the Company, there are no dues payable to Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

14) The following are included under course execution expenses in Profit and Loss Account:

Particulars	**Period ended 31st March, 2010 Rupees**	Year ended 31st December, 2008 Rupees
Salaries All Project related salary & allowances	**1,564,274**	83,287,270
Communication Expenses	**110,910**	7,223,589
Electricity Expenses	**464,525**	7,213,105
Printing & Stationery	**226,146**	2,446,164
Godown Rent	**71,700**	80,000
Repairs & Maintenance of Computers & Others	**269,242**	12,720,706
Insurance	**17,371**	269,264
Rates & Taxes - (VAT)	**–**	1,916,586
Professional Fees	**7,371,811**	7,047,398

15) Payment to Auditors (net of service tax):

Particulars	**Period ended 31st March, 2010 Rupees**	Year ended 31st December, 2008 Rupees
Audit Fees	**1,875,000**	1,400,000
Tax Audit Fees	**687,475**	500,000
Limited Review	**750,000**	600,000
Certification Fees	**612,275**	180,000
Reimbursement of Expenses	**116,685**	53,425
Total	**4,041,435**	2,733,425

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

16) Managerial Remuneration:

Managerial remuneration to Managing Director ('MD') and Executive Director ('ED') under Section 198 of the Companies Act 1956:

Particulars	Period ended 31st March, 2010 Rupees	Year ended 31st December, 2008 Rupees	
	MD	MD	ED (upto 23.10.2008)
Salaries and Allowances	**14,538,294**	7,569,392	2,768,488
Contribution to Provident and other funds	**7,523,294**	570,257	207,194
Total	**22,061,588**	8,139,649	2,975,682

Notes:

a) The computation of net profits under Section 349 of the Companies Act, 1956 is not given since no commission is payable to any director.

b) In determination of Managerial remuneration, certain perquisites have been valued in accordance with Income Tax Act, 1961.

c) As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the directors are not included above.

d) The managerial remuneration for the period under report being in excess by Rs. 4,681,225 of limits specified under Section 198 read with Schedule XIII of the Act, the application for the approval of Central Government for the waiver of such excess is being made by the Company.

e) The Company has received approvals from the Central Government for waiver of excess remuneration paid to the Managing Director and Executive Director during the year 2008.

f) Under the Employee Stock Option Scheme 2006, Mr. Ninad Karpe, Managing Director & CEO was granted 265,000 stock options in three phases in April 2009. Since as per the SEBI guidelines there has to be a gap of minimum one year between the date of grant and the date of vesting of the stock options, the said stock options were not vested as on 31st March, 2010. Erstwhile Managing Director Mr. Pramod Khera who exercised and was accordingly allotted 30,000 equity shares during last year out of 265,000 stock options that were granted to him, 225,250 stock options were lapsed on 31st March, 2009 as he resigned as Managing Director on that date. However as per the said Scheme, he is eligible for grant of stock options in the capacity as Non-Executive Director.

17) Earnings per Share ('EPS'):

Amount in Rupees (Except number of shares)

Particulars	Period ended 31st March, 2010	Year ended 31st December, 2008
Numerator:		
Profit after tax and exceptional items as disclosed in Profit and Loss Account (A)	**864,343,839**	47,491,768
Denominator:		
Weighted average number of equity shares Outstanding during the year/period		
Basic (No. of Shares) (B)	**46,518,374**	45,791,667
Add: Diluted Impact of Employee Stock Option	**748,027**	191,058
Diluted (No. of Shares) (C)	**48,014,428**	45,982,725
Nominal value of equity shares (Rupees)	**10/-**	10/-
Basic EPS (A/B)	**18.58**	1.04
Diluted EPS (A/C)	**18.00**	1.03

18) Retirement Benefits (Rupees)

A) The details of the Company's defined benefit plans for its employees are given below:

Particulars	**31st March, 2010**	31st December, 2008
Present value of the defined benefit obligation at the end of the period	**18,637,774**	16,188,741
Fair value of the plan assets	**2,880,846**	7,959,290
Net Liability/(Assets)	**15,756,928**	8,229,451

The amount recognised in salary and employee benefits in the Profit & Loss Account as follows in respect of the gratuity:

Particulars	**31st March, 2010**	31st December, 2008
Current Service Cost	**4,185,447**	2,797,062
Interest on defined benefit obligation	**1,670,468**	1,094,740
Expected return on plan assets	**(660,208)**	(698,228)
Net actuarial (Gain)/Loss on plan assets	**1,259,831**	3,138,771
Net Gratuity Cost	**6,455,539**	6,332,345

Actual Return on Plan Assets:

Particulars	**31st March, 2010**	31st December, 2008
Expected Return on plan assets	**676,023**	698,228
Actuarial Gain/(Loss) on plan assets	**709,010**	(1,521,416)
Actual return on plan assets	**1,385,033**	(823,188)

Reconciliation of present value of the obligation and the fair value of the Plan Assets:

Particulars	**31st March, 2010**	31st December, 2008
Opening defined benefit obligation as on 1.1.2009	**18,355,063**	14,596,529
Current Service Cost	**4,185,447**	2,797,062
Interest Cost	**1,670,468**	1,094,740
Actuarial (Gain)/Loss	**1,944,623**	1,617,355
Benefit Paid	**(7,517,829)**	(3,916,945)
Closing defined benefit obligation as on 31.03.2010	**18,637,773**	16,188,741

Change in fair value Plan Assets:

Particulars	**31st March, 2010**	31st December, 2008
Fair value of the plan assets at the beginning of the period	**8,899,445**	8,727,848
Expected return on plan assets for the period	**676,023**	698,228
Contributions during the period	**–**	3,971,575
Benefits paid during the period	**(7,517,829)**	(3,916,945)
Actuarial Gain/(Loss) on plan assets	**709,010**	(1,521,416)
Fair value of the plan assets at the end of the period	**2,766,649**	7,959,290

Principal Actuarial Assumptions as at:

Particulars	**31st March, 2010**	31st December, 2008
Discount Rate	**7.75%**	7.50%
Estimated rate of return on plan assets	**7.50%**	8.00%
Rate of Salary Growth	**6.50%**	6.25%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other related factors, such as supply and demand in the employment market.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

General description of the fair value of the plan

Gratuity liability under the Payment of Gratuity Act, 1972 is accrued on actuarial valuation and funded through group gratuity scheme of the holding company administrated by ICICI Prudential Life Insurance Company Limited.

The amount recognised in the Balance Sheet in respect of the Leave Encashment:

Particulars	**31st March, 2010**	31st December, 2008
Present value of the defined benefit obligation at the end of the period	**8,975,911**	7,335,945
Fair value of the plan assets	**–**	–
Net Liability/(Assets)	**8,975,911**	7,335,945

The amount recognised in salary and employee benefits in the Profit & Loss Account as follows in respect of the:

Particulars	**31st March, 2010**	31st December, 2008
Current Service Cost	**2,608,285**	1,028,327
Interest on defined benefit obligation	**727,491**	635,127
Expected return on plan assets	**–**	–
Net actuarial (Gain)/Loss on plan assets	**(209,522)**	(1,642,387)
Net Leave Encashment Cost	**3,126,254**	21,115

Reconciliation of present value of the obligation:

Particulars	**31st March, 2010**	31st December, 2008
Opening defined benefit obligation as on 1.1.2009	**7,936,000**	8,468,996
Current Service Cost	**2,608,285**	1,028,327
Interest Cost	**727,491**	635,175
Actuarial (Gain)/Loss	**209,522**	(1,642,387)
Benefit Paid	**(2,505,887)**	(1,154,166)
Closing defined benefit obligation as on 31.03.2010	**8,975,411**	7,335,945

Principal Actuarial Assumptions at the Balance Sheet date 31.03.2010:

Particulars	**31st March, 2010**	31st December, 2008
Discount Rate	**7.75%**	7.50%
Estimated rate of return on plan assets	**0.00%**	0.00%
Rate of Salary Growth	**6.50%**	6.25%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other related factors, such as supply and demand in the employment market.

B) Defined Contribution Plan:

The Company has recognised the following amount as an expense and included in the Schedule 13 - "Contribution to Provident and Other Funds" – Rs. 23,200,900 (Previous year Rs. 28,462,249/-)

Particulars	**31st March, 2010**	31st December, 2008
Contribution to Employees Provident Fund	**14,208,787**	17,861,192
Contribution to Superannuation Fund	**3,548,964**	2,361,642
Contribution to Others	**829,484**	1,541,441

19) Segment information under AS-17

Primary Segment information : Business Segment

(Rupees)

Particulars	2010				2008			
	Business Segments				Business Segments			
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
Revenue								
Income from Segment	1,076,804,010	162,276,996	50,926,355	1,290,007,361	878,361,042	256,386,453	18,130,200	1,152,877,696
Results before Interest and Tax and Exceptional Items	376,510,922	(42,451,623)	(181,634,305)	152,424,993	234,189,740	(43,644,775)	(168,144,680)	22,400,285
Less: Interest Expenses and Finance Charges	236,934	528,916	32,075,429	32,841,279	23,352	341,021		364,373
Profit/(Loss) before Tax and Exceptional Items	376,273,988	(42,980,539)	(213,709,734)	119,583,714	234,166,388	(43,985,796)	(168,144,680)	22,035,912
Exceptional Items								
Provision for Rebate	-	-	-	-	-	(108,000,000)	-	(108,000,000)
Tax Refund (Institutional Project)	-	20,000,000	-	20,000,000	-	-	-	-
Profit/(loss) on Sale of Investment	-	-	1,043,744,917	1,043,744,917	-	-	(82,999,977)	(82,999,977)
Net Diminuition in Value of Long-Term Investment Written Back	-	-	9,259,896	9,259,896	-	3,080,625	-	3,080,625
Profit/(Loss) before Tax	376,273,988	(22,980,539)	839,295,078	1,192,588,527	234,166,388	(148,905,171)	(251,144,657)	(165,883,439)
Add/(Less): Taxation	-	-	328,244,687	328,244,687	-	-	(213,375,208)	(213,375,208)
Profit/(Loss) after Tax	376,273,988	(22,980,539)	511,050,391	864,343,840	234,166,388	(148,905,171)	(37,769,449)	47,491,768
Other Information								
Carrying amount of Segment Assets	304,435,866	223,829,342	2,222,705,595	2,750,970,803	556,801,242	34,348,389	944,426,951	1,535,576,582
Carrying amount of Segment Liabilities	83,519,153	45,716,000	111,627,959	240,863,111	127,977,000	52,098,720	67,935,871	248,011,592
Cost incurred to acquire Segment Fixed Assets during the year (net of intercompany Accm. dep.)	50,169,735	50,158,069	20,829,997	121,157,802	69,632,464	6,953,041	76,102,288	152,687,793
Depreciation/Amortisation	65,392,358	9,821,838	51,778,724	126,992,920	36,076,895	53,937,293	40,721,706	130,735,894
Significant Non-Cash Expenditure	15,501,120	36,658,717	(16,241,876)	35,917,961	80,445,779	14,866,395	20,893,985	116,206,159
(ESOP Cost, Provision for doubtful debts)								

Secondary Segment information : Geographical Segment

Particulars	2010			2008		
	Revenue from customers by location	Carrying amount of Segment assets by location	Addition to Fixed Assets	Revenue from customers by location	Carrying amount of Segment assets by location	Addition to Fixed Assets
India	1,004,125,191	2,750,970,803	121,157,802	951,827,282	1,535,576,582	152,687,793
Outside India	285,882,170			201,050,414		

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

20) Disclosures in respect of Related Parties pursuant to Accounting Standard 18:

i) List of Related parties:

Parties where control exists:	**Subsidiaries:** Aptech Training Limited FZE Dubai Aptech (WOS) Bangladesh Limited Aptech Worldwide Corporation, US Attest Testing Services Limited Avalon Aviation Academy Pvt. Ltd. Aptech Manpower Services Limited Synergetic Information Technologies Services (India) Pvt. Ltd. (Sale effective from 1st October, 2008) AGLSM SDN BHD - MALAYSIA Aptech Worldwide Limited, South Africa Aptech Investments Enhancers Ltd., Mauritius Aptech Ventures Ltd., Mauritius ACE Educação Profissional do Brasil S.A Aptech Global Investment Ltd., Mauritius **Others:** Aptech Employees Stock Option Trust
Company/firm whose control exists :	Aptech Investments
Other parties with whom Company has entered into transactions during the period:	**Associate:** Beijing Jadebird IT Education Company Limited **Joint Venture:** Beijing Aptech Beida Jade Bird Information Technology Co. Limited (BJBC)
Key Management Personnel:	Mr. Pramod Khera - Managing Director (till 31st March, 2009) Mr. Ninad Karpe - Managing Director (from 1st April, 2009)

ii) Transactions with Related parties:

Nature of transaction	Subsidiaries	Joint Ventures	Key Management Personnel	Others	Total
Income	**5,246,852**				**5,246,852**
(Previous year)	(3,309,940)				(3,309,940)
Expenses	**9,277,543**		**22,061,588**		**31,339,131**
(Previous year)	(347,955)		(11,115,331)		(11,463,286)
Sale of Fixed Assets	**1,291,150**				**1,291,150**
(Previous year)	(2,047,726)				(2,047,726)
Purchase of Fixed Assets	**213,739**				**213,739**
(Previous year)	(72,134,481)				(72,134,481)
Reimbursement of Expenses received	**33,688,579**				**33,688,579**
(Previous year)	(43,006,105)				(43,006,105)
Finance (Including loans and equity, contributions in cash or kind)					
a) **Loans granted** (including share application money)					
Balance as at 1st January, 2009	**223,681,246**			**225,648,298**	**449,329,544**
(Previous year)	(443,827,554)			(225,648,298)	(669,475,852)
Fresh Loans given during the year	**347,017,784**				**347,017,784**
(Previous year)	(338,651,814)				(338,651,814)
Loans repaid/Adjusted during the year	**308,221,246**				**308,221,246**
(Previous year)	(314,739,468)				(314,739,468)
b) **Loans taken**					
Balance as at 1st January, 2009	**–**				**–**
(Previous year)	–				–
Fresh Loans taken during the year	**–**				**–**
(Previous year)	(4,027,450)				(4,027,450)
Loans repaid during the year	**–**				**–**
(Previous year)	–				–
c) **Investment in Equity** (excluding share application money)					
Purchased/adjusted during the year	**–**				–
Investment made during the year	(293,148,836)				(293,148,836)
Balances at the end of the year					
Investments	**1,217,732,828**	–			**1,217,732,828**
(Previous year)	(293,148,836)	(22,130,994)			(315,279,830)
Sundry Debtors balance	**–**	–			–
(Previous year)	–	(14,721,235)			(14,721,235)
Loans granted	**878,920,276**			**225,648,298**	**1,104,568,574**
(Previous year)	(467,739,900)			(225,648,298)	(693,388,198)
Creditors balance as at 31st March, 2010	**–**				**–**
(Previous year)	(1,532,783)				(1,532,783)
Loans taken	**–**				**–**
Fresh loans during the year	–				–
(Previous year)					
Corporate Guarantees	**–**				**–**
(Previous year)	–				–

Related party relationship is as identified by the Management & relied upon by the Auditors

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

iii) Out of the above items transactions with subsidiaries, Associates & Key Management Personnel in excess of 10% of total related party transactions are as under:

	Transaction	Relationship	31st March, 2010 (Rupees)	31st December, 2008 (Rupees)
a)	**INCOME**			
	Training & Education Income			
	Attest Testing Services Limited	Subsidiary	**1,967,927**	1,148,700
	Aptech Training Limited FZE Dubai	Subsidiary	**3,278,925**	2,161,240
b)	**EXPENSES**			
	Synergetics Information Technology (India) Pvt. Ltd.	Subsidiary	–	347,955
	Aptech Software Limited	Subsidiary	**8,012,687**	–
c)	**Reimbursement of Expenses received**			
	Aptech Software Limited	Subsidiary	**38,712,117**	11,505,000
	Attest Testing Services Limited	Subsidiary	**14,218,142**	10,463,000
	Avalon Aviation Academy Pvt. Ltd.	Subsidiary	**16,595,596**	11,508,067
	Synergetics Information Technology (India) Pvt. Ltd.	Subsidiary	–	8,087,000
d)	**Expenditure**			
	Managerial Remuneration			
	Mr. Ninad Karpe	Key Management Personnel	**11,200,994**	–
	Mr. Pramod Khera	Key Management Personnel	**10,860,594**	8,139,649
	Mr. R. Krishnan	Key Management Personnel	–	2,975,682
e)	**Purchase of fixed assets**			
	Aptech Software Limited	Subsidiary	**213,739**	39,545,739
	Synergetics Information Technology (India) Pvt. Ltd.	Subsidiary	–	30,846,504
f)	**Sale of fixed assets**			
	Aptech Software Limited	Subsidiary	**1,291,150**	751,159
	Avalon Aviation Academy Pvt. Ltd.	Subsidiary	–	690,312
	Attest Testing Services Limited	Subsidiary	–	606,255
g)	**Loans & Advances**	-		
	i) **[Given/(repaid back)]**			
	Aptech Software Limited	Subsidiary	–	73,234,074
	Attest Testing Services Limited	Subsidiary	–	63,521,155
	Avalon Aviation Academy Pvt. Ltd.	Subsidiary	–	136,257,536
	Synergetics Information Technology (India) Pvt. Ltd.	Subsidiary	–	58,003,102
	ii) **Repaid**			
	Aptech Software Limited	Subsidiary	–	94,053,211
	Attest Testing Services Limited	Subsidiary	–	56,559,231
	Avalon Aviation Academy Pvt. Ltd.	Subsidiary	–	83,599,792
	Synergetics Information Technology (India) Pvt. Ltd.	Subsidiary	–	66,799,485
	Loans & Advances [Taken/(Repaid)]			
	Aptech Training Limited FZE Dubai	Subsidiary	–	3,759,480
h)	**Investment made during the year**			
	Synergetics Information Technology (India) Pvt. Ltd.	Subsidiary	–	–
	Aptech Worldwide Corporation	Subsidiary	–	–
	Aptech Software Limited	Subsidiary	–	–
	Avalon Aviation Academy Pvt. Ltd.	Subsidiary	–	–
	Aptech Venture Ltd.	Subsidiary	**1,081,320,981**	–

21) Operating Leases

The maximum obligation on non-cancellable operating lease payable as per the lease agreement is as follows:

Particulars	Period ended 31st March, 2010	Year ended 31st December, 2008
Lease payment for the period/year	**8,380,688**	6,261,250
Not later than one year	**7,158,463**	3,317,316
Later than one year and not later than five years	**4,645,594**	6,775,060
Later than five years	**–**	–

22) Details of proportionate share in assets, liabilities, income and expenditure of the Joint Venture Company is given below:

Name of the Joint Venture	Beijing Aptech Beida Jade Bird Information Technology Company Limited, China	
	2010	2008
Percentage holding	*	50%
Net Fixed Assets (Rupees)	*	29,332,344
Net Current Assets (Rupees)	*	1,278,415,660
Liabilities (Rupees)	*	437,494,774
Income (Rupees)	*	1,182,849,698
Expenses (including interest and depreciation and tax) (Rupees)	*	136,532,633
Contingent Liabilities (Rupees)	*	774,945,191
Capital Commitment (Rupees)	*	NIL

*** Notes:**

i) Figures for the year ended 31st December, 2008 are as per audited US GAAP financial statements of joint venture. The US GAAP financial statements have not been converted to Indian GAAP, hence impact if any on above disclosure is not quantifiable.

ii) The Company has divested its entire investment in above joint venture on 26th March, 2009. Disclosure for proportionate share in income and expenses for the period from 1st January, 2009 to 26th March, 2009 is not made, since the financial statements for truncated period are not available.

23) Deferred Tax

Deferred Tax Asset on carry forward business losses/depreciation and other reversible timing differences has not been recognised as a matter of prudence.

24) Additional information pursuant to the provisions of Paragraph 3, 4C, 4D of Part II of Schedule VI of the Companies Act, 1956:

i) Quantitative Details of Education and Training course materials:

Particulars	31st March, 2010	31st December, 2008
1. Opening		
Quantity (Nos.)	**1,118,725**	1,031,028
Value (Rupees)	**18,404,869**	19,310,061
2. Purchase		
Quantity (Nos.)	**5,512,472**	7,028,593
Value (Rupees)	**82,775,060**	99,420,762
3. Sales		
Quantity (Nos.)*	**6,051,820**	6,940,896
Value (Rupees)	**85,544,741**	98,048,954
4. Closing Stock		
Quantity (Nos.)	**579,377**	1,118,725
Value (Rupees)	**15,635,187**	18,404,869

*Including consumption at owned centres

ii) **Expenditure in Foreign Currency:**

	Particulars	Period ended 31st March, 2010 Rupees	Year ended 31st December, 2008 Rupees
a)	Foreign Travel	**7,400,405**	5,159,920
b)	Training & Education Expenses	**36,024,558**	31,811,516
c)	Administrative and Other Expenses	**14,379,132**	11,207,016

iii) **Earnings in Foreign Currency:**

	Particulars	Period ended 31st March, 2010 Rupees	Year ended 31st December, 2008 Rupees
a)	F.O.B. Value of sale of Education and Training course materials	**25,084,566**	22,203,306
b)	Training and Education Income	**260,797,605**	178,847,108

25) The Company has started hedging its risk of foreign currency fluctuations relating to receivables of highly probable forecast transactions pertaining to franchise income by entering into Exchange Traded Futures (ETF's). In accordance with Company's risk mitigating policy, it has designated these ETF's as cash flow hedge by early application of the recognition and measurement principles set out in the Accounting Standard 30 "Financial Instrument-Recognition and Measurement" (AS-30) to these transactions. Accordingly, changes in the fair value of these ETF's designated as effective hedges for the future cash flows are recognised directly in shareholder's funds and ineffective portion thereof is recognised directly in the 'Profit and Loss Account'. On squaring off the complete position of such ETF as on 31st March, 2010 profit of Rs. 1,021,722 for the period ended 31st March, 2010 is accounted in Profit & Loss Account.

26) The figures for the previous year have been regrouped/rearranged wherever necessary.

For and on behalf of
KHIMJI KUNVERJI & CO.
Chartered Accountants
Firm Registration No. 105146W

Shivji K. Vikamsey
Partner
Membership No. 2242

Place : Mumbai
Date : 12th August, 2010

For and on behalf of the Board of Directors

Ninad Karpe
Managing Director

C. Y. Pal
Vice Chairman

T. K. Ravishankar
Executive Vice President & CFO

Ketan Shah
Company Secretary

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :

1.	**Registration Details**	
	Registration No.	11/123841
	State Code	11
	Balance Sheet Date	31st March, 2010
2.	**Capital raised during the year at Face Value**	**Rs. in Lacs**
	Public Issue (GDR Issue)	–
	Rights Issue	–
	Employees Stock Option Plan 2006	0
	Warrants	0
	Preferential Allotment	–
3.	**Position of Mobilisation and Deployment of Funds**	**Rs. in Lacs**
	Total Liabilities	25,101
	Total Assets	25,101
	Sources of Funds	
	Paid-up Capital	4,655
	Warrants	14
	Reserves & Surplus	17,797
	Secured Loans	2,381
	Unsecured Loans	–
	Deferred Tax Liability	–
	Application of Funds	**Rs. in Lacs**
	Net Fixed Assets	3,653
	Investments	11,749
	Net Current Assets	9,720
	Miscellaneous Expenditure	296
	Accumulated Losses	–
4.	**Performance of Company**	**Rs. in Lacs**
	Turnover	12,900
	Total Expenditure	11,704
	(Loss)/Profit Before Tax	11,926
	(Loss)/Profit After Tax	8,643
	Earnings Per Share in Rs.	19
	(Refer Note No. B(20) above)	
	Dividend Rate %	10%
5.	**Generic Names of the Three Principal Products/Services of Company**	
	Item *	NIL
	Code No. (ITC code)	NIL
	Product Description	COMPUTER EDUCATION
	Item *	NIL
	Code No. (ITC code)	NIL
	Product Description	MULTI MEDIA EDUCATION

* Code No. for the services rendered by the Company is not available in the Publication of the Indian Trade Classification for ITC Code of Products by Ministry of Commerce, Directorate General of Commercial Intelligence & Statistics, Calcutta - 700 001.

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES FOR THE PERIOD ENDED 31ST MARCH, 2010

Particulars	Name of the Subsidiary Company										
	Attest Testing Services Limited	Aptech Worldwide Corporation USA	Aptech Manpower Services Limited	Aptech Training Limited, FZE	Avalon Aviation Academy Pvt. Ltd.	AGLSM SDN.BHD. Malasiya	Aptech Worldwide Bangladesh Limited	Aptech Investment Enhancers Limited, Mauritius	Aptech Ventures Limited, Mauritius	ACE Educacao Profissional do Brasil S.A.	Aptech Global Investment Limited
Equity Capital	828,410	40,950,000	500,000	46,007,103	40,000,000	6,717,000	1,409,334	20,946,430	20,946,430	135,375	14,411,160
Preference Capital	–	–	–	–	–	–	–	1,060,402,759	1,060,402,759	–	–
Share Application Money	–	–	–	–	–	–	–	–	–	15,687,900	–
Reserves	(67,618,048)	65,834,288	(990,376)	14,389,743	(186,237,973)	(4,387,608)	1,190,857	(610,007)	(610,575)	330,138	(166,682)
Loan funds	101,283,008	1,594,704	470,797	9,742,682	189,981,635	6,151,121	2,643,843	646,494	669,981	–	5,415,793
Total Assets	102,111,418	42,544,704	970,797	70,139,530	229,981,635	8,480,514	5,244,034	1,081,995,684	1,082,019,169	16,153,412	19,826,954
Total Liabilities	102,111,418	42,544,704	970,797	70,139,530	229,981,635	8,480,514	5,244,034	1,081,995,684	1,082,019,169	16,153,412	19,826,954
Turnover	124,506,058	9,306,980	2,782	58,059,759	119,880,436	23,039,240	–	–	–	3,483,138	528,321
Profit Before Tax	(1,521,677)	4,011,991	(24,242)	28,313,460	(65,868,831)	(1,507,680)	(1,650,284)	(357,122)	(358,661)	(12,670,273)	166,682
Provision for Taxation	48,500	4,637	–	–	260,000	–	–	–	–	–	–
Profit After Tax	1,570,177	4,007,354	(24,242)	28,313,460	(66,128,831)	(1,507,680)	(1,650,284)	(357,122)	(358,661)	(12,670,273)	166,682
Proposed Dividend	–	–	–	–	–	–	–	–	–	–	–

NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of APTECH LIMITED will be held on Monday, 27th September, 2010 at "Walchand Hirachand Hall", Indian Merchants' Chambers, IMC Building, IMC Marg, Churchgate, Mumbai-400 020 at 12.00 noon to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Profit and Loss Account for the financial period ended 31st March, 2010, the Balance Sheet as at that date and the Report of the Directors and Auditors thereon.
2. To declare a dividend for the financial period ended 31st March, 2010.
3. To appoint a Director in place of Mr. Asit Koticha who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. Ramesh Damani who retires by rotation and is eligible for re-appointment.
5. To appoint a Director in place of Mr. Vijay Aggarwal who retires by rotation and is eligible for re-appointment.
6. To appoint a Director in place of Mr. Rakesh Jhunjhunwala who retires by rotation and is eligible for re-appointment.
7. To re-appoint M/s Khimji Kunverji & Co., Chartered Accountants, Mumbai as Statutory Auditors of the Company on such remuneration as agreed upon by the Board of Directors and the Statutory Auditors payable in connection with the audit of the Accounts of the Company for the next financial year.

SPECIAL BUSINESS:

8. To consider and if thought fit, to pass with or without modification(s) if any, the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 81 (1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force (hereinafter referred to as "the Act") and in accordance with the provisions of the Memorandum and Articles of Association of the Company, the Listing Agreements entered into by the Company with the Stock Exchanges where the equity shares of the Company are listed, applicable guidelines for preferential issues issued by the Securities and Exchange Board of India ("SEBI") under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR") and such applicable regulations and/or guidelines, if any, of SEBI, or any other authority and subject to all such statutory, regulatory and government approvals, sanctions and permissions as may be necessary including such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, sanctions and permissions, which the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof which the Board may constitute to exercise its powers, including the powers, conferred by this resolution) be and is hereby authorized to accept and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company, the consent of the Company be and is hereby accorded to the Board to create, offer, issue and allot, at its sole discretion, to M/s. Bhukhanvala Holdings Private Limited ("BHPL") by way of preferential allotment of 4,79,670 (Four Lakhs Seventy-nine Thousand Six Hundred Seventy) equity shares ("Shares") at a price of Rs. 158/- (Rupees One Hundred Fifty Eight Only) per Share as determined in accordance with ICDR on such terms and conditions as may be deemed appropriate in full and final settlement of the consideration payable by the Company under Share Purchase Agreement dated 27th January, 2010 and its addendum dated 21st April, 2010 executed by the Company with BHPL and Maya Entertainment Limited."

   "RESOLVED FURTHER THAT:

(a) The relevant date for the purpose of pricing of issue of Shares in accordance with the ICDR Regulations is 28th August, 2010.

(b) The Shares offered, issued and allotted in pursuance of this resolution shall rank *pari passu* with the then existing equity shares of the Company in all respects.

(c) The offer, issue and allotment of the Shares shall be made at such time or times and in such manner as the Board may in its absolute discretion decide, subject to the provisions of the ICDR.

(d) The Board, be and is hereby authorized to decide and approve the other terms and conditions of the issue of the Shares and shall be entitled to vary, modify or alter any of the terms and conditions, including the issue price and the size of the issue, as it may deem expedient, without being required to seek any further consent or approval of the members of the Company.

(e) The Board, be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any Director or Directors or to any Committee of Directors or any other Officer or Officers of the Company."

"RESOLVED FURTHER THAT for giving effect to this resolution, the Board be and is hereby authorized to take such steps and to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental to this resolution (including filing the necessary return with the Registrar of Companies) and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Shares and the utilization of the issue proceeds of the Shares and to prescribe the forms of application, enter into any agreements or other instruments, and to take such actions or give such directions as it may consider as being necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as it may in its absolute discretion deem fit."

NOTES:

1. The Explanatory Statement under Section 173(2) of the Act, in respect of the special business to be transacted at the meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
3. In order to be valid, proxies duly stamped, should be lodged with the Company at its Registered Office not later than 48 hours before the commencement of the Meeting.
4. Corporate members are required to send to the Company a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the AGM.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 20th September, 2010 to Monday, 27th September, 2010 both days inclusive for ascertaining the names of the shareholders to whom the dividend, if declared, will be payable on the basis of beneficial ownership as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
6. Members/Proxies should bring the Attendance Slip, duly filled in for attending the meeting and are also requested to bring their copies of the Annual Report.
7. As required under Clause 49 of the Listing Agreement particulars of Directors seeking re-appointment / appointment are annexed to this notice.
8. As permissible under Section 219(1)(b)(iv) of the Companies Act, 1956, particulars of employees pursuant to Section 217(2A) of the Companies Act, 1956 read with Companies (Particular of Employees) Rules, 1975, are not given in the Annual Report. The said particulars are made available at the Registered Office of the Company. The Members desirous of obtaining the same may write to the Company Secretary at the Registered Office of the Company.
9. A certificate from the Auditors of the Company will be placed before the Members of the Company at the Annual General Meeting confirming that the implementation of the Employees Stock Option Scheme, 2006 is in accordance with the Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, as amended from time to time, and as per the approval accorded by the Members vide special resolution dated 16th September, 2006.
10. Those Members who have so far not encashed their dividend warrants in respect of the dividend declared for the year ended 31st December, 2003 may approach the Company for the payment thereof as the same will be transferred to the 'Investor Education and Protection Fund' of the Central Government, pursuant to Section 205C of the Companies Act, 1956 on the due date 25th June, 2011. Please note that as per Section 205C of the Companies Act, 1956, no claim shall lie against the Company or the aforesaid Fund in respect of individual amounts which remain unclaimed or unpaid for a period of seven years from the date the dividend became due for payment and no payment shall be made in respect of such claims.
11. Members holding shares in physical form are requested to intimate to the Company's Registrar and Share Transfer Agents, M/s. Sharepro Services (India) Private Limited, 13AB, Samhita Warehousing Complex, Second Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072 the following.
    a. Change in their address, if any, along with the pincode
    b. Request for consolidation of shareholdings in one account if share certificates are held in multiple accounts or joint accounts in identical order of names.
12. Members holding shares in dematerialized mode are requested to intimate changes if any in their addresses alongwith pincode to their Depository Participants.
13. Members are requested to send in their queries at least 10 days in advance to the Company Secretary at the Registered Office of the Company to facilitate clarifications during the meeting.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business as per item no. 8:

The Board of Directors at its meeting held on 27th January 2010, had approved the proposal of acquisition of upto 100% shareholding in Maya Entertainment Limited (Maya) having education division called MAAC. At the said meeting the Board also approved execution of the Share Purchase Agreement by and between the Company, certain shareholders of Maya Entertainment Limited ('Selling Shareholders') and Maya Entertainment Limited ('Share Purchase Agreement') whereunder the Company agreed to purchase upto 100% of the share capital of Maya Entertainment Limited on a fully diluted basis.

In terms of the Share Purchase Agreement executed by the Parties on 27th January, 2010, part of the consideration was agreed to be paid by the Company by issuance to the Selling Shareholders (except Intel Pacific Inc.) by the Company of 21,96,773 fully paid equity shares ("Shares") subject to approval of the shareholders of the Company and the Stock Exchanges in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR").

The shareholders would recall that at their meeting convened on 24th February 2010, they unanimously passed a Special Resolution empowering the Board of Directors to issue and allot by way of preferential allotment of 21,96,773 (Twenty One Lacs Ninety-six Thousand Seven Hundred Seventy-three) fully paid equity shares ("Shares") to certain shareholders of Maya Entertainment Limited (except Intel Pacific Inc) at a price of Rs.216/- (Rupees Two Hundred Sixteen Only) per Share.

However during the process of granting the in-principle approval, the Exchanges reverted with their observation that out of the 20 allottees, one allottee viz., M/s. Bhukhanvala Holdings Private Limited (BHPL) would not be eligible for preferential allotment of 4,79,670 equity shares for which a fresh approval of shareholders would be required since they had sold equity shares of the Company during the six months period preceding the relevant date and accordingly Bombay Stock Exchange and National Stock Exchange accorded their in-principle approval for issue and allotment of only 17,17,103 equity shares of Rs. 10/- per share on preferential basis to 19 proposed allottees at a premium of Rs. 206/- per share.

In view of the above, Company allotted 17,17,103 equity shares to 19 allottees. However as regards BHPL is concerned the Company is bound to issue and allot equity shares to them in terms of the Share Purchase Agreement and its Addendum executed on 21st April, 2010 who along with other shareholders of Maya have transferred their entire shareholding in Maya aggregating to 89.66%.

The Company, subject to approval of the members of the Company, can issue and allot to BHPL 4,79,670 (Four Lakh Seventy Nine Thousand Six Hundred Seventy) fully paid equity shares ("Shares") at a price of Rs. 158/- (Rupees One Hundred Fifty Eight Only) per Share as determined in accordance with ICDR on such terms and conditions as may be deemed appropriate on a preferential basis as consideration other than cash.

Pursuant to the issue of Shares, there will not be any change in the Management of the Company. The Promoters of the Company shall comply with the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, if applicable.

Disclosures as required under Regulation 73 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("ICDR") for preferential issues is furnished hereunder:

1. **Object of the Issue:**

   To raise funds for payment of full and final consideration payable by the Company to BHPL for acquisition of BHPL held shareholding in Maya Entertainment Limited.

2. **Intention of Promoters/Directors/Key Management Persons to subscribe to the offer**

   The offer has been made to BHPL being remaining shareholder of Maya Entertainment Limited. None of the Directors/Key Management Persons intends to subscribe to this issue pursuant to the proposed Special Resolution contained in the notice.

3. **Shareholding pattern before and after the proposed issue:**

Shareholders category	Pre-allotment shareholding		Post-allotment shareholding	
	No. of shares	% holding	No. of shares	% holding
A. Promoters & Promoter Group	17,464,603	36.18	17,464,603	35.82
B. Non-Promoter Group				
Mutual Funds	2,558	0.01	2,558	0.01
Banks, FIs, Insurance	66,681	0.14	66,681	0.17
Foreign Institutional Investors	4,582,218	9.49	4,582,218	9.39
Others	26,159,677	54.19	26,639,347	54.64
Total Non-Promoter Group	30,811,134	63.82	31,290,804	64.22
Total of Promoter and Non-Promoter Groups	48,275,737	100.00	48,755,407	100.00

The aforementioned shareholding pattern may change from time to time depending upon the transfer of shares by the existing shareholders and further issue of capital by the Company either by issue of further shares and/or under ESOP scheme or otherwise during the said period.

4. Proposed time within which allotment will be completed

The allotment of the Shares is proposed to be completed within 15 days of the date of passing of the Special Resolution. Provided that where the allotment is pending on account of pendency of any regulatory approval or the Central Government approval, the allotment is expected to be completed within 15 days of obtaining such approval.

5. Identity of the proposed allottee and the percentage of the post preferential issue capital that may be held by the said allottee.

Identity of proposed allottee	PAN number	Shares to be issued	Pre Issue No. of Shares	% of Pre Issue Capital	Post allotment after the Issue of Equity Shares	% of paid-up capital
Bhukhanvala Holdings Pvt. Ltd.	AAACB44834	479670	12350	0.02	492020	1.02

6. Pricing of the issue

The issue of Shares will be in accordance with ICDR.

7. Relevant Date

The "Relevant date" for the purpose of determining the minimum price at which equity shares may be issued under the ICDR is 28th August, 2010.

8. Lock-in period: The Shares to be issued and allotted to BHPL shall be subject to lock-in for a period of one year from the date of allotment of the Shares or such period as may be permitted under the ICDR as amended from time to time.

9. Auditors' Certificate:

A certificate from the Statutory Auditors M/s. Khimji Kunverji & Co., Chartered Accountants, Mumbai certifying that the proposed issue of equity shares to Bhukhanvala Holdings Private Limited is in compliance with the ICDR for preferential issue, shall be made available for inspection at the meeting.

10. Copies of the Share Purchase Agreement dated 27th January, 2010 and its Addendum dated 21st April, 2010 are open for inspection for the members at the Company's Registered Office between 11 a.m. and 2 p.m. on any working day upto the date of the Annual General Meeting and at the meeting.

Since the Shares proposed to be issued will be issued on a preferential basis, consent of the shareholders of the Company is being sought under Section 81(1A) of the Companies Act, 1956 and in terms of the provisions of the Listing Agreement executed by the Company with the stock exchanges where the equity shares of the Company are listed.

As the proposal for issue of Shares on a preferential basis will be in the interest of the Company, the Board of Directors recommend passing of the Special Resolution as set out in the Notice.

None of the Directors is in any way interested or concerned either directly or indirectly in the aforesaid resolution.

By Order of the Board of Directors,

Ketan H. Shah
Group Company Secretary &
General Manager Legal

Place : Mumbai
Date : 28th August, 2010

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING (in pursuance of Clause 49 of the Listing Agreement)

Name of the Director	Mr. Asit Koticha	Mr. Ramesh S. Damani	Mr. Vijay Aggarwal	Mr. Rakesh Jhunjhunwala
Date of Birth	June 14, 1958	May 12, 1957	July 8, 1968	July 5, 1960
Date of Appointment	October 28, 2005	October 28, 2005	October 28, 2005	October 28, 2005
Areas of Expertise	Asset Management, Broking and Investment Banking	Finance and Media	General Management	Proprietary Investment and Share Trading
Qualifications	B. Com. From Mumbai University	B. Com., M.B.A. from California State University, Northridge	B. Tech. (Electrical), IIT Delhi, Post Graduate Diploma in Business Administration and Management, IIM Ahmedabad	B. Com.; A.C.A. (Chartered Accountant)
List of other public companies incorporated in India in which directorships held as on March 31, 2010	Nil	Nil	1. Asianet Satellite Communications Ltd. 2. Exide Industries Ltd. 3. Prism Cement Ltd. 4. Indian Council of Ceramic Tiles & Sanitaryware. 5. ING Vysya Life Insurance Co Ltd	1. Geojit BNP Paribas Financial Services Ltd. 2. Mid Day Multimedia Ltd. 3. Nagarjuna Construction Co. Ltd. 4. Prime Focus Ltd. 5. Viceroy Hotels Ltd. 6. Metro Shoes Ltd. 7. Future Ventures India Ltd. 8. Maneesh Pharmaceuticals Ltd. 9. Autoline Industries Ltd.
List of Chairmanships /memberships of committees of the board of other public Companies incorporated in India in which directorships held as on March 31, 2010	Nil	Nil	Asianet Satellite Communications Ltd. ❖ Audit Committee - Chairman ❖ Remuneration Committee - Chairman Exide Industries Ltd. ❖ Audit Committee - Member ❖ Remuneration Committee – Member	Midday Multimedia Ltd. ❖ Shareholders / Investors Grievance Committee - Member
No. of shares held in the Company prior to the date of re-appointment	Nil	12,500	2,50,000	31,52,100

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APTECH
Global Learning Solutions

Proxy No.:

APTECH LIMITED

Registered Office : Aptech House, A-65, M.I.D.C., Marol, Andheri (E), Mumbai 400 093.

PROXY FORM

Registered Folio/Client ID**	
DP ID**	
No. of Shares held	

I/We____________________________ of ____ in the district of ____ being a Member/Members of the above named Company hereby appoint ______________________ residing at __________________________________ or failing him/her ________________________________ residing at _____________________________ as my/our proxy, to attend and vote for me/us and on my/our behalf at the Tenth Annual General Meeting of the Company to be held on Monday, the 27th day of September, 2010 at 12.00 noon at "Walchand Hirachand Hall", Indian Merchants' Chambers, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020 and at any adjournment thereof.

Signed this _________ day of _________ , 2010.

Affix
Re. 1.00
Revenue
Stamp

(Signature(s) of the Member(s) across the Stamp)

Notes:

1. The Proxy, in order to be effective, must be duly completed, signed and deposited at the Registered office of the Company, not less than **48 hours** before the time of the meeting.
2. A proxy need not be a member.
3. All alterations made in the Proxy Form should be initialled.
4. **Applicable for Investors holding shares in electronic form.

APTECH LIMITED

Registered Office : Aptech House, A-65, M.I.D.C. Marol, Andheri (E), Mumbai 400 093.

ATTENDANCE SLIP

Registered Folio/Client ID*	
DP ID*	
No. of Shares held	

I confirm that I am a member/proxy for a member of the Company.

I hereby record my presence at the Tenth Annual General Meeting of the Company to be held on Monday, the 27th day of September, 2010 at 12.00 noon at "Walchand Hirachand Hall", Indian Merchants' Chambers, IMC Building, IMC Marg, Churchgate, Mumbai – 400 020.

Name of the Member/Proxy

Signature of the attending Member/Proxy

*Applicable for Investors holding shares in electronic form.

Note: Members attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the Meeting Hall.

Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.