UNLEASH YOUR POTENTIAL

ANNUAL REPORT 2011-12

Aptech
Unleash your potential

Content

About Aptech

Aptech commenced its education and training business in 1986 and has globally trained over 6.5 million students. Aptech is an ISO 9001:2008 organisation and the first IT Training and Education company to get this certification for Education Support Services in 1993. The Company has presence in more than 40 emerging countries through its two main streams of businesses – Individual Training and Enterprise Business. As a leader in career education, it has over 1300 centres of learning across the world.

Under Individual Training, Aptech offers career and professional training through its Aptech Computer Education, Arena Animation & Maya Academy of Advanced Cinematics (both in Animation & Multimedia), Aptech Hardware & Networking Academy, Aptech Aviation & Hospitality Academy and Aptech English Learning Academy brands. Enterprise Business includes Content Development (Aptech Learning Services), Training and Assessment Solutions for Corporates & Institutions (Aptech Training Solutions, Aptech Assessment & Testing Solutions).

Corporate information

Board of Directors

Rakesh Jhunjhunwala
Chairman

C. Y. Pal
Vice Chairman

Ninad Karpe
Managing Director & CEO

Asit Koticha
Director

Rajiv Agarwal
Director

Ramesh S. Damani
Director

Utpal Sheth
Director

Vijay Aggarwal
Director

Walter Saldanha
Director

Yash Mahajan
Director

Group Company Secretary

Ketan H. Shah

Statutory Auditors

M/s. Khimji Kunverji & Company
Chartered Accountants,
Sunshine Tower, Level 19,
Senapati Bapat Marg,
Dadar (W), Mumbai - 400 028.

Bankers

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

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

Axis Bank
Ahura Centre, 28, Mahakali Caves Road,
Andheri (E), Mumbai - 400 093.

Registered & Corporate Office

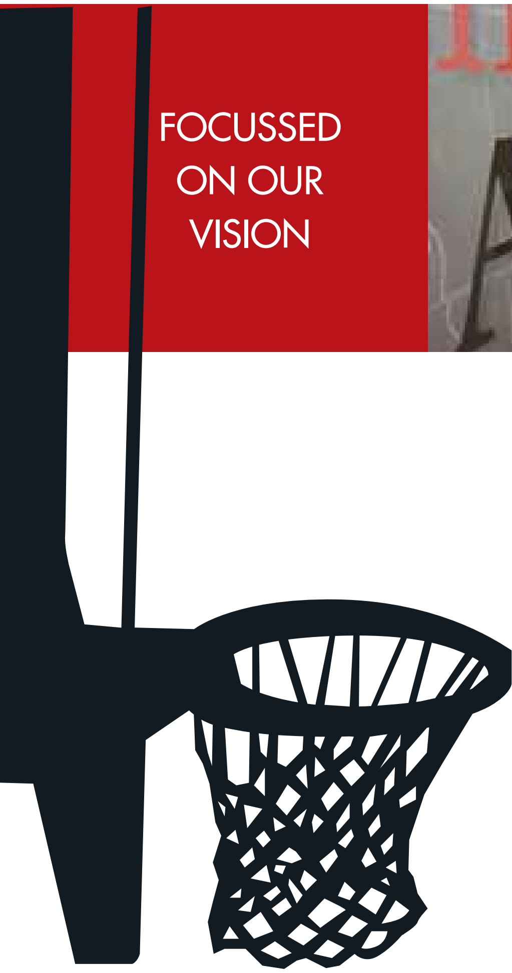
Aptech House, A - 65, M.I.D.C. Marol,
Andheri (East), Mumbai - 400 093.
Tel: +91 22 2827 2300 / 01
Fax: +91 22 2827 2399
Email: investors_relations@aptech.ac.in

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 (East), Mumbai - 400 072.
Tel: +91 22 6772 0400
Fax: +91 22 2859 1568
Email: sharepro@ shareproservices.com

FOCUSSED
ON OUR
VISION

DEDICATED TO
TRANSFORMATION



*"Some people
want it to happen, some
wish it to happen, others
make it happen."*

(* Quote by Michael Jordan, Basketball player)

DRIVEN BY PASSION

COURAGE TO BE DIFFERENT

As the curtain gets ready to rise once again on the Olympic Games, sportspersons around the world are motivating themselves to give their best. They are seeing in the forthcoming Games that once-in-a-lifetime opportunity to bring home the ultimate sporting glory. They are looking within for the vision that will inspire them to unleash their potential to the maximum to emerge as world champions. They are concentrating on their own ability to successfully cross every hurdle to emerge winners.

They all want and wish the same thing – to translate their aspirations and ambitions into realised goals. But only some will make it happen. They are the ones who will be called the champions, the real heroes.

At Aptech, we also believe in creating such champions. We believe in motivating and inspiring our students, partners, franchisees, etc. not only to want and wish to succeed, but also to make it happen. While successfully filling the gap in the formal education space, we inspire our students, through our Individual Training services, to deliver their best by imbibing in them all those qualities that make a champion – **Focus, Dedication, Passion and Courage.**

We encourage them to remain focussed on their goals, with a burning desire within themselves to achieve their ambitions. We motivate them to work hard, as they strive to accomplish their goals and ambitions and not be afraid of breaking new ground in their relentless pursuit.

We also drive performance through our bouquet of Enterprise Business solutions to enable Corporates and organisations to scale greater heights of success by empowering them with the right tools to train and assess their people.

This annual report is a tribute to that sporting spirit which is all set to be unveiled at the forthcoming Olympic Games and which we are constantly endeavouring to unleash across every aspect of our business.

Progress through focus

It is through focus on what lies within – the desire, the dream, the vision – that the biggest success stories in sports have been scripted.

It is this kind of focus that made Arjuna see only the eye of the rotating fish to win Draupadi's hand in Swayamvar ages ago. And which, more recently, helped Abhinav Bindra win the gold in the 2008 Beijing Olympics through the sheer strength of his focus on winning the Olympic medal despite the disappointment of finishing seventh in the previous edition of Olympics.

The best Olympians have, in fact, been those with the highest degree of focus on their goals and their strengths. It is this approach that has also been at the core of Aptech's business strategy. We believe in concentrating on our strategy and to remain aligned to our goals and ambitions for today, tomorrow, always.

We have focused on strengthening our offerings in Career Education, and entered into alliances to augment our capabilities, address new market segments and improve marketability of our offerings. We have exited from non-Career verticals and invested only in Career Education verticals with global relevance. Our strengths in Career Education and Franchising help us be confident in our abilities to make successful forays in newer verticals.

Aptech Aviation & Hospitality Academy awarded the Best Aviation Training Academy of 2011 by BIG Brands

"Champions aren't made in the gym. Champions are made from something they have deep inside them – a desire, a dream, a vision."

(*Quote by Muhammad Ali, World Heavy Weight Champion Boxer)

A glance at how we focussed on the core businesses that moved in tandem with our vision to progress during FY12:

New retail partnership

Partnership with TRRAIN Foundation to train retail sector employees; pilot launched in a 'container classroom' at Inorbit Mall in Malad, Mumbai

Growing alliances

- Signed an alliance with Mahatma Gandhi University to offer Degree Programs in Aptech Computer Education, Aptech Hardware & Networking Academy and Arena Animation
- Signed an alliance with Google for sub-Saharan Africa for training in Google technologies (Aptech Computer Education)
- Signed an alliance with Scottish Quality Assurance (SQA) for course endorsement (for all brands except MAAC) in the International market
- Renewed alliance with Oracle (including Sun) for the domestic market and signed a new one for the sub-Saharan Africa region
- Formalised a partnership with SAP for training on SAP courses (eLearning and eAcademy courses) across West Africa

Excellence through dedication

"I didn't set out to beat the world;
I just set out to do my absolute best."

Aptech declared among the Top Ten Most Trusted Education Brands in India (@ 6th position after IIMs and IITs) by Brand Equity, Economic Times

The best comes with dedication and commitment. The best is what lies within each one of us but what only a few are able to bring out with their hard work and perseverance. The best is what enables success in the face of adversity as in case of Nwankwo Kanu.

When Nwankwo Kanu was diagnosed with a near fatal heart problem, within a few months of winning the Olympic gold medal as the captain of Nigerian football team in the 1996 Los Angeles Olympics, the best seemed to be over for him. But with his dedication to the sport unwavering and his commitment to continued excellence steadfast, the saga of his successes continued long after. He went on to earn many more laurels, such as UEFA Champions League medal, FA Cup, two-time African Player of The Year, etc. He has also set up foundations to support African children with heart problems and to prevent exploitation of African footballers by agents.

If focus is the key to progress, then, undoubtedly, dedication is the roadmap to that progress. It is a value that we, at Aptech, have nurtured into a solid core around which is structured our growth strategy.

Dedicated to unleashing the potential within our students, franchisees and all the stakeholders, we have mapped our strategy so as to bring a meaningful transformation in their lives. Every aspect of our business – from policy to methodology to systems – is grounded in this philosophy of total dedication and absolute commitment towards bettering the lives that we touch. Dedication is the spirit that steers us to greater heights of excellence in all that we do and deliver.

(*Quote by- Al Oerter, Four-time Olympic champion in discus throw)

Here's how we enabled such excellence through our dedicated efforts during FY12:

New Aptech brand launched

Launched the new Aptech brand with a new logo and by-line to connect with today's youth and communicate the brand's promise to unleash their potential

1st CMAT exam held

Assessment & Testing business successfully conducted the first Common Management Admission Test (CMAT) exam of All India Council for Technical Education (AICTE) for over 70,000 students across 68 centres in the country without any glitches

New courses launched

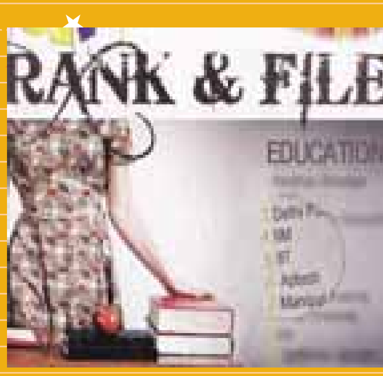
Professional course Netlink based on hybrid technologies in Aptech Hardware & Networking Academy; 7-month web development course ACWD in Aptech Computer Education; 8-month VFX Pro program in Arena Animation; 1-year diploma programs in Hospitality Management and Travel & Tourism in Aptech Aviation & Hospitality Academy

Domestic centre network expanded

Expanded our domestic centre network from 846 to 861, with penetration in Tier III cities and beyond increasing from 63% in FY2010-11 to 68% in FY2011-12

New talent infused

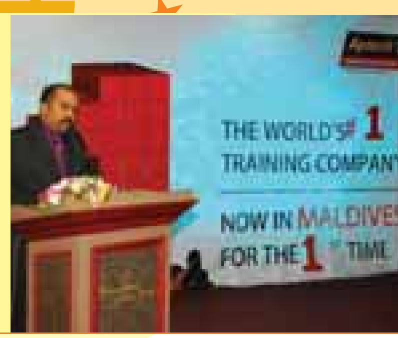
Inducted five new members on MAAC Advisory Board, including international experts like Jeffery Matthew (Global Talent Head @ Autodesk) and Mark Breakspear (VFX Supervisor Method Films, Canada)



Driven by passion

"Whoever said, 'It's not whether you win or lose that counts,' probably lost."

Aptech Vietnam won ICT GOLD MEDAL 2011 FOR HIGHEST TURNOVER (Category – Training) & Top ICT Training Cup from Ho Chi Minh Computer Association (HCA) for the 9th consecutive year (2003-2011)



(*Quote by Martina Navratilova,Tennis player)

The passion to succeed, to win, always and in every possible way is what drives success. It is in passion where lies the zeal and the fervour that impel individuals to stretch themselves beyond their capacities and capabilities to excel in whatever they do.

That is what MC Mary Kom did when she decided to change her weight category from 46-48 kg to 51 kg. It was not an easy shift but it paved the way for the five-time world champion to become the only Indian woman boxer to qualify for the London Olympics. It was a decision rooted as much in her passion as in her ambition to achieve Olympic glory.

Just as it is in our ambition to be a truly global company that we have rooted our growth strategy, which encompasses passionate pursuit of our goal through global expansion. This passion is evident not only in the expansion of our footprint to newer countries, but we have percolated it down to each of our brands and existing regions through our 'Length, Breadth & Depth' strategy. If international expansion requires us to explore new models of entering a market, then that is what we are willing to do. This passion is also manifest in the various events we regularly organise, attracting global participation and enabling us to scale our international presence.

An update on Aptech's internationalisation in FY12:

Global expansion

Expanded our international footprint to Kyrgyzstan, Japan, Rwanda, Maldives and Poland

New international centres

1st international centre for MAAC in Vietnam; Arena Animation brand launched in Nigeria; 1st Aptech Aviation centre signed in Mauritius

Master Franchisees signed

Master Franchise signed for Aptech Computer Education and Arena Animation in Nigeria and neighbouring countries; Master Franchise signed for Aptech English in Rwanda; Master Franchise signed for IT Training and Aptech English in Japan; Disinvested 51% holding in Brazil JV and appointed the entity as Aptech Computer Education Master Franchisee for Brazil

New international centres

Added 35 new International centres in FY2011-12 against 29 in FY2010-11

9th 24FPS 2911 awards

MAAC joined hands with the United Nations Information Centre to promote the UN Millennium Development Goals through the 9th 24FPS 2011 Awards and received a great response with over 1100 entries from China, U.S.A, U.K., France, Germany, Pakistan etc.

Courage to overcome the hurdles

"I won't say anything is impossible. I think everything is possible so long as you put your mind to it and put the work and time into it."

Aptech received recognition as EMC Cloud Pioneers Award Honorees 2011 for its cloud and virtualisation initiatives

(*Quote by Michael Phelps, American swimmer)

Courage is that ability to overcome fear, pain, danger, uncertainty or intimidation that defines the difference between victory and defeat. To stand tall in the face of adversity is what upholds the true spirit of a champion.

Liu Xiang, the first Chinese to win an Olympic Gold in track and field event, was such a champion. It took a lot of courage on his part to change the opinion that Asian countries do not get good results in sprint races. With a boldness that only comes with inherent courage, he became the first Chinese athlete to achieve the "triple crown" of athletics: World Record Holder, World Champion and Olympic Champion. It was a fete that was to change the destiny of world athletics.

Courage involves going against the norm. We, at Aptech, exemplified this spirit of courage when we decided to focus on `profitable growth' at a time when chasing the top-line was the trend. We have proven abilities in scaling-up new market segments (such as Vocational IT Training, Animation & Multimedia Training, Computer Aided Assessment & Testing) and in identifying the right opportunities for growth.

A look at some of the bold decisions we took during FY12:

Foray into mEducation:

iEnglish, an English Language Training product, launched on Airtel DTH platform through partnership with Hungama Digital Entertainment Ltd. to target the nascent mEducation market

Foothold in East Europe

Signed an Agreement with Syntea SA of Poland for investing 500,000 USD in exchange of 9.09% of their share capital to address the growing Eastern European market

Profitability focussed actions

- Closed/Franchised 7 Own centres (4 Aptech Computer Education, 1 Aptech Hardware & Networking and 2 Aptech English)
- Changed MAAC accounting policy from 1st July, 2011 onwards to recognise revenue from new non-degree enrolments only to the extent of royalty, when the money is collected from students
- Changed the franchise model for Aptech Aviation with royalty reduced from 40% to 28% and faculties transferred to franchisees to improve the viability of the centres

Enabling success, the Aptech way

"Those seeking a career in animation/multimedia/gaming, always stay focussed towards your goal till you achieve success, as success at times does arrive late. But never give up."

ROHIT DASS, HEAD GRAPHICS ARTIST, SMCI DIGI MEDIA,

who also says, "The one-and-a-half years that I spent at Arena Animation were entertaining and educative; the faculty was very helpful indeed - from print to web and from web to 3D, they were always there with me as a strong support system."

"The dedicated hard work of the placement team helped me get a job and made my dream come true."

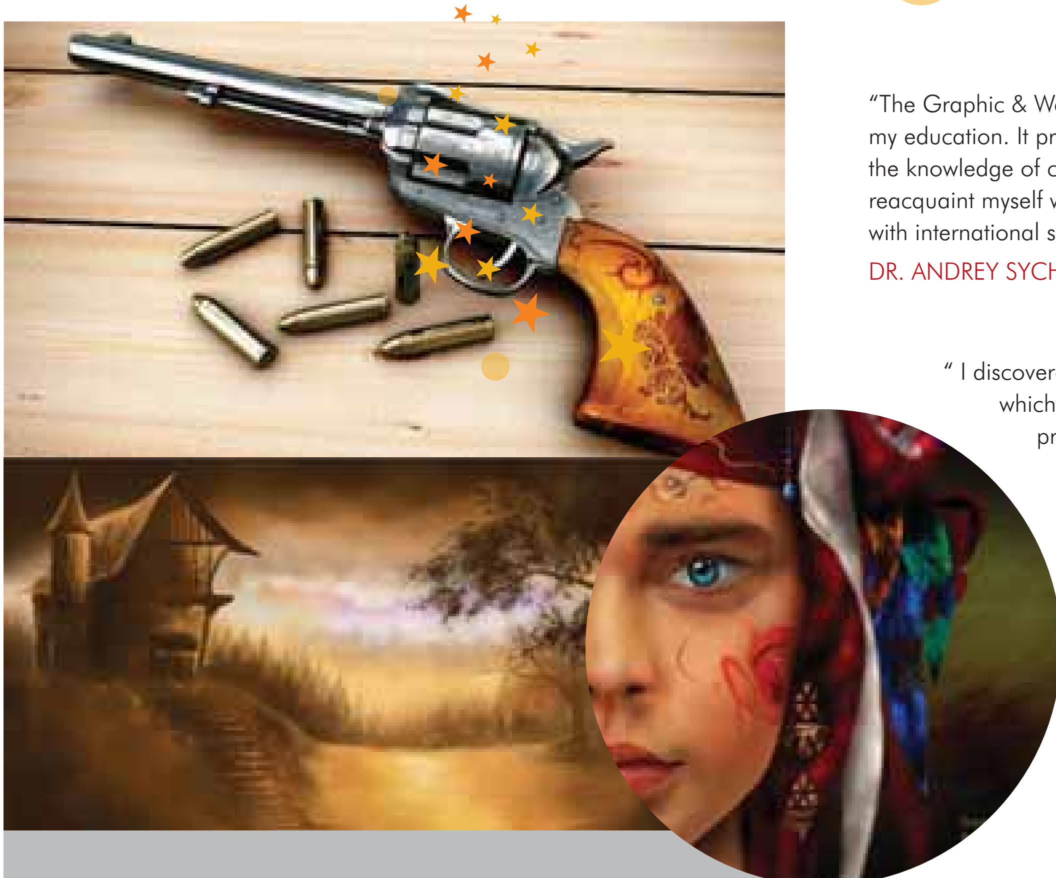
SARAH AQUILINA FERNANDES, GROUND STAFF PROFESSIONAL, INDIGO AIRLINES,

who is thankful and grateful to Aptech Aviation Academy and their team for "helping her build a career in Aviation and fulfilled her dream."

"The professional approach and positive attitude of the passion-driven Aptech team has motivated the entire Aptech Qatar centre to reach our business goals."

MANOJ MEGCHIANI, FRANCHISEE, APTECH COMPUTER EDUCATION (DOHA, QATAR),

who found "the quality of the product, alliances, university tie-ups and level of customer service that Aptech provides exactly what he required."



"At MAAC, I learnt not only about animation, but also how a team works, patience and the ability to handle technical problems with courage."

MANSI NIRMAL, VFX ARTIST, ANIBRAIN,
who is thankful to MAAC for providing her a path to successful career.

"The Graphic & Web Designing program filled the gap in my education. It provided an excellent opportunity to obtain the knowledge of contemporary IT technologies and to reacquaint myself with the teaching materials which comply with international standards."

DR. ANDREY SYCHEV, RUSSIA

" I discovered the country and learnt a program which will immensely help in my future job profile. I was extremely impressed by the teachers especially their patience and professionalism."

RUZANNA ASHUGHYAN, ARMENIA

"The learning methodology is excellent. And I appreciate the way the entire staff at Aptech communicated with the participants, showing us they cared."

NANCY AMA DZIFA AGBENYAH, GHANA

"I am very grateful for the opportunity… Aptech helped me improve my English Communication & IT skills and has made me a global citizen."

ASSOUMANE ABDOURHAMANE, NIGER

"MAAC is the best institute for Animation. The environment, faculties and facilities are all excellent."

AVINASH PANCHAL, ROTO ARTIST @ AAA DIGITAL ACADEMY, INDIA

Chairman's letter

Dear Stakeholders,

Global and Domestic business environment continues to be challenging. Overcapacity in the formal space, increased competition in the non-formal space and plethora of choices for the youth and the negative sentiments about the economy made the operating environment difficult for Aptech. Political instability, social strife, etc. in a few international regions also had an impact on business performance.

It has been three years since the new leadership was put in charge of Aptech to achieve the objectives of "Leadership, Scalability and Profitability" and to make Aptech a cash rich organisation. We continue to work towards these objectives.

I would like to highlight the following:

Leadership

In spite of the changing Career Education market dynamics and fierce competition, especially in the Animation & Multimedia training segment, our brands Arena Animation and MAAC have consolidated their leadership position in the domestic market in 2011-12. On an aggregate basis, the profitability (at EBITDA level before corporate overheads) of our Animation & Multimedia training brands has increased from 24.7% in 2010-11 to 27.8% in 2011-12.

We also continue to retain our leadership in IT Training in International markets such as Vietnam, Russia and Pakistan. In 2011-12, we have grown our International business by 20% over the previous year and now the International business (excluding China) contributes 45% of our total Individual Training (excluding MAAC, excluding China) revenue.

Scalability

Aptech Assessment & Testing Solutions has been able to achieve scale with a diversified customer portfolio and few prestigious clients. With 21.5% revenue CAGR over the last 3 years, the EBITDA profits have grown at 96.8% every year. This business has achieved leadership position in the Academic Assessment segment within India.

The key strategy to achieve 'Scalability' in our International business is to expand our presence in existing geographies and new regions. In 2011-12, we logged a 46% growth in fees from new centre and master franchise sign-ups on the back of sign-up of 35 new centres (against 29 in 2010-11) and 3 new master franchises in our International business. We have also opened our first international centre for MAAC in Vietnam, first Arena centre in Nigeria and first Aptech Aviation centre in Mauritius.

Profitability

We have divested or shut loss making business, reduced capital employed, reduced overheads and thereby improving profitability and free cash flows. Aptech English has turned profitable at the EBITDA level, while Aptech Aviation's EBITDA losses came down from ₹ 67.12 million to ₹ 15.34 million in 2011-12 on a global basis.

Our operating EBITDA went-up by 13%, average Capital employed reduced from ₹ 243.14 million to ₹ 200.94 million over 2011-12 in retail business, a drop of 17% and in non-retail business has dipped by 85% vis-à-vis 2010-11. Free cash flows from operations in 2011-12 were ₹ 166.40 million.

Coupled with the ₹ 503.84 million dividend received from BJB Career Education Co. Ltd. (Chinese entity where we hold 22.4% stake), the focus on profitability and cash flow has resulted in the net cash & cash equivalents (including current investments) on our balance sheet rising from ₹ 0.57 billion as on 31st March 2011 to ₹ 1.03 billion as on 31st March 2012.

Going forward, we will continue to focus on the key growth businesses of Animation & Multimedia training, International business and Aptech Testing. We have invested in Retail training through an alliance with TRRAIN Foundation, in Mobile Education through a partnership with Hungama Digital Entertainment and in Poland through minority stake in Syntea SA, to develop more success stories for Aptech. We will keep pursuing our objectives with all the Focus, Dedication, Passion and Courage.

Yours sincerely,

Rakesh Jhunjhunwala

Financial & operational highlights

Operating Revenues (₹ million)

FY 11	1907
FY 12	1744

Operating EBITDA (₹ million)

FY 11	213
FY 12	240

Profit Before Tax (₹ million)

FY 11	434
FY 12	761

Profit After Tax (₹ million)

FY 11	429
FY 12	755

462 Employees

System wide booking ₹ 4,874 mn

6.5 mn students till date

₹ 3,325 mn Net worth

5 continents. 40+countries. 1316 centres.

DIRECTORS' REPORT

The Members of Aptech Limited

Your Directors are pleased to present their Twelfth Annual Report on the business and operations of your Company and the Audited Financial Results for the year ended 31st March, 2012.

SNAPSHOT OF FINANCIAL RESULTS

The financial results of the Company for the accounting year ended 31st March, 2012 are presented below:

(₹ in lacs)

Particulars	Standalone		Consolidated	
	Year ended 31st March, 2012	Year ended 31st March, 2011	Year ended 31st March, 2012	Year ended 31st March, 2011
Total Revenue	10320.40	9901.99	23689.45	22875.05
Total Expenditure	7768.02	7933.79	15023.74	16908.80
Profit Before Interest, Depreciation & Tax	2552.38	1968.20	8665.71	5966.25
Profit Before Exceptional Items, Depreciation & Tax	2525.81	1722.54	8630.84	5618.40
Profit Before Exceptional Items And Tax	1821.67	835.66	7656.99	4344.30
Total Exceptional Items	Nil	Nil	(48.95)	Nil
Profit/(Loss) Before Tax	1821.67	835.66	7608.04	4344.40
Profit/(Loss) After Tax	1820.48	788.79	7548.70	4293.82
Profit/(Loss) After Tax & Minority Interest	1820.48	788.79	7603.46	4497.87

OPERATIONS REVIEW

Aptech's business strategy of achieving "Profitable Growth" has continued to help the Company post good results in FY2011-12. Profit Before Tax (PBT) before exceptional items was ₹ 765.73 million in FY2011-12, representing a growth of 76.3%, and Profit After Tax (PAT) at ₹ 760. 38 million was almost 69% higher as compared to the previous fiscal year. While Operating Income for the year dropped by 8.6%, the Operating EBITDA for the year improved by 12.7% over the previous year. Change in revenue accounting policy for MAAC, closure of Own centers and increasing competition in the Indian vocational business segment especially IT, multi-media and animation impacted the revenue performance in FY2011-12. On the positive side, the Company has nearly ₹ 1 billion cash in its balance sheet and zero debt, with the overall exposure to Government business reduced to single digits.

On the operational side, the Company focused on the International Retail and Assessment & Testing businesses which delivered positive results. International revenue (net of China and MAAC) was almost 45% of the total retail revenue. The Company forayed into the new geographies of Japan, Kyrgyzstan, Malaysia and Rwanda. The Assessment and Testing business of Aptech successfully executed the prestigious CMAT 2012 exam for AICTE. In terms of some of the new initiatives, the Company entered into a partnership with Hungama Digital Entertainment to target the emerging mobile education market and also a partnership with TRRAIN foundation to train the retail sector manpower.

The Company focused on the franchising route and continued to reduce the emphasis on Own centers. The Company added 99 more centres taking the total number of centres in India and abroad (excluding China) to 1046 as of 31st March, 2012.

Aptech continued to carve a niche and receive industry recognition and was chosen as the 6th most trusted brand in the education category on the basis of high level of quality, price that the brand commands, popularity, uniqueness of the product and pride of ownership by Brand Equity, Economic Times, 28th September, 2011.

DIVIDEND

Your Directors are pleased to recommend for your consideration a final dividend of ₹ 1.50 per equity share of ₹ 10/- for the period ended 31st March, 2012. An interim dividend of ₹ 1.50 per equity share was paid to the shareholders as approved by the Board of Directors at its meeting held on 20th January, 2012. With this the total dividend for the year ended 31st March, 2012 will be ₹ 3/- per share (30%).

EMPLOYEES STOCK OPTION SCHEME (ESOS), 2006

Your Company had formulated Employees Stock Option Scheme in 2006 for the benefit of the employees of the Company and its subsidiaries (including Non-Executive Directors of the Company). The said Scheme was approved by the members at the general meeting held on 16th September 2006 and administered by the Remuneration & Compensation Committee of the Board. Under the said Scheme, 1,81,031 options were exercised upto the validity of the last phase under the Scheme at an exercise price of ₹ 113/- per equity share, against which 1,81,031 equity shares of the face value of ₹ 10/- each were allotted to the eligible allottees under the Scheme. With the final phase, all options granted under the ESOP Scheme 2006 have been either exercised into corresponding shares by the optionees or have lapsed as the case may be applicable, and therefore, there are no options whatsoever outstanding under the Scheme.

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 ESOP, 2006 , as on 31st March, 2012, are given as under:

Description	ESOS 2006
Total Number of Options granted	15,32,625 (none granted during the year)
Pricing formula/Exercise price	₹113/-
Number of Options vested	15,32,625 (includes 4,21,331 during the year 2011-12)
Number of Options exercised	1,81,031 (includes 20,000 exercised during the year 2011-12)
Total No. of Shares allotted as a result of exercise of Options	1,81,031 (includes 20,000 allotted during the year 2011-12)
Number of Options lapsed	13,51,594 (includes 4,01,331 lapsed during the year 2011-12)
Variation of terms of Options	N.A.
Money realised by exercise of Options	₹ 2,04,56,503/- (includes ₹ 22,60,000/- during the year 2011-12)
Total Number of Options in force	Nil
Grant to Senior Managerial personnel	9,50,000 options
Grant to Non-Executive Directors under the Scheme	2,12,625 options
Employees who were granted 5% or more of the Total Number of Options granted	Mr. Pramod Khera, erstwhile Managing Director – 2,65,000 options. 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

DIRECTORS

In accordance with Sections 255 and 256 of the Companies Act, 1956, Mr. C. Y. Pal, Mr. Rajiv Agarwal and Mr. Asit Koticha, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible are due for re-appointment. At the last Annual General Meeting held on 29th July 2011, Mr. Pramod Khera ceased to be the Director of the Company as he did not seek re-appointment.

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 centrestage 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, 2012, 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, 2012 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 in accordance with the Accounting Standards 21 issued by the Institute of Chartered Accountants of India.

SUBSIDIARY COMPANIES

Maya Entertainment Limited, a wholly owned subsidiary of Aptech Limited, continues to be a Material Non-listed Indian Subsidiary. As required under the listing agreement, Mr. C. Y. Pal who is one of the Independent Directors on the Board of the Company is on the Board of Directors of the said subsidiary.

The Ministry of Corporate Affairs (MCA) vide its circular no. 51/12/2007-CL-III dated 8th February 2011 has granted general exemption under Section 212(8) of the Companies Act, 1956, to holding companies from attaching the accounts of their subsidiaries in their annual reports subject to fulfilment of certain conditions prescribed. The Board of Directors of the Company at its meeting held on 7th May 2012 passed the necessary resolution granting the requisite approval for not attaching the balance sheet, profit & loss account, report of the board of directors and report of the auditors of each of the subsidiary companies to the accounts of the Company for the year ended 31st March 2012. The Company will make available these documents/details upon request by any member of the Company. These documents/details will be available on the Company's website (www.aptech-worldwide.com) and will also be available for inspection by any member of the Company at its registered office during Company's business hours.

A summary of key financials of the Company's subsidiaries is also included in this Annual Report giving following information in aggregate for each subsidiary including:- (a) capital (b) reserves (c) total assets (d) total liabilities (e) details of investment (f) turnover (g) profit before taxation (h) provision for taxation (i) profit after taxation (j) proposed dividend.

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 Point No. 6 & 7 of Note No. 16(B).

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 the 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 & CEO

Place : Mumbai
Date : 14th June, 2012

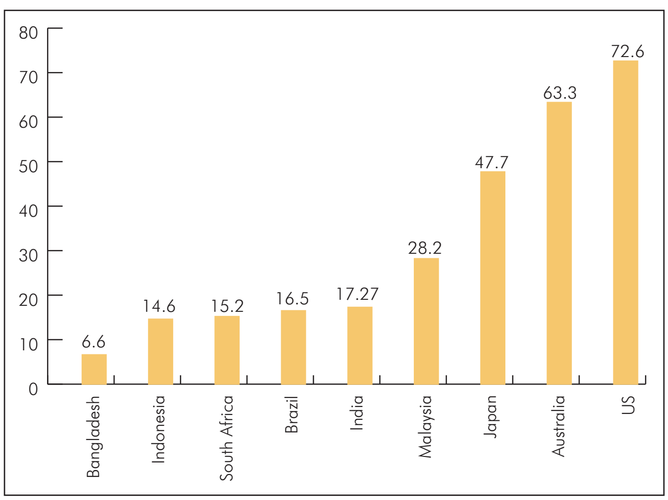
MANAGEMENT DISCUSSION AND ANALYSIS

Industry overview

Education plays an invaluable role in shaping the knowledge-base of a country. The education market in India can broadly be categorized as Formal Education (school, college, university and technical/professional education), Parallel Education (informal – pre-school, private tuition/coaching, test/examination preparation and job/skill-oriented vocational institute, corporate training and finishing schools) and Ancillary Education (teacher training, textbooks and stationery, IT-enabled teaching aids and management of education services).

The growth in the Indian education market has been high and the country's large educated population base and its reservoir of well-trained university graduates have enabled the country to move ahead in the global economy. In terms of higher education too, while India has the third largest volume of enrolments in higher education (after China and the US), as it competes in a globalised economy, it requires even larger pool of qualified and trained professionals. India's GER (the number of children who are between the ages of 18 and 24 and who go to college for higher education) is 17.27%* (NSSO estimates), which is below the global average of 26% GER and significantly lags GER of many developed countries.

Gross Enrolment Ratio in higher education



This overall GER, however, does not reveal the lower average GER across different states, indicating the huge potential for improvement. A study by Ernst and Young and the Federation of Indian Chambers of Commerce and Industry (FICCI) in 2011 indicated that while the overall national GER has improved, at the state-level the GER remains uneven. Delhi leads the table of best-performing states with a GER of 31.9% in 2009-10, followed by Maharashtra, where the enrolment ratio is 25.9%. At the bottom are Tripura at 6.6% and Assam at 6.7%; Bihar has a GER of 8.5%, and West Bengal, 7.8%.

It is in this context that one needs to view the contribution of the non-formal education sector and the private sector in helping student achieve overall employment-readiness. This is particularly relevant for the average Indian youth in key growth sectors such as Information Technology, Animation, Aviation, Hospitality, Banking, Financial Services, Retail, etc. To cater to the increasing demand for competent, trained manpower, the education & training business continues to fill the gap between what is taught in the formal system versus what is the real workplace requirement.

The ability to effectively address the challenges of delivering quality education and developing relevant teaching professionals will play an important role in shaping the future of the education sector.

Trends in emerging countries

The importance and the imminent need to strengthen the education infrastructure in emerging economies is acknowledged across the globe, mainly due to the lack of formal education infrastructure, poor quality leading to low employability, increasing propensity to spend on education and the opening up of service-oriented industries in these countries.

Most of the emerging countries have severe paucity of higher education institutes, with limited seats that can cater only to a small fraction of the candidates who apply. This is particularly true for African countries. Further, even in the institutes offering tertiary education, quality is suspect, leading to low employability of the graduate.

Sample this:

- Vietnam aspires to improve the "quality, efficiency and skills" in its education sector to meet its economic and social development in the country. It is estimated that the country has only one university per 260,000 citizens.
- In Nigeria, while the government tries to build schools for nearly 9 million students, it is also conscious of its needs to improve on the quality of education and which eventually creates a market for informal education.

- In Philippines too, education—from basic to higher education—remains a priority of the Government. It understands the concerns of teachers, as well as the students and their parents, and the country's 2011 reforms budget has proposed to provide adequate funds to the education sector.

  With almost a universal increase in focus on education by the governments, the population graduating from high school is increasing every year. This has increased the potentially addressable market for institutes offering vocational courses. Many of the emerging economies have witnessed high growth (5-10%) during the last decade, thereby increasing the disposable income. Growth in many of these economies has been driven by the services sector, with adoption of technology being a key characteristic of the growth. This has led to creation of lucrative job opportunities for the trained youth, which makes vocational training a high "return on investment" option.

Growth opportunities are driving career education in emerging economies. Aptech is India's leading emerging market career education company, with over 1300 centres present in more than 40 countries (including India and China). Aptech commenced its education & training business in 1986 and has, till date, trained over 6.5 million students – globally through various career and professional courses. The Company has two main streams of businesses – Individual Training and Enterprise Business.

It enjoys significant operating leverage, with established processes and systems, and has a proven track record of replicating success in complex markets. The Company's success is attributed to its ability to develop best-in-class content, customize it and ensure consistent delivery, and adapt its business models for entering new markets. Aptech's unique multi-geography and multi-channel career education platform enables it to capitalize on growth in the career education market globally, and in the enterprise learning market in India. The Company enjoys nearly 80% of the market share in Indian animation and multimedia training and is #2 player in IT training in India. Aptech is also the #1 player in the Vietnam IT and Pakistan animation and multimedia training markets. BJBC, Aptech's affiliate in China, is the leader in Chinese IT training space.

The Company has a strong balance sheet, with a franchise-based asset light business model with attractive returns on capital employed in mature and continuing businesses.

Business overview

Aptech's business comprises of two segments, viz. Individual Training and Enterprise Business. The Individual Training segment markets and provides vocational training to students, who wish to develop their career in a specific industry vertical. Currently, Individual Training segment consists of six distinct brands, which are listed below:

Industry Vertical	Brands
Information Technology	Aptech Computer Education; Aptech Hardware & Networking Academy
Animation and Multimedia	Arena Animation; Maya Academy of Advanced Cinematics (MAAC)
Aviation, Hospitality and Travel & Tourism	Aptech Aviation & Hospitality Academy
Language Learning	Aptech English Learning Academy

Enterprise Business segment addresses training and assessment related needs of government, institutional and corporate customers. It is currently operating through following business brands:

- Aptech Assessment & Testing Solutions
- Aptech Training Solutions
- Aptech Learning Services

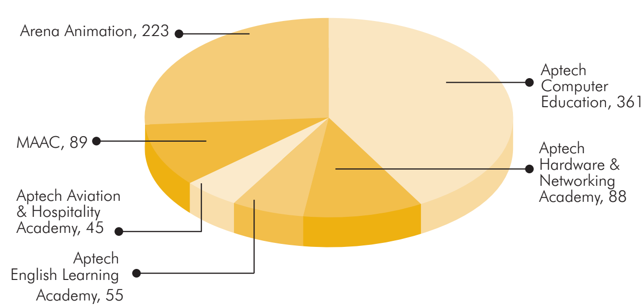
The Indian vocational training market, which has already matured in the IT space, has also become very competitive in the Animation and Multi-media segment. Business environment remained challenging under the shadow of economic uncertainty and high inflation during the year. Overcapacity in the Vocational training segment saw industry players increase their marketing spends, offer higher discounts / scholarships, new product launches, etc. Aptech too implemented some of these methods to a varying degree; however, the clear guiding goal post was to achieve "Profitable Growth".

The growth in demand for career education across the world improved despite major turbulence in different economies. During the year, the Company focused on the International Retail and Assessment & Testing businesses as its growth drivers amongst the existing businesses. In spite of the political unrests in markets like Nigeria and Sudan, international business did extremely well on account of the foray in Japan, Kyrgyzstan, Malaysia and Rwanda. The Assessment and Testing business of Aptech successfully executed the prestigious CMAT 2012 exam for AICTE. This feat further endorsed the Company's leadership in the academic segment of this market.

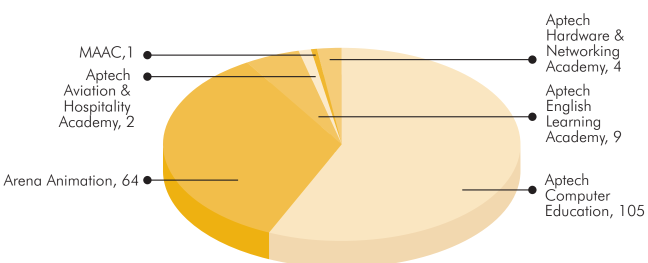
Expansion of Company's network continued to be a key focus area in FY2011-12. Aptech added a total of 95 centres in FY2011-12, with the International business signing up 35 new centres as against 29 in FY2010-11. The total number of student enrolments for the year in domestic retail segment was 82,802, a drop of 16% over the previous fiscal, while international retail improved by 1% to touch 24,851. Total domestic and international retail booking stood at ₹ 4,325 million as against ₹ 4,791 million, a drop of 10% year-on-year. Overall booking was pulled down by the drop in MAAC and IT training bookings. During the year FY 2011-12, Aptech was chosen as the 6th most trusted brand in the education category on the basis of high level of quality, price that the brand commands, popularity, uniqueness of the product and pride of ownership. (Brand Equity, Economic Times, 28th September, 2011).

Individual Training

Brand-wise spread of network (Domestic) as on 31st March 2012



Brand-wise spread of network (International) as on 31st March 2012



International Individual Training Business (excluding China)

The Company had set a target for the International Business to contribute 50% share in Individual Training (excluding domestic MAAC, excluding China) revenue by the year 2014. In order to achieve this target, the Company has been working on multiple strategies, encompassing:

- Expansion strategy of Length, Breadth and Depth
- Forge alliances to augment capabilities, offerings and marketability
- Customised entry strategy for each new market
- Expand and invest in Projects business from international markets

Due to the progress made in the last three years with these strategies, the International business now contributes 45% of the Individual Training (excluding domestic MAAC, excluding China) revenue.

In FY2011-12, the Company entered five new countries - Maldives, Kyrgyzstan, Japan, Rwanda and Poland. The international team was also successful in opening the 1st Arena centre in Nigeria, 1st MAAC centre in Vietnam and 1st Aptech Aviation centre in Mauritius. In all, there were 35 new centres signed-up in FY2011-12 as against 29 in previous fiscal. The Company's Philippines operations (JV) have started performing to expectations. The JV has signed-up 6 new franchise centres till date.

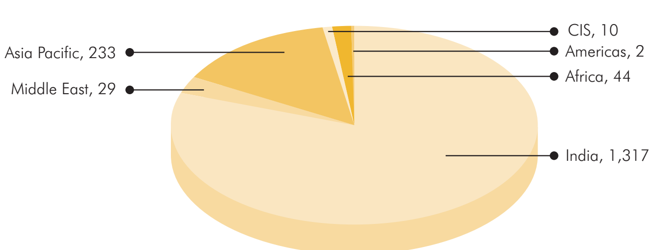
The Company signed-up two new Master Franchisees, one in Japan for IT Training and English and the other in Nigeria for IT Training, Arena Animation and Aptech English. Aptech has disinvested 51% holding in the Brazil JV, ACE Education Professional Do Brasil S.A., effective 1st July, 2011, and has appointed the entity as the Master Franchisee for Brazil territory. The resultant loss of ₹ 4.90 million is shown as an exceptional item. The Company has signed an Agreement with Syntea SA of Poland for investing 9.09% in the share capital of the said Polish company, involving a sum of $500,000. This is the first time Aptech is exploring a new entry strategy to acquire minority stake in an existing education company. Syntea SA will initially market Aptech products in Poland and then extend to Romania and Bulgaria. This method is likely to result in stronger alignment of partner's interest vis-à-vis the Master Franchise approach.

The Company entered into an alliance with Scottish Quality Assurance (SQA) for course endorsement (for all brands expect MAAC) in the international market. This will enable the Company to provide third party credibility for the quality of its course content in the international markets. The Company has signed a new alliance with Google for the Sub-Saharan Africa to deliver training on Google technologies. It also conducted its first training project in Nigeria on `Google Business Suite Builder' for Nigerian SMB. The joint marketing efforts with Middlesex University in Qatar and Pakistan elicited good response. Roll-out of Microsoft courses was delayed in Vietnam and Nigeria, but is expected to be on track in FY2012-13.

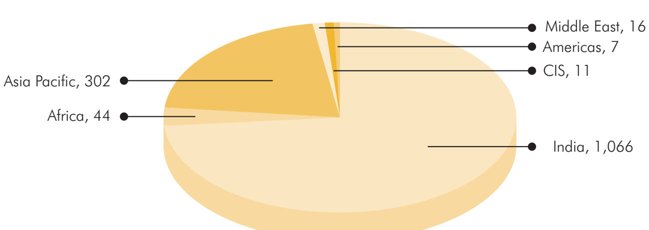
Indian Technical and Economic Cooperation (ITEC) is a programme run and fully funded by the Government of India with the goal of encouraging cooperation and partnership among developing countries. Under ITEC and its corollary SCAAP (Special Commonwealth African Assistance Program), 158 countries in Asia, East Europe (including the former USSR), Central Asia, Africa and Latin America are invited to share the Indian developmental experience in various fields. Aptech is empanelled by the Ministry of External Affairs, Government of India, to provide quality training to participants under the ITEC program. Aptech now offers short-term (8 to 10 weeks) courses in English communication, IT skills, web designing and graphic design. With the ITEC student preference shifting towards Multimedia and Language skills, IT Training revenue from the International markets has declined by 6%. India Window Program (IWP) is an exclusively designed programme for foreign students and corporate executives, which provides an opportunity to learn and experience information technology and multimedia in the Indian context. The business grew on the back of delivery of orders secured from Malaysia, Mongolia, Maldives and Timor Leste in the previous fiscal.

The new centre sign-up fees from international business were up by 46% in FY2011-12. This contributed significantly to the overall revenue growth of 20% for the International Individual Training business over FY2010-11. The growth was also aided by higher contribution from the ITEC (30% growth) and IWP (59% growth) business. Since the EBITDA margins for the ITEC and IWP businesses are lower than retail business, overall, EBITDA for the International business grew only by 17% in FY2011-12 over previous fiscal.

Region-wise Revenue (₹ Million)
(FY 2010-11)



Region-wise Revenue (₹ Million)
(FY 2011-12)



Maya Academy of Advanced Cinematics (MAAC)

Maya Academy of Advanced Cinematics (MAAC) from Aptech's stable is India's leading educator in high-end 3D Animation and Visual Effects. MAAC has top of the mind recall and a premium image with students for its industry linkages, global events and best-in-class infrastructure.

With the rising affluence levels in the smaller towns, there is a significant drop in enrolments from migrant students in major metro centres (e.g. migration to Delhi from Bihar and North East, and to Hyderabad from Telangana region) due to dispersion of demand. FY2011-12 was challenging for MAAC also because of the entry of a few new players focused on the high-end 3D Animation training in the metro markets and competition from the formal sector. The Company is addressing these issues by increasing brand penetration in Tier-2 and Tier-3 towns. 13 new centres were signed-up in FY2011-12 as against 12 in previous fiscal.

The Company also changed the franchise contracts and accounting policy from 1st July, 2011 onwards to mitigate the impact of changes in Service Tax rules. All new non-degree enrolments, post the implementation date, were accounted as per new policy, which will recognize revenue only on student collection, and only to the extent of royalty share payable by the franchisee to MAAC. Overall revenue for the brand dropped by 21% on account of above mentioned reasons; revenue dropped by ₹ 72.20 million due to the change in accounting policy. At the same time, EBITDA was not impacted significantly due to lower provisions for doubtful debts (linked to new, prudent revenue accounting policy) and synergies from integration with Aptech. The Company has now transitioned MAAC centres from the legacy Navision ERP system to Aptech's Retail Portal.

On the operational side, the year saw senior industry luminaries Jeffery Matthew (Global Talent Head @Autodesk) and Mark Breakspear (VFx Supervisor@Method Films, Canada) inducted into MAAC advisory, along with three other members. MAAC successfully held the 9th 24FPS 2011 Awards in partnership with the United Nations Information Centre to promote the UN Millennium Development Goals, and received a great response with over 1,100 entries from China, U.S.A, U.K., France, Germany, Pakistan etc. A 5000+ audience, consisting of students, professionals and animation enthusiasts, participated at the event. MAAC also signed an alliance with AMD, similar to its visual computing partnership with Nvidia. Ozzmosis, an animated short film based on the theme, 'Save Water', developed by the students of a MAAC centre, was showcased at the 24FPS Awards 2011 and won the special jury award at the Federation of Indian Chambers of Industry and Commerce's (FICCI's) Best Animated Frames (BAF) 2012 festival, held in Mumbai.

Arena Animation

Arena Animation is a pioneer, trendsetter and leader in Animation & Multimedia education in India. From its launch in Multimedia education, Arena has gradually expanded the basket of offerings to courses in Animation, Gaming, Web Design, eLearning, Mass

Media and now Visual Effects. The Company is focused on expanding its brand focus from Animation & Multimedia sector to the broader Media & Entertainment industry. In addition to widening the product portfolio, the brand is also expanding its footprint across the country with sign-up of 14 new centres in FY2011-12.

While the booking remained flattish, there was an 11% drop in revenue for the brand in FY2011-12 due to increased competition from new private players. In Animation training, formal Animation degree courses launched by some Universities, transition of degree enrolments to new alliance partner M G University, and drop in sign-up fees by ₹ 11.64 million resulted in revenue decline. This also translated into a 10% decline in EBITDA for the brand in FY2011-12 as compared to previous fiscal.

During the year, a new VFx course was introduced and a B.Sc. in VFx and Animation was re-launched under the new alliance, after aligning the course content with Arena Animation's International Programme. The Company also extended the new courses, Digital Media Pro and Bachelors in Mass Media, launched in previous fiscal to more centres, and undertook an exercise to rationalize the Short Term Courses (STCs) on offer. Students of Arena Animation continued to achieve awards and laurels in India and globally, notable among which was the first prize of ₹ 5 lakhs for their documentary film based on the need for cleanliness in Mumbai city at a Mumbai-based local film festival, held in February 2012.

IT Training (Aptech Computer Education and Aptech Hardware & Networking Academy, formerly known as N-Power)

Aptech Computer Education and Aptech Hardware & Networking Academy are the IT education brands of the Company, with deep network penetration in the country. Aptech continues to be the no. 2 player in the IT Training space in India, with a total of 449 centres across the country. In line with the 'Profitable Growth' strategy for the Company, in IT Training, Aptech converted "own" centres to "franchised" centres - 4 Aptech Computer Education Own Centres and 1 Aptech Hardware & Networking Academy Own Centre.

With the market shifting towards degree programs and certification products, the Company signed up a new alliance with Mahatma Gandhi University, Meghalaya, for offering degree and diploma programs, and also renewed its alliance with Oracle (includes Sun) and Red Hat to offer their certification programs. The Company extended the integration of Microsoft Official Curriculum, with 19 additional courses offered through its IT Training brands. In addition to this, the Company also undertook rationalization of its course portfolio in the Short Term Course (STC) space to bring more focussed selling. In FY2011-12, a special 10-month professional course `Netlink', based on hybrid technologies, was launched under Aptech Hardware & Networking and a new 7-month course `Aptech Certified Web Developer', for the web development market, was launched under Aptech Computer Education.

Revenue from IT Training brands declined by 29% as compared to FY2010-11, largely on account of closure of Own Centres, impact of transition of degree enrolments from M S University to M G University and withdrawal of Internship product from the market. Reduction in sign-up fees by ₹ 11.67 million as compared to FY2010-11 also contributed to the revenue decline, but the impact of this drop was felt more on the EBITDA margins, which came down from 11.1% to 2.1%.

Techno Minds, an inter-centre competition organised by Aptech, saw overwhelming participation across India. Techno Minds has been evolved to encourage students to exhibit their technical skills in the IT space through project application. The Company also launched a job readiness test (both Offline and Online versions) for technical and commerce streams to generate database of potential students.

Aptech Aviation & Hospitality Academy (formerly known as Avalon Academy)

Aptech Aviation & Hospitality Academy caters to the skill requirements of Aviation, Hospitality, and Travel & Tourism sectors and is one of the leading academies in India. The academy has created a niche for itself by focusing on developing talent for the ground staff and airport management functions instead of addressing the common and crowded cabin crew segment. It has also diversified to address other verticals like Hospitality and Tourism, which are high involvement and high value services with quality customer care as a key success factor.

While the academy was affected in FY2010-11 due to negative word of mouth arising from the issue of fee refunds related to past promotional scheme, the business reasonably recovered to post a 16% growth in booking in FY2011-12. This was achieved in spite of the negative sentiments prevailing around the aviation sector in the second half of the year; linked to the problems of Air India and Kingfisher. The academy changed its royalty sharing model in FY2011-12 by reducing the percentage royalty from 40% to 28%. In this new model, the franchisees are now expected to recruit and retain the faculty on their rolls, unlike in the previous model where Aptech provided trainers. The revenue in FY2011-12 declined only by 2% in spite of 30% reduction in royalty share. EBITDA losses for the brand reduced from ₹ 67.92 million to ₹ 15.63 million, a 77% drop.

During the year, Aptech launched one-year Diploma courses for Hospitality Management and Travel & Tourism in partnership with Vinayaka Mission University (VMU). The brand also launched one year short-term course on Cabin Crew. The Company signed a new alliance with GVK and GMR groups for Corporate Training and Internships in FY2011-12 and discontinued its alliance with Thomas Cook. Through its internship and placement programme with Air India SATS Airport Services Pvt Ltd (AISATS), a premier airport services company in India formed by the Indian Government, the Company was able to place 50 students on internship and 60+ students on probation in various duties with AISATS across the country. The Academy earned a big honour in FY2011-12 by getting recognised as the Best Aviation Training Academy of 2011 by BIG Brands.

Aptech English Learning Academy (formerly known as English Express)

The Company offers courses in English speaking, accent training, English improvement, and TOEFL & IELTS preparation under its Aptech English Learning Academy brand. In FY2011-12, the Company opened 8 new centres in the domestic market, but at the same time closed 2 own centres. While the brand saw ~100% jump in enrolments and bookings as compared to previous fiscal, the revenue declined by 54% on account of closure of the own centres. But this also helped reduce the EBITDA loss of the brand by 41%.

The project initiated in the previous fiscal to develop our own content for English language training is still underway. Course content for the first module has been released. The Company is also looking to find the right brand associations to increase the marketability of its products.

BJB Career Education (China)

In 2000, Aptech entered the IT training market in China through a 50:50 JV (BJB Aptech) with Beida Jade Bird (BJB). Driven by the economic growth and the government's thrust to make China an important IT outsourcing nation, the IT training market in China has seen strong growth over the last decade. Aligning itself to this growth, Aptech restructured its stake in the China JV in 2009. It divested its 50% stake in the JV and invested the proceeds in the holding company, BJB Career Education Company Ltd. (BJBC). Aptech currently holds 22.41% stake in BJBC and also has a Board seat. BJBC's main lines of business are vocational IT training (BJB Aptech) and distribution of vocational IT educational content to high schools, colleges and universities. The Company's investment in BJBC generated a dividend income of ₹ 503.84 million in FY 2011-12.

Enterprise Business

Aptech Assessment & Testing Solutions (formerly known as ATTEST)

Computer-aided Assessment & Testing is a growing market in India and Aptech is a pioneer in this field. FY2011-12 marked an inflection point for Aptech's Assessment & Testing business. In FY2011-12, this business delivered 1.55 million tests vs. 1.22 million tests in FY2010-11. In addition to the volume growth, the realisation per test grew by 13% in FY2011-12 over the previous year. The business also acquired and serviced very large orders from some marquee customers such as AICTE, NASSCOM, ICFAI, etc. This has also helped reduce the concentration of Symbiosis revenue from 79% to 42%, thus de-risking the business.

A milestone achievement for the Assessment & Testing business in FY2011-12 was the successful, glitch-free conduct of the first Common Management Admission Test (CMAT) exam for over 70,000 students across 68 centres in the country. The exam was conducted for admission to 3,000 institutes registered with the All India Council for Technical Education (AICTE). The division also won new business from strategic accounts, including recruitment screening orders from a leading chemical & fertiliser manufacturer, a sector regulator, an IT company and one of the Big 4 accounting firms. Going forward, recruitment screening tests will remain a major focus area for the Company in order to increase business from the Corporate segment. While the Company lost the assessment part of the order from the Institute of Company Secretaries of India (ICSI), due to a change in their policy to not allow the same vendor to conduct both training and assessment, it won a new order from Institute of Actuaries of India for conducting their course tests.

In FY2011-12, the Company was focused on development of Subject Matter Expert (SME) pool and systems for question bank development, which forms the key underlying IP in addition to the technology architecture. The Company also entered into a tie-up with London College of Management Studies (LCMS) to open the first ever Aptech Assessment & Testing Solutions Centre in UK. Through this strategic tie-up, LCMS will be providing the infrastructure whereas Aptech will be providing the technology for online testing. The Company is also in the process of signing up additional test centres in India and abroad to cater to the new orders.

Aptech Training Solutions

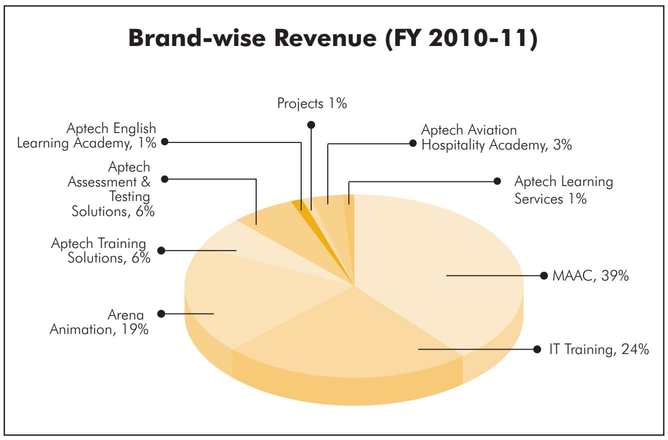
Aptech caters to the IT training, soft skills and product training needs of Corporate, Public and other institutions targeting the middle to lower management layer within the organisation. With the revival in corporate IT spends, contribution of non-IT business increased in FY2011-12. A key challenge facing the IT training business is fulfilment of orders due to shortage of trainers with the right skill sets at the right cost and right time. To address this issue, the Company initiated a tie-up with staffing firms for supply of IT trainers.

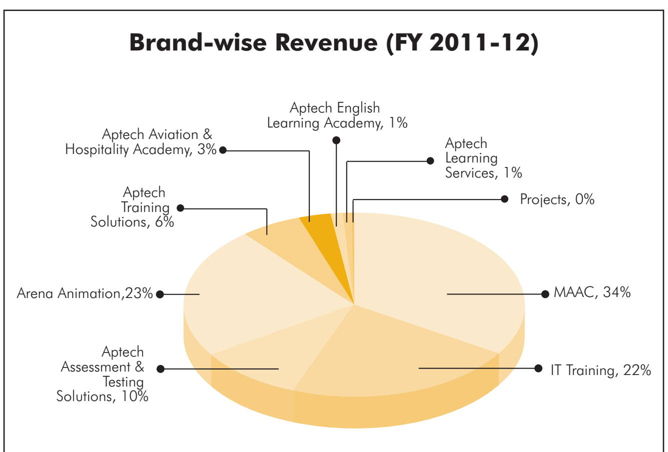
Three major orders for Corporate training were received - from a state electricity distribution company, cosmetics major and a leading infrastructure finance company - in FY2011-12. An offshore IT training order was executed for a Kolkata-based IT Services company. Three existing large customers, two telecom companies and one auto major, renewed their contracts. The Company is benefitting from consolidation of its sales team across Training and Assessment segments.

Government Projects & Learning Services

In the government school projects business, the Company has completed all the pending contracts which were capital intensive. It also received the project completion certificate from Orissa government for the Odisha Primary Education Programme Authority (OPEPA). The Company is currently executing Technical Support & Training Service Provider (TSTSP) project with the government of Gujarat; this involves training only and no capital investments. The TSTSP project received the best service work certificate from District Development Officer (IAS) – Panchmahal.

The Learning Services division of the Company develops content for e-Learning and Instructor Led Training (ILT), primarily for international clients. The division started targeting the Indian market in the second half of FY 2010-11. Currently, the division is only servicing existing customers from Europe and India.





New initiatives

Aptech has strategically partnered with Hungama Digital Media Entertainment Pvt. Ltd., South Asia's largest digital entertainment and marketing company, to develop and market mEducation products/services in India. An industry that is at a very nascent stage in India, mEducation is likely to generate a $70 billion revenue opportunity for mobile and internet service providers by 2020, worldwide. In India, Aptech and Hungama will take the lead to initiate innovation in the field and bring services closer to the consumer, at affordable prices. Aptech, with its expertise in the education sector, will create specialised courses across faculties in a form that is easy to comprehend and distribute over various digital channels and connected devices. Hungama will bring its marketing, distribution and technology capabilities to the partnership. iEnglish, a Hindi to English course, from the partnership's stable has already been launched on Airtel's DTH platform.

In FY2011-12, Aptech also joined hands with the Trust for Retailers and Retail Associates of India (TRRAIN) foundation to train 20,000 people in retail management in three years. Currently, the Indian retail market is $450 billion and is estimated to reach $650 billion by 2015. In order to sustain this level of growth in the sector, India requires a large pool of skilled workforce. It is estimated that about 5 million personnel would be working in modern retail trade by 2015. But there is a huge gap between the talent pool available and the demand for skilled manpower. In order to bridge this gap in specialised skills, Aptech and TRRAIN will design a programme where the individual will be equipped with latest skills to cater to retail industry jobs that involve managing outlets, store operations, customer services, marketing, selling and merchandising, etc. Through the tie-up, both entities will jointly develop the training modules which will help retail associates perform more efficiently and effectively in their jobs. In this venture, Aptech will be providing content, training and the academic support processes to run the training programme, while TRRAIN will provide the infrastructure required (be it mobile education centres or classrooms) at retail dominant locations like malls and high streets to conduct these programs.

Opportunities

The demand for skilled workforce is increasing across the country and abroad. Strengthening of vocational education will play an important role in decreasing the demand and supply mismatch witnessed in several fast developing economies.

India: In a population of 1.2 billion, an estimated 0.672 billion people are in the age group of 15-64 years – considered the working age population. Of this, an estimated 12% fall into the age-group of 18-24. This large and young human resource pool requires sound education and necessary skills to empower them to lead a fulfilling life and meaningfully contribute to the country's economic growth. The government has drawn a scheme to improve the skills of 500 million people by 2022, aiming to bridge the education-employability mismatch. The government's objective is to increase the National GER to 30% by 2020. The country aims to spend ₹ 4.13 trillion on higher education during the 12th Plan period (2012-17), about four times more than the amount allotted during the preceding five years.

Institutional requirements present a large canvass for well-entrenched players in India

Opportunities in the Testing business

India is witnessing an increasing trend of shifting to computer aided assessment from "paper and pencil" tests. With increasing internet penetration and speed, several universities and colleges are adopting computer based tests for (a) entrance exams (e.g.: IIMs) (b) mid-term/semester exams (e.g.: Symbiosis).

Entrance Exam	Institute	Test Takers	Start Year
AIEEE	Non-IIT Engineering Colleges	1.1mn	2011
JEE	Indian Institutes of Management	0.4mn	2012/2013
CAT	Indian Institutes of Management	0.2mn	2009
BITSAT	Birla Institute of Technology	0.1mn	2005

It is estimated that the entrance exams and semester/ mid-term exams present an opportunity of $25 million and $725 million, respectively. Public sector / Government also provide a huge market for recruitment exams: Exams conducted by UPSC2 (both civil and defence) attract application from over 1.5 million candidates every year.

International

Opportunity for tertiary education in emerging countries - BRICS and N -11 countries - presents an extremely attractive canvass for education players. N11 represents next 11, a set of 11 countries (Mexico, Nigeria, Egypt, Turkey, Iran, Pakistan, Bangladesh, Indonesia, Vietnam, Philippines and South Korea) identified by Goldman Sachs as having a high potential of becoming, along with the BRICS, the world's largest economies in the 21st century.

China: For the past 30 years, China's abundant supply of cheap labour has been driving the country's economic boom. As the country's industries are shifting from low-skilled, labour-intensive to a more capital and skill-intensive pattern, the need for skilled workers is rising. While investment in technical and vocational education and training by the government aims to fill this gap, the vocational institutes and schools in China face several challenges, including poor training standards, outdated curriculum and teachers who often lack practical skills. In addition, education and training demand is now driven by the burgeoning middle class with a propensity to spend. The one child policy prevailing since the past 30 years has indirectly provided a huge fillip to the education sector, as the income of both parents, and in some instances both sets of grandparents, is likely to be devoted to ensuring superior education for their only child/grandchild. It is estimated that there are 157 million children in China in the under 19 category. (Source: National Bureau of Statistics China, BDA analysis, Company, http://www.worldbank.org/en/news/2012/02/17/china-vocational-education-provides-jobs-sustains-economic-growth).

Nigeria: Nigeria is the most populous country in Africa, and the seventh most populous country in the world. The country has an overwhelming number of adult illiterates, numbered at over 40 million. About 90% of eligible early childhood students, 30% of primary school children, 65% of junior secondary school children and 61% of senior secondary school children are out of school, deprived of the benefits of education. An illiterate population is a fertile breeding ground for miscreants in society. Further, the education sector is marred by the unpredictability of the academic calendar, strikes, poor funding, leading to lack of infrastructure, autonomy problem and a host of other issues. Nigeria is therefore focused on improving education of its citizens.

Vietnam: The country has experienced nearly unparalleled economic growth and change over the past 20 years, during which GDP grew about 7% a year. Despite the recent global financial crisis, overall, economic trends are still very positive. The most recent census (2006) estimates Vietnam's population at over 84 million. The median age of the population is about 28 years. It has a large population of 6.1 million students who enrol in secondary education every year, and of these, almost 5.4 million do not enter tertiary education institutes. Hence, there is a large population which vocational players can address. Estimates suggest that nearly 60% of students who graduate from training establishments need to be retrained for at least 6-12 months after being recruited.

Philippines: Philippines is considered to be the next outsourcing hub of the world (after India). IT-BPO industry posted $11 billion in revenues last year, up 24% year-on-year. The industry also chalked up a 22% increase in the number of jobs, employing an additional 638,000 workers. However, for the industry to meet its growth targets, as outlined in BPAP's 2016 roadmap, an additional 1.1 million employees will be needed to hit the accelerated growth target of $25 billion in revenues. (Source: Philstar.com - http://www.philstar.com/Article.aspx?articleId=804309&publicationSubCategoryId=71)

Russia: One of the celebrated BRICs countries, emergence of Russia as an IT destination is creating the demand for trained IT professionals. While Russia has a high percentage of population attending graduate schools, most of its education is geared towards academic research and there is a large need for job oriented training.

Outlook

Key growth drivers for Aptech in the near term from the top line perspective will be the Animation & Multimedia segment in the domestic market, the International Individual Training business as a whole, and the Assessment & Testing business. In addition to the leverage factor from the revenue growth, the Company expects a substantial leg-up for the margins on account of reduction in losses from the new businesses.

Strategic approach for the Animation and Multimedia training brands of Aptech can be summarised as "Expansion, Focus and Product Innovation". In terms of the brand positioning, Arena will continue to extend its target market by catering to the broader Media & Entertainment sector, thus playing the expansionary role of a market leader. At the same time, MAAC will continue to retain its premium image and introduce courses which are high-end, and focused equally on creative and technical aspects.

On account of significant surplus capacity in the IT segment of formal education (Engineering & BCA/MCA), the pie available to vocational training players is not expected to grow significantly. However, there is an increasing interest in the 'Employability' programs even from the formal segment due to lack of job opportunities to many graduates. Aptech intends to focus on this segment and grow its IT Training business in high single digits.

Though there may be an expected slowdown in growth momentum in emerging economies, the education sector is expected to weather these headwinds quite well. With new branding, range of alliances and wide basket of products, the Company expects to register handsome growth in the international market. While the beachhead has been established in the Eastern European market through the Polish investment, the Company will push harder for openings in the Latin American (eg. Brazil where the Company already has a presence) and in the South African Development Council (SADC) regions.

Online Assessment & Testing market in India and many emerging countries is in the development phase. Being a leading first mover, Aptech has an inherent advantage in the Indian market. The Company aspires to build on this advantage, and extend this in other international markets where it is present. Going forward, the focus will also be on profitably scaling-up the new initiatives around Retail Training and mEducation, which were launched in FY2011-12. In addition to these growth strategies, the Company is also exploring various other segments in the Career Education space and its adjacent markets.

Risks, challenges and concerns

Quality of content which is contemporary and delivery at the execution level are two of the biggest challenges that education companies find themselves in. However, this challenge itself is the biggest opportunity. At a time when technologies change and upgrade so often, contemporary and superior content can provide the necessary edge to education companies. Growth in a franchisee-modelled business is driven by the ability to attract and retain the right-minded business partners.

While the opportunity potential is expanding in international markets, outdated or protectionist legislation could pose to be an impediment for the Company to exploit this expansion. Further, any major changes in regulatory norms governing the education sector at state or national levels may pose a threat to Aptech's or its franchisees' ability to continue to offer vocational training courses in their existing centres.

With widespread international presence across diverse economies, the Company's businesses may get impacted by adverse global economic and political scenario or any major political events in any of the countries of its presence.

The Company also faces risks from technology obsolescence, human resource management and currency fluctuation. The Company has in place a robust risk management policy to control and mitigate such business risks. The Company has internalised Strategic Risk Management principles by developing a de-risked business model, given its diversification across geographies and different verticals of the education sector. Aptech is thus well poised to follow a robust growth trajectory.

Internal controls 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 businesses are monitored so that the actual spending is in accordance with the budget. A well-defined organizational structure, strong 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.

Student Development (formerly known as Education Delivery Control & Quality)

The Student Development department at Aptech is at the core of its endeavours to deliver a differentiated value proposition to its target audience. This department's charter comprises activities spanning from Content Development to Study Material Distribution (Logistics), Network Management, Academic Support and Quality & Audit. In line with the Company's continuous efforts to provide a superior customer experience in a speedier, efficient and more effective manner, this department undertook some key initiatives during the year:

- With the focus on new content for Arena and Aptech English, new books were developed and released for the Arena Animation International Programme and the first module of English Language course.

- Integration of examination, performance statement and certificate issuance processes were launched in the Aptech Retail Portal ("ApTrack").
- Day-to-day management of the University Alliance activities is handled by the Academic Support function. This team successfully completed the transfer of newly enrolled IT Training and Arena Animation degree students from M S University course to M G University course.
- Quality & Audit function updated the audit checklists for Aptech Computer Education, Arena Animation & Aptech Aviation & Hospitality Academy brands and rolled them out for implementation.

Asian Institute of Communication and Research (AICAR) Business School

AICAR Business School was set up 11 years ago to develop and create world-class quality leaders and communicators capable of providing leadership in all spheres of commerce and service in any part of the world. During the year, AICAR took the first step towards internationalisation by signing a Memorandum of Understanding with the Brunel Business School, UK (which is an off-shoot of the Brunel University, UK) for exposure of students by conducting various cross-country study tours. The first such study tour was conducted by the School in February, 2012. The institute has also received approval for offering MMS programme (60 seats) in affiliation with Mumbai University from the academic year 2012-13. This will be the third programme on offer by the school after PGDM and PGDM – Banking, Insurance and Finance - and the overall student intake capacity will expand to 240 students per year.

The year also saw AICAR conducting studies for an Indian Corporate to assess the future demands of rural India. In FY2011-12, AICAR received recognition as the 'Most Promising Business School in Mumbai' at the Education Excellence Awards 2012, organised by BIG Research. Also, a study conducted and published by Dainik Bhasker Lakshya placed AICAR at the 38th position among the best 50 B-Schools in India.

Material developments in Human Resources

Aptech's pool of talent is one of the key ingredients of its success as a popular franchisor and leading vocational training provider. Ingenuity and service ethics of the Company's human resources has been a backbone of its pioneering efforts in the IT Training, Animation & Multimedia Training and Computer Aided Assessment & Testing space in India. The Company has invested substantial efforts and resources in keeping its employees engaged through cultural programs, contests, CSR initiatives and providing them hard levers through training programs. The Company encourages healthy environment within the organisation through regular interactions with Senior Management at all levels and a vibrant Intranet platform "Aptalk" mirroring the social media revolution of this age. One of the key roles of the Human Resources team at Aptech is to ensure fulfilment of temporary project manpower requirements, which are critical for delivering the Assessment and Corporate Training orders bagged by the Company's Enterprise Business. The Company has suitably augmented the team and also entered into various partnerships to ensure complete fulfilment of such requirements.

The total number of employees with the Company as on 31st March, 2012 was 462, out of which 83 are from MAAC. The Company recruited a total of 104 new employees during the year.

Financial performance

On a consolidated basis, the Company's Operating Revenue for the year ended 31st March, 2012 stood at ₹ 1,744.25 million, reflecting a decline of 9%. Out of the total drop, 4% drop can be attributed to the change in accounting policy on revenue recognition in MAAC. Through better cost efficiencies and closure/ franchising of own centres, the Company improved its Operating EBITDA by 13% year-on year. EBITDA stood at ₹ 240 million for FY 2011-12 as against ₹ 213 million for the previous fiscal. EBITDA in the domestic Individual Training business improved to 21% from 16% in the previous fiscal, with the international market EBITDA margin at 38%. EBITDA margin of Enterprise Business improved from 14% in the previous fiscal to 25% in the current fiscal. This was mainly on account of higher realisations and improvement per student in the Aptech Assessment & Testing Solutions business.

The Company received a dividend of ₹ 503.84 million from its China operations in FY2011-12. There was a gain of ₹ 0.54 million on account of FOREX movements.

Segment – wise Financial Performance

(₹ in millions)

	FY 2010-11	FY 2011-12	Variance	FY 2010-11	FY 2011-12	Variance
Segment	Retail			Non-Retail		
Operating Revenues	1,635	1,446	-12%	273	298	9%
Operating EBITDA	333	371	11%	39	75	94%
Operating EBIT	256	310	21%	29	70	146%
Capital Employed	243	201	-17%	91	13	-85%

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 numbers of Independent Directors are one-half 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 financial year ended 31st March, 2012 under review, the Board of Directors met 4 times on 30th May, 2011, 29th July, 2011, 8th November, 2011 and 20th January, 2012. The gap between two meetings during the year did not exceed four 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 29th July, 2011, 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, 2012	Whether attended AGM held on 29th July, 2011	No. of Directorships in other public companies incorporated in India as on 31st March, 2012	No. of Committee positions held in other public companies incorporated in India as on 31st March, 2012	
					Chairman	Member
Mr. Rakesh Jhunjhunwala Chairman	Promoter Non-Independent Non-Executive	4	Yes	8	Nil	Nil
Mr. C. Y. Pal Vice Chairman	Independent Non-Executive	4	Yes	4	1	1
Mr. Ninad Karpe Managing Director & CEO	Non-Independent Executive	4	Yes	3	1	2
Mr. Asit Koticha	Promoter Non-Independent Non-Executive	2	Yes	Nil	Nil	Nil
Mr. Rajiv Agarwal	Promoter Non-Independent Non-Executive	4	Yes	3	Nil	Nil
Mr. Ramesh. S Damani	Independent Non-Executive	4	Yes	Nil	Nil	Nil

Names of the Directors	Category	No. of Board Meetings attended during the period ended 31st March, 2012	Whether attended AGM held on 29th July, 2011	No. of Directorships in other public companies incorporated in India as on 31st March, 2012	No. of Committee positions held in other public companies incorporated in India as on 31st March, 2012	
					Chairman	Member
Mr. Utpal Sheth	Promoter Non-Independent Non-Executive	4	Yes	10	Nil	Nil
Mr. Vijay Aggrawal	Independent Non-Executive	4	Yes	4	1	1
Mr. Walter Saldanha	Independent Non-Executive	3	Yes	Nil	Nil	Nil
Mr. Yash Mahajan	Independent Non-Executive	3	Yes	1	Nil	Nil
**Mr. Pramod Khera	Non-Independent Non-Executive	1	No	8	Nil	1

** Mr. Pramod Khera was a Non-Executive Director on the Board of the Company since 1st April, 2009 who retired at annual general meeting held on 29th July, 2011 as he did not seek re-appointment.

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,

  (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;

(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, 2012, except for the payment of Sitting Fees made to them for attending the Board and/or the Committee meetings and commission as stated below in the report.

The information as required under Annexure I to Clause 49 of the listing agreement is being made available to the Board. The Audit Committee of the Board of Directors periodically reviews 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, 2012. 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, 2012.

AUDIT COMMITTEE:

The Composition of the Audit Committee as on 31st March, 2012 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 4 times on 30th May, 2011, 29th July, 2011, 8th November, 2011 and 20th January, 2012, 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, 2012
Mr. C. Y. Pal Chairman	Independent Non-Executive	4
Mr. Ramesh S. Damani	Independent Non-Executive	4
Mr. Vijay Aggarwal	Independent Non-Executive	4

The Chairman of the Audit Committee, Mr. C. Y. Pal, was present at the Annual General Meeting held on 29th July, 2011.

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE:

During the year under review, the Committee met two times on 29th July, 2011 and 1st March, 2012.

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, 2012
Mr. Ramesh S. Damani Chairman	Independent Non-Executive	2
Mr. Asit Koticha	Promoter Non-Independent Non-Executive	2
Mr. C. Y. Pal	Independent Non-Executive	2

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.

STRATEGY COMMITTEE:

During the year under review, the Strategy Committee met 4 times on 30th May, 2011, 29th July, 2011, 17th August, 2011 and 8th November, 2011. The composition of the Strategy 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, 2012
Mr. Vijay Aggarwal Chairman	Independent Non-Executive	4
Mr. C. Y. Pal	Independent Non-Executive	4
Mr. Utpal Sheth	Promoter Non Independent Non Executive	4
Mr. Rajiv Agarwal	Promoter Non Independent Non Executive	4
Mr. Ninad Karpe	Non Independent Executive	4

The primary role of the Strategy Committee is strategic management of the businesses of the Company and subsidiaries within the Board approved direction/framework. The Strategy Committee operates under the strategic supervision and control of the Board.

Name and Designation of Compliance Officer: Mr. Ketan H. Shah, Group Company Secretary

Status of Complaints received during the period ended 31st March, 2012:

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 2012.

REMUNERATION & COMPENSATION COMMITTEE:

During the year under review, the Remuneration & Compensation Committee met 2 times on 30th May, 2011 and 29th July, 2011. The composition of the Committee along with the details of the meeting attended by the Directors is given below:

Names of Members	Category	No of Meetings attended during the period ended 31st March, 2012
Mr. Vijay Aggarwal Chairman	Independent Non-Executive	2
Mr. Utpal Sheth	Promoter Non-Independent Non-Executive	2
Mr. C. Y. Pal	Independent Non-Executive	2
Mr. Ramesh S.Damani (appointed by the Board of Directors at its meeting held on 8th November, 2011)	Non-Executive Independent	N. A.

The terms of reference of the Remuneration & Compensation 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 & Compensation Committee and as per the terms approved by the shareholders at the General Meeting.

The Shareholders at the Annual General Meeting of the Company held on 25th September, 2009 had approved appointment of Mr. Ninad Karpe as the Managing Director & CEO for the period from

1st April, 2009 upto 31st January, 2014 on a remuneration of ₹ 8,75,750/- per month plus perquisites as per the terms of his contract of appointment. Vide the said resolution, the shareholders have granted the authority to the Board of Directors (including its Committee thereof) to alter, vary, revise any of the terms and conditions relating to his remuneration payable. In accordance with the said authority, the Board of Directors approved, as recommended by the Remuneration & Compensation Committee, an increase in fixed compensation payable to Mr. Ninad Karpe of 25% with effect from 1st April, 2011 together with payment of club membership of ₹ 15 lacs plus service tax and annual fees.

The details of remuneration paid to Mr. Ninad Karpe during the year ended 31st March, 2012 are as follows:

Particulars of remuneration	(Year 1st April, 2011 to 31st March, 2012) Amount (in ₹)
Salary and Allowances	1,20,00,698
Perquisites (Club Fees)	16,54,500
Contribution to Provident Fund, Superannuation Fund	8,25,996
TOTAL	1,44,81,194

During the year ended 31st March, 2012, the remuneration paid to Mr. Ninad Karpe has exceeded the limits specified under the Section I of the Part II of Schedule XIII of the Companies Act, 1956 by ₹ 6,746,296/- and the application to Central Government for waiver of excess remuneration paid to Mr. Ninad Karpe is being made by the Company.

During the year ended 31st March, 2011 the remuneration paid to Mr. Ninad Karpe exceeded the limits specified under Section I of the Part II of Schedule XIII by ₹ 25,03,601/- for which the approval in respect of application already made by the Company is awaited from Central Government.

APTECH EQUITY OPTION PLAN 2006

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.

During the period 19,000 options were lapsed on account of resignations from employees. Out of 2,65,000 Options that 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, he was eligible for exercise of 1,24,706 options upto 3rd May, 2012

Details of shareholding of non-executive directors other than promoter directors in the Company as on 31st March, 2012 are as follows:

Names of Directors	Category	No. of shares
Mr. C. Y. Pal	Independent Non-Executive	50,000
Mr. Ramesh Damani	Independent Non-Executive	12,500
Mr. Vijay Aggarwal	Independent Non-Executive	2,50,000

The Shareholders at the Annual General Meeting held on 29th July, 2011 approved payment of remuneration by way of commission of a sum not exceeding 1% per annum of the net profits of the Company to the Directors other than the Managing Director ₹ 15 lacs as Commission payable to Independent Directors for the financial year 2011-12 @ 1% of net profit computed in accordance with Section 349 of the Companies Act, 1956 was distributed to Mr. C. Y. Pal, Mr. Vijay Aggarwal. Mr. Ramesh Damani, Mr. Yash Mahajan and Mr. Walter Saldanha in equal shares i.e. ₹ 3 lacs each.

The details of the Sitting Fees paid to the Non-Executive Directors for the period ended 31st March, 2012 are as follows:

Name of Director	Sitting Fees
Rakesh JhunJhunwala	20,000
C.Y. Pal	3,00,000
Asit Koticha	60,000
Pramod Khera	15,000
Rajiv Agrawal	1,20,000
Ramesh S. Damani	1,90,000
Utpal Sheth	1,20,000
Vijay Aggarwal	2,60,000
Walter Saldanha	55,000
Yash Mahajan	55,000
TOTAL:	11,95,000

The Board of Directors had revised sitting fees from ₹ 15,000/- to ₹ 20,000/- per meeting payable to the Non-Executive Directors at its meeting held on 30th May, 2011.

SUBSIDIARY COMPANIES:

As on the close of the accounting year ended 31st March, 2012, turnover of Maya Entertainment Limited (MEL) which is a subsidiary of Aptech Limited exceeded 20% of the consolidated turnover of Aptech Limited and its subsidiaries. In view of the same, MEL continues to be a Material Unlisted Subsidiary Company of Aptech Limited.

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, and 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) The Company has a Whistle Blowing procedure in place as per the Code of Conduct and Ethics. The Company also maintains a website known as 'Aptalk' which is a platform developed exclusively for all Aptech employees to Connect, Converse and Collaborate. This site helps employees to know their colleagues, to share information and 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 email 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 Committee;
   (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 four 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 follows adequate procedures to inform Board members about the risk assessment and minimization procedures.

CEO AND CFO CERTIFICATION:

In terms of Clause 49 (V), Mr. Niand 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, 2012.

GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings along with the details of the Extraordinary General Meetings held from the year 2009-10 to 2011-12 are given below, in the ascending order:

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-400 020 at 3.30 p.m.
- (iii) 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.

2010-11:
- (i) The Tenth Annual General Meeting of the Company was held on 27th September,2010 at ''Walchand Hirachand Hall'', Indian Merchants' Chambers, IMC Building, IMC Marg, Churchgate, Mumbai-400 020 at 12.00 Noon.

2011-12:
- (i) The Eleventh Annual General Meeting of the company was held on 29th July, 2011 at 4.00 p.m at "Rangaswar Hall", 4th floor, Chavan Centre, General Jagannath Bhosale Marg, Chavanhall next to Sachivalaya Gymkhana, Mumbai-400 021 at 4.05 p.m.

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

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

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 ₹ 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.

At the Tenth Annual General Meeting held on 27th September, 2010, Special Resolution was passed pertaining to issue of 4,79,670 equity shares to M/s. Bhukhanvala Holdings Pvt. Ltd. on preferential basis in terms of Share Purchase Agreement executed with Maya Entertainment Limited and its shareholders on 27th January, 2010.

At the Eleventh Annual General Meeting held on 29th July, 2011, Special Resolution was passed pertaining to paying the remuneration by way of commission (over and above the sitting fees) to the Directors of the Company other than the Managing Director of the Company, a sum not exceeding 1% per annum of the net profits of the Company computed in the manner laid down in Section 349 and 350 of the Companies Act, 1956 in any financial year upto 4 years commencing from July, 2011.

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 : Friday, 20th July, 2012
at 4.30 p.m.
at "M. C. Ghia Hall", Suryodaya Banquets Pvt. Ltd.,
18/20, 4th Floor, Bhogilal Hargovindas Building,
K Dubhash Marg, Kalaghoda, Behind Prince of
Wales Museum, Fort, Mumbai – 400 001

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 20th July, 2012.

FINANCIAL CALENDAR:

A.	Next Financial Year	:	1st April, 2012 to 31st March, 2013
B.	First Quarter results	:	to be published by 14th August, 2012
C.	Second Quarter results	:	to be published by 15th November, 2012
D.	Third Quarter results	:	to be published by 15th February, 2013
E.	Results for the year ending 31st March, 2013	:	to be published by 30th May, 2013
	Date of Book Closure	:	13th July, 2012 to 20th July, 2012 (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 2011-2012.

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 Dematerialized Mode	:	INE266F01018

MARKET INFORMATION:

Aptech Share Price Data:

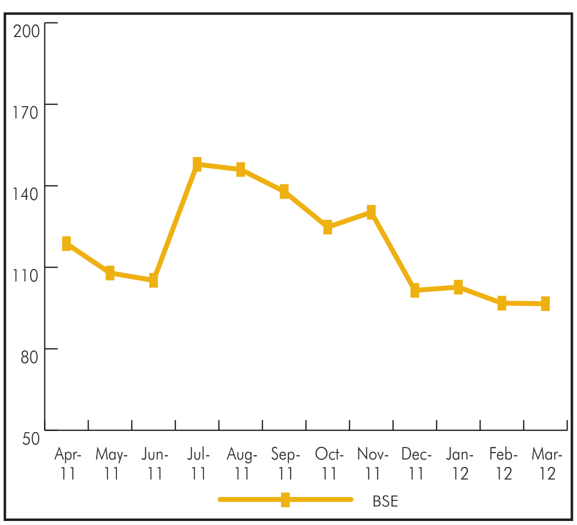
Month and Year	Bombay Stock Exchange Limited (₹)		The National Stock Exchange of India Limited (₹)	
	High	Low	High	Low
Apr-11	118.70	97.20	119.25	98.30
May-11	107.90	88.80	107.70	88.70
Jun-11	105.20	86.00	105.20	85.00
Jul-11	147.90	93.65	147.85	93.40
Aug-11	146.00	116.10	144.50	116.20
Sep-11	137.90	112.50	138.00	112.40
Oct-11	124.80	109.20	124.70	109.00
Nov-11	130.25	83.00	130.30	86.65
Dec-11	101.50	65.15	101.50	64.80
Jan-12	102.70	64.35	102.80	64.30
Feb-12	96.80	82.35	96.90	81.45
Mar-12	96.60	76.20	98.85	76.50

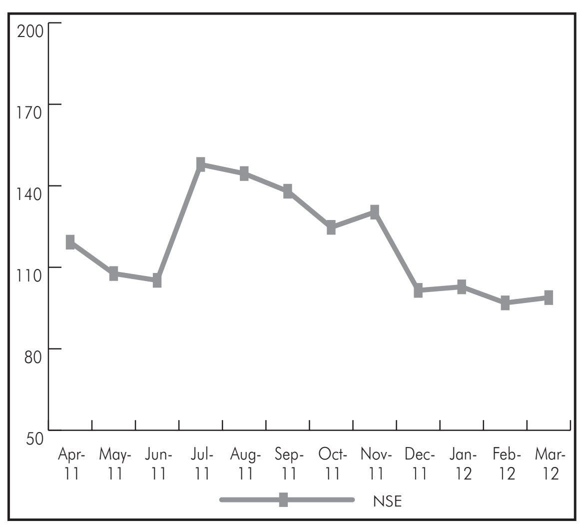
(Source : www.bseindia.com and www.nseindia.com)

STOCK PERFORMANCE: (INDEXED)

Registrar and Share Transfer Agents : M/s. Sharepro Services (India) Private Limited
13/AB Samitha Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Saki Naka, Andheri East, Mumbai - 400 072.
Contact Person: Mrs. Indira Karkera
Tel. No. : 91-22-67720300/400
Fax No. : 91-22-28375646
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, provided the documents are in order in all respects.

Distribution of Shareholding :

	As on 31st March, 2012				As on 31st March, 2011			
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	93527	95.57	6491019	13.30	97326	95.36	6890315	14.13
501-1000	2212	2.26	1789078	3.68	2442	2.39	1974517	4.05
1001-2000	1009	1.03	1557843	3.19	1086	1.06	1660800	3.40
2001-3000	358	0.37	912418	1.87	362	0.36	930077	1.91
3001-4000	159	0.16	579174	1.19	199	0.20	719676	1.48
4001-5000	144	0.15	690994	1.41	165	0.16	791690	1.62
5001-10000	218	0.22	1579844	3.24	237	0.23	1731796	3.55
10001 and above	240	0.24	35191051	72.12	247	0.24	34072550	69.86
TOTAL	**97867**	**100.00**	**48791421**	**100.00**	**102064**	**100.00**	**48771421**	**100.00**

Categories of shareholding :

Sr. No.	As on 31st March, 2012				As on 31st March, 2011		
	Category	No. of Shareholders	No. of Shares	Voting Strength	No. of Shareholders	No. of Shares	Voting Strength
1	Promoter & Promoter Group	6	17464603	35.79	6	17464603	35.81
2	Mutual Funds	7	2558	0.01	7	2558	0.01
3	Banks/Financial Institutions/ Insurance Companies (Central/ State Government Institutions/ Non Government Institutions)	36	46765	0.10	38	71981	0.15
4	FIIs	32	4043890	8.29	36	4093857	8.39
5	NRIs	2676	580377	1.19	2759	630145	1.29
6	OCBs	1	1	-	1	1	-
7	Foreign Financial Banks	-	-	-	-	-	-
8	Domestic Companies	1470	8163898	16.73	1678	7989505	16.38
9	GDR	1	11271	0.02	1	11271	0.02
10	Trust	2	5302	0.01	2	6802	0.01
11	Indian Public	93636	18472756	37.86	97536	18500698	37.94
	TOTAL	**97867**	**48791421**	**100.00**	**102064**	**48771421**	**100.00**

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

Trading in the Equity Shares of the Company is permitted only in dematerialized form. 98.20 % of the Company's Share Capital was dematerialized as on 31st March, 2012.

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. 22,542 Global Depository Receipts of erstwhile Aptech Limited (hereinafter "Old GDRs") (P.Y. 31,302) representing 11,271 underlying equity shares (2 GDR equals 1 Equity Share) of face value ₹ 10/- each are outstanding as on 31st March, 2012.

2. Under the Employee Stock Option Scheme (ESOS), 2006, (hereinafter the "Scheme") in final phase 4, out of 3,08,706 options which were granted to the employees, 2,95,906 options were qualified for exercising upto 3rd May, 2012 based on their performance and 20,000 options were exercised during this year by making payment of the exercise price. Accordingly during the year ended 31st March, 2012, 20,000 equity shares were allotted, thus making total allotment of 1,81,031 equity shares under the Scheme of face value ₹ 10/- each upto 31st March, 2012.

During the year 19,000 options were lapsed on account of resignations from employees. Out of 2,65,000 Options that 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, he was eligible for exercise of 1,24,706 options upto 3rd May, 2012. In respect of 1,12,625 options which were granted under the Scheme to Mr. Pramod Khera, erstwhile Managing Director under the category of Non-Executive Director on 6th May, 2010 and vested on 6th May, 2011, last date of exercising the options for Mr. Khera was 5th May, 2012.

As on 31st March, 2012, under the Scheme there were 21 optionees and if the balance 3,69,531 Options granted to them would have exercised by them that were outstanding, resulting in corresponding allotment of equity shares by the Company, then the issued and paid-up capital of the Company would have gone up by 3,69,531 equity shares of face value ₹ 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, 2012, 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 : 7th May, 2012

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, Managing Director and CEO 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, 2012 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, 2012 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, if any.

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
Managing Director
and Chief Executive Officer

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

Place : Mumbai
Date : 7th May, 2012

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

I, Ninad Karpe, Managing Director & CEO 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, 2012 over financial reporting.

Ninad Karpe
Managing Director
and Chief Executive Officer

Place : Mumbai
Date : 7th May, 2012

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To,
The Board of Directors of **APTECH LIMITED**

1. We have audited the attached Consolidated Balance Sheet of Aptech Limited ("the Company") and its Subsidiaries, Joint Ventures and an Associate (collectively referred to as the 'Group') as at 31st March, 2012 and also the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended 31st March, 2012. 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', AS 23 'Accounting for Investments in Associate' and AS 27 'Financial Reporting of Interests in Joint Ventures', notified under Companies (Accounting Standards) Rules, 2006.

4. Included in these CFS are assets, revenue and net cash flows as detailed below, which have not been audited by us

₹ in lakhs

Types of Company	No. of Cos.	Assets	Revenue	Net Cash Flow
Subsidiaries	4	13,017.72	5,161.45	(49.73)
Associate	1	27.06	6.18	(11.62)
Total		13,044.78	5,167.63	(61.35)

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 and an Associate, are based solely on the reports of those respective auditors.

5. Further the CFS includes Assets of ₹ 66.31 lakhs and Revenues of ₹ 60.40 lakhs of (2) two Subsidiaries which are based on unaudited financial statements of these Subsidiaries, and our opinion in so far as it relates to those amounts is based solely on such management certified financial statements.

6. Refer Note No. 13.3 regarding the payment of Remuneration in excess of amount payable as per provisions of the Act to the Managing Director aggregating to ₹ 67.47 lakhs for which application for approval of Central Government is being made by the Company. The approval of Central Government for the excess remuneration paid to Managing Director in previous year amounting to ₹ 25.04 lakhs is awaited.

7. 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 and subject to Para 5 and 6 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, 2012;

   (b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

   (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year 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,
Dated : 7th May, 2012

CONSOLIDATED BALANCE SHEET as at March 31, 2012

PARTICULARS	Note No.	As At March 31, 2012 ₹ in lakhs		As At March 31, 2011 ₹ in lakhs	
EQUITY AND LIABILITIES					
SHARE HOLDERS' FUNDS					
(a) Share capital	1	4,879.14		4,877.14	
(b) Reserves and surplus	2	28,355.12		22,594.25	
(c) Money received against share warrants	2	13.19		13.39	
			33,247.45		27,484.78
NON-CURRENT LIABILITIES	3				
(a) Long-term borrowings		-		-	
(b) Other long-term liabilities		93.43		81.05	
(c) Long-term provisions		462.54		384.88	
			555.97		465.93
CURRENT LIABILITIES	4				
(a) Trade payables		1,091.33		1,370.33	
(b) Other current liabilities		918.55		1,308.60	
(c) Short-term provisions		1,715.22		2,362.11	
			3,725.10		5,041.04
MINORITY INTEREST			-		1.23
TOTAL			37,528.52		32,992.98
ASSETS					
NON-CURRENT ASSETS					
(a) Goodwill on consolidation (Refer point No. B-2(i)of Note 16)			6,618.49		6,832.07
(b) Fixed assets	5				
(i) Tangible assets		2,414.75		2,676.21	
(ii) Intangible assets		743.32		1,073.79	
(iii) Capital work-in-progress		15.21		0.02	
(iv) Intangible assets under development		245.27	3,418.55	126.19	3876.21
(c) Non-current investments	6		10,826.29		10,834.85
(d) Long-term loans and advances	7		2,819.50		2,563.94
CURRENT ASSETS	8				
(i) Current investments		468.78		1,002.81	
(ii) Inventories		441.80		338.74	
(iii) Trade receivables		2,383.60		1,951.66	
(iv) Cash and bank balances		9,865.09		4,702.99	
(v) Short-term loans and advances		686.42		889.71	
			13,845.69		8,885.91
TOTAL			37,528.52		32,992.98
Significant accounting policies and other notes on accounts	16				

Notes referred to above form an integral part of the financial statements.
As per our attached report of even date.

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

SHIVJI K. VIKAMSEY
Partner
M. No. 2242
Place : Mumbai
Date : May 7, 2012

For and on behalf of the Board of Directors
APTECH LIMITED

NINAD KARPE
Managing Director & CEO

C. Y. PAL
Vice chairman

T. K. RAVISHANKAR
Executive Vice President & CFO

KETAN SHAH
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2012

PARTICULARS	Note No.	For the year ended March 31,2012 ₹ in lakhs		For the year ended March 31,2011 ₹ in lakhs	
INCOME					
Income from operations	9	17,442.36		19,074.96	
Other income	10	961.17		538.27	
Dividend income (Refer note no 10.1)		5,285.93		3,261.82	
			23,689.46		22,875.05
EXPENDITURE					
Training and education expenses	11	5,933.51		6,649.04	
Marketing and advertisement expenses	12	1,275.81		1,317.20	
Payments to and provision for employees	13	3,640.75		3,905.03	
Administration and other expenses	14	4,173.68		5,037.53	
Interest and finance charges	15	34.87		347.85	
Depreciation and amortisation	5	973.85		1,274.10	
			16,032.47		18,530.75
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX			7,656.99		4,344.30
EXCEPTIONAL ITEMS					
Loss on sale of stake in Joint venture		(48.95)		-	
			(48.95)		-
PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS			7,608.04		4,344.30
PROVISION FOR TAXATION					
Income tax		366.60		119.57	
Wealth tax		1.19		1.56	
Mat credit entitlement (Refer point no. B-6 of note 16)		(308.46)		(70.65)	
			59.33		50.48
PROFIT/ (LOSS) AFTER TAX			7,548.71		4,293.82
Add / (Less): Minority Interest			63.43		213.86
Add / (Less): Share of profit /(loss) of Associate			(8.67)		(9.80)
PROFIT/ (LOSS) AFTER TAX AND MINORITY INTEREST			7,603.46		4,497.88
Earning Per Share (Refer point no. B-8 of note 16)					
- Basic			15.59		9.28
- Diluted			15.46		9.21
(Nominal value of shares ₹ 10 each (Previous year ₹ 10 each)					
Significant accounting policies and other notes on accounts	16				

Notes referred to above form an integral part of the financial statements.
As per our attached report of even date.

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

SHIVJI K. VIKAMSEY
Partner
M. No. 2242
Place : Mumbai
Date : May 7, 2012

For and on behalf of the Board of Directors
APTECH LIMITED

NINAD KARPE
Managing Director & CEO

C. Y. PAL
Vice chairman

T. K. RAVISHANKAR
Executive Vice President & CFO

KETAN SHAH
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT
for the year ended March 31, 2012

Particulars	For the year ended March 31, 2012 ₹ in Lakhs		For the year ended March 31, 2011 ₹ in Lakhs	
(A) NET PROFIT / (LOSS) BEFORE TAX		7,608.04		4,344.30
Employee stock compensation	(169.53)		(47.59)	
Loss on sale in stake in JV	48.95		-	
Depreciation and amortisation	973.85		1,274.10	
Provision for bad debts	1,383.92		1,520.80	
Bad debts written off	18.60		58.70	
Dividend income	(5,285.93)		(3,261.82)	
Interest and finance costs	34.87		347.85	
Interest and finance income	(596.17)		(363.38)	
Liability no longer required back	(350.63)		(98.84)	
Unrealised exchange loss/(gain) (net)	(129.64)		22.16	
(Profit) / Loss on sale of fixed assets (net)	(0.73)	(4,072.44)	(60.35)	(608.38)
Operating Profit Before Working Capital Changes		3,535.60		3,735.92
Adjustments for Working Capital Changes				
Decrease/(Increase) in Inventory	(103.06)		(114.27)	
Decrease/(Increase) in Trade Receivables	(2,079.62)		(836.75)	
Decrease/(Increase) in Loans and Advances	(226.68)		560.22	
Increase/(Decrease) in Current Liabilities and Provisions	923.17		(367.44)	
Increase/(Decrease) of Foreign Currency Translation Reserve	8.28	(1,477.91)	(14.23)	(772.47)
Cash From / (used) in Operating Activities		2,057.69		2,963.45
Wealth Tax (Paid) / Received	(1.54)		(1.28)	
Income Tax (Paid) / Received (Net)	124.69	123.15	755.87	754.60
Net Cash From / (used) in Operating Activities (I)		2,180.84		3,718 .05
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Amount received from erstwhile promoters of MAAC	213.58		-	
Settlement of minority shareholders (Brazil JV)	73.66		-	
Purchase of fixed assets	(611.06)		(677.28)	
Sale of fixed assets	20.55		154.31	
(Purchase) /Sale of investment	533.91		(1,851.39)	
Dividend received	5,285.93		3,261.82	
Dividend paid (Including DDT)	(3,118.28)		(562.94)	
Interest and finance received	596.17		363.38	
Net Cash used in Investing Activities (II)		2,994.46		687.90

Particulars	For the year ended March 31, 2012 ₹ in Lakhs		For the year ended March 31, 2011 ₹ in Lakhs	
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital/reserve/share premium	21.67		31.83	
Capital Contribution received from JV Partner	-		197.32	
Increase/(Repayment) in borrowings (Net)	-		(3,522.88)	
Interest and finance costs	(34.87)		(347.85)	
Net Cash from Financing Activities (III)		(13.20)		(3,641.58)
Net Increase in Cash & Cash equivalents (I+ II+ III)		5,162.10		764.37
Cash & Cash equivalents at the beginning of the year		4,702.99		3,938.62
Cash & Cash equivalents at the end of the year		9,865.09		4,702.99
Net (Decrease)/ Increase in Cash & Cash equivalents		5,162.10		764.37

Notes:

1) Cash and Cash equivalents include cash and bank balances in current accounts and deposit accounts. (Refer note no. 8 (iv))
2) Additions to fixed assets, sale of fixed assets and loans and advances given to Subsidiaries are considered as part of investing activities.
3) Previous year 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.
(Firm Registration No. 105146W)
Chartered Accountants

SHIVJI K. VIKAMSEY
Partner
M. No. 2242
Place : Mumbai
Date : May 7, 2012

For and on behalf of the Board of Directors
APTECH LIMITED

NINAD KARPE
Managing Director & CEO

C. Y. PAL
Vice chairman

T. K. RAVISHANKAR
Executive Vice President & CFO

KETAN SHAH
Company Secretary

NOTE 1 SHARE CAPITAL

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised				
Equity Shares of ₹ 10 each	60,000,000	6,000.00	60,000,000	6,000.00
Issued, Subscribed and Paid-up				
Equity Shares of ₹ 10 each fully paid-up	48,791,421	4,879.14	48,771,421	4,877.14
Total	48,791,421	4,879.14	48,771,421	4,877.14

The Company has only one class equity share having a par value of ₹ 10/- each. Each holder of the equity share is entitled to same right in all the aspects.

NOTE 1.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	₹ in lakhs	Number	₹ in lakhs
Shares outstanding at the beginning of the year	48,771,421	4,877.14	46,550,334	4,655.03
Shares Issued during the year :-	20,000	2.00	2,221,087	222.11
(i) Shares issued on exercise of employee stock options	20,000	2.00	24,314	2.43
(ii) Shares alloted pursuant to acquisition to Maya Entertainment Limited	-	-	2,196,773	219.68
Shares outstanding at the end of the year:-	48,791,421	4,879.14	48,771,421	4,877.14

NOTE 1.2 Shares in the Company held by each shareholder holding more than 5 percent shares specifying the number of shares held

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RAKESH JHUNJHUNWALA	3,152,100	6.46%	3,152,100	6.46%
RARE EQUITY PVT. LTD.	10,554,403	21.64%	10,554,403	21.64%

NOTE 1.3 For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	Year (Aggregate No. of Shares)				
	2011-12	2010-11	2009-10	2008-09	2007-08
Equity Shares:					
Fully paid up pursuant to contract(s) without payment being received in cash	-	2,196,773	-	-	-

Note 1.4 Out of the shares outstanding as per 1.1 above, 11,271 Equity Shares (Previous year 11,271) of ₹ 10 each fully paid-up are represented by 22,542 (Previous year 22,542) Global Depository Receipts (GDRs) of USD 7.175 each.

Note 1.5 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 December 6, 2006 and 15,00,000 Warrants of ₹1 each have been granted by the Company to the Trust on March 12, 2007. The Stock option have been repriced at ₹ 113 as against the formula approved by Shareholder 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. March 19, 2007, is being amortised on a straight line basis over the vesting period and reversal on account of lapsed options is netted off against the charge for the year.

Under the Scheme in final phase 4, out of 3,08,706 options which were granted to the employees, 2,95,906 options were qualified for exercising upto May 3, 2012 based on their performance, 20,000 options were exercised during this year by making payment of the exercise price. Accordingly during the year ended 31st March 2012, 20,000 equity shares were allotted, thus making total allotment of 1, 81,031 equity shares under the Scheme of face value ₹ 10/- each upto March 31, 2012 and ₹ 37.58 lakhs (Previous year ₹ 46.08 lakhs) was transferred from Employee Stock Options Outstanding (ESOP 2006) Account to Securities Premium Account in Note "2".

During the period 19,000 options were lapsed on account of resignations from employees. Out of 2,65,000 Options that were granted to Managing Director & CEO which are performance linked options subject to vesting after one year from the grant date i.e. 62,353 on April 29, 2010, 77,941 on May 4, 2010 and 1,24,706 on May 4, 2011, he was eligible for exercise of 124706 options upto May 3, 2012. In respect of 1,12,625 options which were granted under the Scheme to erstwhile Managing Director under the category of Non-executive Director on May 6, 2010 and vested on May 6, 2011, last date of exercising the options for erstwhile Managing Director was May 5, 2012. Accordingly, during the year proportionate net recovery of ₹ 169.53 lakhs (Previous year ₹ 47.59 lakhs), has been included in the Note of "Payments to and Provisions for Employees" (Note "13") as ESOP Compensation Cost. The said recovery is net of cost of ₹ 0.21 lakhs (Previous year net recovery of ₹ 2.02 lakhs) made from ESOPs granted to employees of wholly owned subsidiaries. The net reserve as reflected in Note "2" under ESOP-2006 scheme is net of ESOP Outstanding account ₹ Nil (Previous year ₹ 194.61 lakhs) and Deferred Employee Compensation Account ₹ Nil (Previous year ₹ 8.10 lakhs).

Under the ESOP Scheme 2006, 369531 options that were available with the optionees, upto the expiry of exercise period, stood lapsed.

Details of Options Granted, exercised and lapsed	Year ended March 31, 2012	Year ended March 31, 2011
Options granted and outstanding as the beginning of the year	421,331	619,150
Add: Granted during the year	-	132,625
Less: Lapsed/ Forfeited/ Expired during the year	401,331	306,130
Less: Options exercised during the year	20,000	24,314
Options granted and outstanding as the end of the year	-	421,331

NOTE 2 RESERVE AND SURPLUS

	Particulars	As at March 31, 2012 ₹ in lakhs	As at March 31, 2011 ₹ in lakhs
a)	**Capital Redemption Reserve**		
	Opening Balance	884.80	884.80
	(+) Current Year Transfer	-	-
	Closing Balance	884.80	884.80
b)	**Securities Premium Account**		
	Opening Balance	14,055.78	9,762.57
	Add: Securities premium credited on Share issue and ESOP exercised (Refer note no. 1.5 of note 1)	37.58	4,293.21
	Closing Balance	14,093.36	14,055.78
c)	**Share Options Outstanding Account**		
	Opening Balance	186.51	255.13
	(-) Written Back in Current Year	(186.51)	(68.62)
	Closing Balance	-	186.51
d)	**Cash Flow Hedging Reserve**		
	Opening Balance	-	-
	(+) Current Year Transfer	(0.73)	-
	Closing Balance	(0.73)	-
e.	**General Reserve**		
	Opening Balance	78.88	-
	(+) Current Year Transfer	182.05	78.88
	Closing Balance	260.93	78.88

Particulars	As at March 31, 2012 ₹ in lakhs	As at March 31, 2011 ₹ in lakhs
f. **Foreign Currency Translation Reserve**		
Opening Balance	(12.55)	1.68
(+) Addition during the year	8.28	(14.23)
Closing Balance	(4.26)	(12.55)
g. **Surplus in Profit and loss account**		
Opening balance	7,400.82	4,398.90
(+) Net Profit / (Net Loss) For the current year	7,603.46	4,497.88
(-) Proposed Dividends including DDT	850.60	1,417.08
(-) Interim Dividends including DDT	850.60	-
(-) Transfer to Reserves	182.05	78.88
Closing Balance	13,121.02	7,400.82
Total	28,355.12	22,594.25

NOTE 2.1 Share warrants represent money received as per ESOS scheme and corresponding advances to ESOP trust is shown under advances in the head Long-term Loans and advances. Aptech Equity Option Plan 2006 (ESOP Scheme) shall expire on September 15, 2013 and no option shall be awarded under the said scheme to the optionees after the expiry.

NOTE 3 NON-CURRENT LIABILITIES

Particulars	As at March 31, 2012 ₹ in lakhs	As at March 31, 2011 ₹ in lakhs
Note 3 (a) Long Term Borrowings		
Secured Loans		
Non-fund based limit facility from bankers	-	-
	-	-
Non fund based limit facility from banks are secured as under :		
a) Non-fund based limit aggregating ₹ 400 lakhs from Union Bank of India are secured by equitable mortgage by deposit of title deeds of the Company's immovable properties situated at Pune and Mumbai.		
b) Non-fund based limit aggregating ₹ 600 lakhs from HDFC Bank secured by way of lien on fixed deposits at the time of utilisation of facility.		
Note 3 (b) Other Long Term Liabilities		
Franchisee/Security Deposits (against agreement)	93.43	81.05
Total	93.43	81.05
Note 3 (c) Long Term Provisions		
Provision for employee benefits :-		
Gratuity (unfunded)	311.40	237.64
Leave encashment (unfunded)	151.14	147.24
(Refer point no. B-9 of note 16)		
Total	462.54	384.88

NOTE 4 CURRENT LIABILITIES

Particulars	As at March 31, 2012 ₹ in lakhs	As at March 31, 2011 ₹ in lakhs
Note 4 (a) Trade Paybles		
Unsecured		
Trade Payable		
Sundry creditors *	1,091.33	1,370.33
* 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.		
Total	1,091.33	1,370.33
Note 4 (b) Other Current Liabilities		
(a) Advance received from Students (MAAC)	369.74	663.03
(b) Unclaimed dividends	42.88	14.01
(c) Sundry creditors for capital assets	33.55	24.03
(d) Other payables :-		
Statutory Dues	418.29	549.92
Others liabilities	51.10	54.53
Caution deposits	2.99	3.08
Total	918.55	1,308.60
Note 4 (c) Short Term Provisions		
(a) Provision for employee benefits :-		
Gratuity (funded)	5.69	-
Leave encashment (funded)	29.35	7.67
(Refer point no. B-9 of note 16)		
(b) Others :-		
Provisions for expenses	829.58	937.36
Proposed dividend on equity shares	731.87	1,219.29
Provision for tax on proposed dividend	118.73	197.80
The Board of Directors have recommended a final dividend of ₹ 1.50 per equity share (aggregating to a total dividend of ₹ 3 per share for the financial year 2011-12 on Face value of ₹ 10 and which includes an interim dividend of ₹ 1.50 per equity share declared at the meeting of the Board of Directors held on January 20, 2012 and paid) (in previous year total dividend paid was ₹ 2.50 per share).		
Total	1,715.22	2,362.11

NOTE 5 FIXED ASSETS

₹ in lakhs

Particulars	GROSS BLOCK				ACCUMULATED DEPRECIATION AND IMPAIRMENT				NET BLOCK	
	Balance as at April 1, 2011	Additions	Disposals	Balance as at March 31, 2012	Balance as at April 1, 2011	Depreciation charge for the year	Deductions / Adjustments	Balance as at March 31, 2012	Balance as at March 31, 2012	Balance as at March 31, 2011
a) Tangible Assets										
Freehold Land	262.15	-	-	262.15	-	-	-	-	262.15	262.15
Buildings	1,624.92	6.91	-	1,631.83	231.63	31.87	-	263.50	1,368.33	1,393.29
Leasehold Improvements	195.48	-	-	195.48	111.76	31.85	-	143.61	51.87	83.72
Computer Hardware	1,664.90	106.51	316.20	1,455.21	1,553.92	80.77	291.42	1,343.27	111.94	110.98
Furniture and Fixtures	893.57	2.22	16.44	879.35	636.57	78.17	3.99	710.75	168.61	257.00
Vehicles	266.73	-	109.52	157.21	170.84	30.91	104.68	97.07	60.14	95.89
Office equipment	511.16	11.39	69.67	452.88	149.03	29.51	21.67	156.87	296.01	362.12
Electrical fittings	243.05	-	1.89	241.15	131.97	15.37	1.89	145.44	95.71	111.07
Total	5,661.94	127.04	513.71	5,275.26	2,985.72	298.44	423.65	2,860.51	2,414.75	2,676.21
Previous year	5,915.15	176.63	429.84	5,661.94	2,846.95	473.73	334.96	2,985.72	2,676.21	-
b) Intangible Assets										
Goodwill	1,054.41	-	-	1,054.41	809.86	105.70	-	915.56	138.85	244.55
Computer software	2,025.91	64.46	1.64	2,088.73	1,832.97	157.87	1.64	1,989.20	99.52	192.94
Courseware **	4,703.04	286.84	-	4,989.88	4,073.53	411.40	-	4,484.93	504.95	629.50
Patents **	8.75	-	8.75	-	1.95	0.44	2.39	-	-	6.80
Total	7,792.10	351.30	10.39	8,133.01	6,718.31	675.41	4.03	7,389.70	743.32	1,073.79
Previous year	7,434.48	448.53	90.90	7,792.10	6,009.12	800.37	91.17	6,718.31	1,073.79	-
c) **Capital Work-in-Progress**	0.02	15.19	-	15.21	-	-	-	-	15.21	0.02
d) **Intangible assets under Development *****	126.19	207.53	88.45	245.27	-	-	-	-	245.27	126.19
Total	13,580.24	701.06	612.54	13,668.76	9,704.04	**973.85**	427.68	10,250.21	3,418.55	3,876.21
Previous year	13,423.05	677.94	520.74	13,580.24	8,856.07	**1,274.10**	426.13	9,704.04	3,876.21	-

Note: The transfer of asset from one Company to another within Group is effected at Gross Block & accumulated depreciation .

** Opening depreciation includes Impairment on the above assets for the earlier year.

*** The disposal showing under Intangible assets under deveolpment head, is capitalised during the year.

NOTE 6 NON-CURRENT INVESTMENTS

A. Details of Trade Investments

Sr. No.	Name of the Body Corporate	Associate/ Others	No. of Shares/ Units		Quoted/ Unquoted	Partly Paid/Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes/ No	If Answer to Column (12) is 'No' - Basis of Valuation
			2012	2011			2012	2011	2012	2011		
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	**Investement in Equity share of Companies**											
	Aptech Philippines Inc, Philippines	Associate	27,973	27,973	Unquoted	Fully paid	40.00%	40.00%			No	Equity method as per AS -23.
	Opening balance								19.50	29.30		
	Less: Share in current year loss ₹								8.67	9.80		
	Net share in equity								10.83	19.50		
	BJB Career Education Company Limited (BJBC) (refer note below)	Others	55,684,931	55,684,931	Unquoted	Fully paid	22.41%	22.41%	10,813.21	10,813.21	Yes	
(b)	**Investments in Mutual Funds**											
	LIC Income Plus Fund Daily Dividend Plan	Others	17,361	17,361	Quoted	Fully paid			1.85	1.74	Yes	
	Total								10,825.88	10,834.44		

B. Details of Other Investments

Sr. No.	Name of the Body Corporate	Associate/ Others	No. of Shares/ Units		Quoted/ Unquoted	Partly Paid/Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes/ No	If Answer to Column (12) is 'No' - Basis of Valuation
			2012	2011			2012	2011	2012	2011		
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	**Investement in Equity Instruments**											
	New India Co-operative Bank Limited	Others	4100	4100	Unquoted	Fully paid	-	-	0.41	0.41	Yes	NA
	Total								0.41	0.41		

NOTE:

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 account. 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).

NOTE 7 LONG TERM LOANS AND ADVANCES

₹ in lakhs

Particulars	As at March 31, 2012		As at March 31, 2011	
a) Capital Advances				
Secured, considered good	-		-	
Unsecured, considered good	65.23		4.12	
Less: Provision for doubtful advances	-		-	
		65.23		4.12
b) Security Deposits				
Secured, considered good	-		-	
Unsecured, considered good	539.61		580.39	
Less: Provision for doubtful deposits	-		-	
		539.61		580.39
c) Loans and advances to related parties				
Secured, considered good				
Unsecured, considered good *	719.96		643.49	
Less: Provision for doubtful loans and advances	-		-	
		719.96		643.49
d) Other loans and advances				
Advance Tax (Net of Provision for Tax ₹ 1,946.22 lakhs (Previous year ₹ 2,253.32 lakhs)	1,414.79		1,287.99	
Prepaid expenses	1.65		0.61	
Loans and Advances to Employees	78.26		47.34	
		1,494.70		1,335.94
Total		2,819.50		2,563.94

* 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 ₹ 706.67 lakhs inclusive of interest (Previous year ₹ 630.00 lakhs) to AICAR.

* This also includes advance to ESOP Trust - (Refer note no. 2.1)

NOTE 8 CURRENT ASSETS

Note 8 (i) Current Investments

Details of Current Investments ₹ in lakhs

Sr. No.	Name of the Body Corporate	Associate/ JV/Others	No. of Shares/ Units		Quoted/ Unquoted	Partly Paid/ Fully paid	Amount (₹)		Basis of Valuation
			2012	2011			2012	2011	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(11)	(12)
(a)	**Investments in Debentures or ICD**								
	Certificate of Deposits (Axis Bank)	Others	500	-	Unquoted	Fully Paid	468.78	-	Amortised cost
(b)	**Investments in Mutual Funds**								
	IDFC Liquid fund FMP,1 Year Plan	Others	-	5,016,260	Quoted	Fully Paid	-	501.63	Cost or Market value whichever is lower
	ICICI Prudential FMP,1 Year Plan	Others	-	5,011,805	Quoted	Fully Paid	-	501.18	Cost or Market value whichever is lower
	Total						468.78	1,002.81	

	As at March 31, 2012	As at March 31, 2011
Note 8 (i) Current Investments (Contd.)		
Aggregate cost of quoted investment	-	1,002.81
Aggregate market value of quoted investment	-	1,011.48
Note 8 (ii) Inventories		
(Valued at lower of cost or net realisable value)		
a) Work-in-progress		
Film under production	242.80	178.10
	242.80	178.10
b) Finished goods		
Education and Training course materials	199.00	160.64
	199.00	160.64
Total	441.80	338.74
Note 8 (iii) Trade Receivables		
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,607.91	1,176.11
Unsecured, considered doubtful	-	-
	1,607.91	1,176.11
Trade receivables outstanding for a period exceeding six months from the date they are due for payment *		
Secured, considered good	-	-
Unsecured, considered good	775.69	775.55
Unsecured, considered doubtful	1,334.54	2,379.46
Less: Provision for doubtful debts	1,334.54	2,379.46
	775.69	775.55
Total	2,383.60	1,951.66

* Sundry Debtors are subject to confirmation and reconciliation.

* The Debtors are net of ₹ 1127.76 lakhs (Previous year ₹ 773.12 lakhs) 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/international clients.

Note 8 (iv) Cash and bank balances

₹ in lakhs

Particulars	As at March 31, 2012		As at March 31, 2011	
a. Cash and cash equivalents:				
i. Cash on hand		2.10		26.32
ii. Balance with banks:				
EEFC Accounts	68.42		233.55	
Current Accounts	601.94	670.36	902.98	1,136.54
b. Other Bank balances:				
Bank deposits *	9,149.75		3,526.13	
Earmarked Balances (e.g. unpaid dividend accounts)	42.88	9,192.63	14.01	3,540.13
		9,865.09		4,702.99

* Bank deposits as of March 31, 2012 and March 31, 2011 include restricted balances of ₹ 1,251.48 lakhs and ₹ 1,150.44 lakhs respectively. The restriction are primarily on account of cash and bank balances held as margin money deposits against guarntees.

NOTE 8 CURRENT ASSETS (CONTD.)

Note 8 (v) Short-term loans and advances

₹ in lakhs

Particulars	As at March 31, 2012	As at March 31, 2011
Prepaid expenses	106.56	93.51
Advances towards Share Application Monies (Brazil JV)	-	38.89
Other current assets	579.86	757.32
	686.42	889.71

NOTE 9 INCOME FROM OPERATION

₹ in lakhs

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Training and Education Income	15,700.42	17,867.75
Income from Testing Services Operations	1,741.94	1,207.21
Total	17,442.36	19,074.96

NOTE 10 OTHER INCOME

Interest Income	596.17	363.38
Exchange Rate Gain (Net)	5.41	-
Liabilities No Longer Required Written Back	350.63	98.84
Net gain/loss on sale of assets	0.73	60.35
Other non-operating income	8.23	15.70
Total	961.17	538.27

NOTE 10.1 The dividend income of ₹ 5,285.93 lakhs (Previous year ₹ 3,261.82 lakhs) includes dividend received by one of the subsidiary of the Company viz. Aptech Investment Enhancers Limited from Beijing Career Education Company Limited (BJBC) of ₹ 5038.42 lakhs (Previous year ₹ 3,255 lakhs)

NOTE 11 TRAINING AND EDUCATION EXPENSES

₹ in lakhs

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Education,Training Expenses and Course Materials	734.40	721.84
Course Execution Charges	5,199.11	5,927.20
Total	5,933.51	6,649.04

NOTE 12 MARKETING AND ADVERTISEMENT EXPENSES

Advertisement expenses	1,260.98	1,295.15
Other marketing expenses	14.83	22.05
Total	1,275.81	1,317.20

NOTE 13 PAYMENTS TO AND PROVISION FOR EMPLOYEES

(a) Salaries and other allowances (Refer note 13.1 below)	3,410.73	3,545.26
(b) Contribution to Provident and other Funds (Refer note 13.1 below & point B-9 of note 16)	209.55	209.89
(c) Gratuity fund contributions (Refer point B-9 of note 16)	119.45	69.73
(d) ESOP compensation cost (Net)	(169.53)	(47.59)
(e) Staff welfare expenses	70.55	127.74
Total	3,640.75	3,905.03

NOTE 13.1 Managerial Remuneration:

Managerial remuneration to Managing Director ('MD') under Section 198 of the Companies Act 1956: ₹ in lakhs

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Salaries and Allowances	120.01	89.15
Contribution to Provident and other funds	8.26	8.21
Membership fees for club	16.55	-
Total	144.82	97.36

NOTE 13.2 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.

NOTE 13.3 The Company has already made an application to the Central Government, seeking approval for remuneration paid in excess of limits prescribed under provisions of the Companies Act, 1956 aggregating ₹ 25.04 lakhs to the Managing Director for the year ended March 31, 2011, which is awaited. The Company is in the process of making application to the Central Government seeking waiver of excess remuneration aggergating to ₹ 67.47 lakhs paid to the Managing Director for the year ended March 31, 2012.

NOTE 13.4 Under the Employee Stock Option Scheme 2006, Managing Director & CEO was granted 265,000 stock options in three phases in April 2009. He was eligible for exercise of 124706 options upto May 3, 2012.

NOTE 14 ADMINISTRATIVE AND OTHER EXPENSES ₹ in lakhs

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
Rent (Refer note 14.1 below)	993.83	1,181.42
Rates and Taxes	32.42	39.02
Travelling and Conveyance Expenses	422.79	445.99
Electricity Charges	162.35	210.65
Communication Expenses	193.66	231.48
Repairs and Maintenance :-	-	-
Buildings	0.58	1.78
Plant and Machinery	55.15	36.80
Others	92.45	120.32
Insurance Premium	10.69	11.50
Legal and Professional Charges	252.74	313.26
Provision For Doubtful Debts	1,383.92	1,520.80
Bad Debts/Advances/ Stockwritten Off	18.60	58.70
Audit Fees (Refer note 14.2 below)	46.53	54.57
Safety and Security	161.18	186.84
Exchange Difference (Net)	-	17.14
Printing and Stationery	60.42	72.84
Director's Commission provided (Refer note 14.3 below)	15.00	-
Director'S Sitting Fees	12.57	10.17
Miscellaneous Expenses	258.80	524.25
Total	4,173.68	5,037.53

₹ in lakhs

Particulars	For the year ended March 31, 2012	For the year ended March 31, 2011
NOTE 14.1 Operating Leases		
The maximum obligation on non-cancellable operating lease payable as per the lease agreement is as follows:		
Lease payment for the period/year	143.06	160.82
Not later than one year	-	143.06
Later than one year and not later than five years	-	-
Later than five years	-	-
NOTE 14.2 Payments to the auditor as		
Audit Fees	23.87	29.50
Tax Audit Fees	7.50	6.56
Limited Review	10.80	10.35
Certification/Other Fees:		
Tax advisory	2.00	2.82
Management Consultancy (M & A)	-	3.24
Company Law Matters	0.65	0.75
Reimbursement of expenses	1.70	1.34
Total	46.53	54.57
NOTE 14.3 Directors' commission provided		
Directors' commission calculated @ 1%	15.47	-
Directors' commission proposed by the Board and provided for	15.00	-
* Commission payable to non-whole-time director for financial year 2011-12 @ 1% of net profit computed in accordance with Section 349 of the Companies Act, 1956.		
NOTE 14.4 Administration and other expenses are net of recoveries.		
NOTE 15 INTEREST AND FINANCE CHARGES		
Interest expense:-		
Term Loans	-	59.73
Working Capital Demand Loans	-	7.79
Cash credit and others	9.05	242.50
Commitment and Finance Charges	25.82	37.83
Total	34.87	347.85

Note 16

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

(a) Accounting Convention

The Consolidated Financial Statements (CFS) comprises the financial statement of Aptech Limited, ("the Company") and its Subsidiaries, Joint Ventures and Associate (hereinafter collectively referred to as the "Aptech Group") are prepared under the historical cost convention, on an accrual basis in compliance with all material aspects of the applicable accounting standards in India and in accordance with the requirements of the Companies Act, 1956. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year, unless otherwise mentioned in the notes.

(b) Accounting Estimates/Assumptions

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

(c) Principles of consolidation

i) The financials statements of the Aptech Limited 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 Accounting Standard (AS) 21 "Consolidated Financial Statements".

ii) Interests in Joint controlled entities, where the Company is direct venture, are accounted using the proportionate consolidation method as per AS 27 – "Financial Reporting of Interests in Joint Ventures".

iii) The CFS include the share of profit / loss of associate companies, which are accounted under the 'Equity method' in accordance with AS-23 "Accounting for Investments in Associates in Consolidated Financial Statements" as per which the share of profit of the associate company has been added to the cost of investment. An associate is an enterprise in which the investor has significant influence and which is neither a subsidiary nor a joint venture.

iv) The excess/deficit of cost to the Company of its investment in subsidiary companies over its share of the net worth in the consolidated entities at the respective dates on which the investment in such entities are made is recognised in the CFS as goodwill/capital reserve.

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

vi) 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.

vii) Translation of foreign subsidiary is done in accordance with AS – 11 (Revised) "The Effects of Changes in Foreign Exchange Rates". 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.

viii) 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 statement of profit and loss.

ix) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the group in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.

x) 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 recognized 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 amortization.

(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,

a) Certain items of plant and machinery (including computers) installed at and used in institutional projects, 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.

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

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

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

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

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

f) 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.

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

h) The method / rates of depreciation which are different other than above, followed by any entities, if any, are disclosed by way of notes to accounts.

(f) **Impairment of Fixed Assets**

At each balance sheet date, the management reviews the carrying amounts of its assets to determine whether there is any indication that those assets were impaired. If any such indication exists, 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 Statement of profit & 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 attributable to acquisition or construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such asset is ready for its intended use. All other borrowing costs are charged to Statement of profit and loss 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 year. The resulting exchange gain/loss is reflected in the Statement of profit and loss. 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 recognized over the life of the contracts. Profit/Loss on cancellation/renewal of forward exchange contract is recognized as income/expense for the year.

(i) **Investments**

Investments are classified into Current & Long – term Investments.

Investments which, being readily disposable and are intended to be held for period lesser than a year are considered as 'Current' and other Investments are termed as 'Long Term'. Current Investments are stated at lower of cost & fair value.

Long Term Investments are stated at cost after deducting provision, if any, for diminution in value considered being other than temporary in nature.

(j) **Inventories**

Inventory is valued at cost or net realizable value whichever is lower.

Inventory containing self developed animation films are capitalized. Cost comprise of attributable direct cost & overheads. Cost incurred on the projects which are not completed is inventorised to the extent work is completed or is to be exploited for commercial purpose. Cost is determined on a weighted Average basis.

(k) **Derivative instruments and hedge accounting**

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 ' Statement of profit and loss'. The Group designates these hedging instruments as cash flow hedge applying the recognition and measurement principles set out in the AS -30.

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 statement of profit and loss. Net gains are ignored.

(l) **Government Grants**

Government Grants are recognized when there is reasonable assurance that the Group will comply with the condition attaching to them and the grants will be received. Revenue grants are recognized in the Statement of profit and loss. 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.

(m) **REVENUE RECOGNITION**

a) **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 recognized over the period of contracts or as per terms of the contract. For services rendered through franchisees only the company's share of revenue is recognized as per the terms of the contract. For the centres owned by the Company, the income is recognised over the period of provision of services to the students.

Income from training courses in advance cinematic (including share of Franchisee Operation) is accounted on accrual basis. Franchisee (including master franchisee) share of fees are booked as expense. Income from student fees is accounted over the tenure of course. Dues, remaining outstanding from the students for the period of six months, if any, are derecognized as revenue.

Maya Entertainment Limited (MEL), a wholly owned subsidiary, has entered into New Franchising agreements effective from 1st July,2011, consequent to which, the company's share in the fees only is recognised as revenue and expenses over the periods may not be comparable.

b) **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.

c) **Sale of Films**

Revenue on Self Developed Intellectual Property is recognised in the financial year in which the Intellectual Property is commercially exploited.

d) **Dividend**

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

e) **Interest**

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

(n) **Retirement Benefits**

i. **Defined Contribution plan**

The Group makes defined contribution to Provident Fund and Superannuation Fund contribution to defined contribution retirement benefits plans for qualifying employees. Under the schemes, the Group are required to contribute a specified percentage of the payroll costs to fund the benefits. Defined contribution benefits are recognized as an expense at the undisclosed amount in the statement of profit and loss of the year in which the related service is rendered.

ii. **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 using the projected unit credit method except for short term compensated absences, which are provided on estimates. Actuarial gain & losses are recognized immediately in the Statement of profit & 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.

(o) **Employees Stock Option Plan (ESOP)**

In respect of the stock option granted to employees pursuant to the Company's stock option schemes, accounting is done as per the intrinsic value method permitting by the SEBI guideline, 1999 and the Guidance Note on Share Based Payment issued by the ICAI, whereby the intrinsic value of the option is recognized as deferred employee compensation. The deferred employee compensation is charged to Statement of 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.

(p) **Income Tax**

i) Tax expense comprises of current and deferred tax.

ii) 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.

iii) The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet Date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

iv) 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.

v) Minimum alternative tax (MAT) paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustments of future income tax liability, is considered as an asset if there is convincing evidences that the group will pay normal income tax after the tax holiday period. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefits associated with it will flow to the Group and the asset can be measured reliably.

(q) Earnings Per Share

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

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

(r) Operating Lease

Leases arrangements, where the risks and rewards incidental to ownership of an asset substantially vests with the lessor, are recognised as operating leases and lease rentals thereon are recognised in the statement of profit and loss on a straight-line basis.

(s) Segment Reporting Policies

i) Identification of segments

The Group's has disclosed Business Segment as the primary segment. Segments have been identified taking into account the nature of the products and services provided, the differing risks and returns, the organization structure and internal reporting system.

The Group's has identified geographical markets as the secondary segments. Geographical revenues are allocated based on the location of the customer. The analysis of geographical segments is based on the areas in which major operating divisions of the Group operate.

ii) Inter segment Transfers

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

iii) Allocation of Income and expenses

Income and expenses directly attributable to segments are reported under each reportable segment. Common expenses which are not directly identifiable to each reporting segment have been allocated to each reporting segment on the basis of relative contribution of each segment to the total common costs.

All other income and expenses which are not attributable or allocable to segments have been disclosed as unallocable items.

iv) Allocation of Assets and liabilities

Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

(t) Provisions, Contingent Liabilities and Contingent Assets

i) 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.

ii) Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

iii) 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.

iv) Contingent liabilities are possible but not probable obligations as on the balance sheet date, based on the available evidence.

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

vi) Contingent Assets are neither recognised, nor disclosed in the financial statements.

vii) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

NOTE "16"

B) OTHER NOTES ON ACCOUNTS

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

Name of the Company	Country of Incorporation	Ownership Interest March 31, 2012	Ownership Interest March 31, 2011
Subsidiaries			
Aptech Training Limited FZE	UAE	100%	100%
Aptech Worldwide Bangladesh Limited	Bangladesh	100%	100%
Aptech Worldwide Corporation, USA	USA	100%	100%
Attest Testing Services Limited	India	100%	100%
AGLSM SDN.BHD	Malaysia	100%	100%
Avalon Aviation Academy Private Limited	India	100%	100%
Maya Entertainment Limited	India	100%	100%
Aptech Ventures Limited	Mauritius	100%	100%
Aptech Investment Enhancers Limited (Subsidiary of Aptech Ventures Limited)	Mauritius	100%	100%
Aptech Global Investment Limited (Subsidiary of Aptech Training Limited FZE)	Mauritius	100%	100%
ACE Educação Profissional do Brasil S.A (Subsidiary of Aptech Global Investment Ltd.) (ceased w.e.f. 1st July,2011)	Brazil	-	51%
Associate			
Aptech Phillippines Incorporation	Phllippines	40%	40%

2. During the year ended March 31, 2012:

   i) Vide share purchases agreement dated 27th January 2010, the Company acquired Maya Entertainment Limited (MEL) in April 2010 for consideration partly in cash and partly by issue of shares in the company. In terms of "Escrow" agreement, sum of ₹ 5 crores was held in Escrow for specified period to be adjusted towards claims, if any, to be made by the company for any unforeseen business expenses or unprovided liability in books of MEL, on the date of transfer. During the year the company recovered claims amounting of ₹ 222.14 lakhs (including excess remuneration paid to erstwhile director ₹ 8.56 lakhs) from the erstwhile promoter of MEL; hence the goodwill amount is reduced. Accordingly out of the total purchases consideration of MEL sum of ₹ 277.86 lakhs has been still parked in "Escrow" to be adjusted towards claims for statutory liability, if any till April, 2013.

   ii) Consequent to disinvestment of 51 % holding in the ACE Educação Profissional do Brasil S.A. (Brazil JV) effective 1st July, 2011, the resultant loss of ₹ 48.95 Lakhs is shown as an exceptional item in profit and loss account.

   iii) The company has signed an Agreement with Syntea SA of Poland for investing 9.09% in the share capital of the said Polish company, involving sum of 500,000 USD.

3. Capital Commitments and Contingent Liabilities:

₹ in lakhs

Particulars	As at March 31, 2012	As at March 31, 2011
(i) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debt	709.89	798.57
(b) Counter guarantees to bank for projects	80.23	286.80
(c) In respect of tax matters	131.60	138.10
Total (i)	921.71	1,223.47
(ii) Capital Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	216.94	97.49
Total (ii)	216.94	97.49
Total (i+ii)	1,138.65	1,320.96

4. In accordance with Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates" AGLSM SDN.BHD, Malaysia, Aptech Venture Limited (AVL), Aptech Investment Enhancers Limited (AIEL), Aptech Global Investment Limited (AGI), (located in Mauritius) and Aptech Worldwide Bangladesh Limited, Bangladesh are considered as integral operation. Brazil S.A. is considered as non-integral operation.

5. The reporting period of Aptech Worldwide Bangladesh Limited, Bangladesh is October to September. The figures of the said subsidiary are considered in CFS up to September, 2011. There are no material transactions in the said subsidiary between the reporting period of "the Group" and the reporting period of the company.

6. For the quarter and year ended March, 2012 under review, the Group has recognised MAT credit entitlement under section 115JAA of IT act 1961, of ₹ 116 lakhs and ₹ 308 lakhs respectively.

7. Related Party Disclosures:

   a) Names of related parties and description of relation:

      i) Key Management Personnel : Mr.Ninad Karpe (w.e.f April 1, 2009) Managing Director and CEO

   b) Transactions with related parties: ₹ in lakhs

Nature of Transactions	Key Management Personnel	Total
Expenses (Remuneration)	144.82	1 44.82
(Previous year)	(97.36)	(97.36)

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

8. Earnings per Share: ₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Profit/ (loss) after tax attributable to Shareholders (₹ in lakhs)	7,603.46	4,497.88
Weighted average number of equity shares outstanding during the year :-		
Basic	48,782,678	48,468,190
Add: Diluted Impact of Employee Stock Options	396,997	343,038
Diluted	49,179,675	48,811,228
Nominal value of equity shares (₹)	10/-	10/-
Basic EPS (₹)	15.59	9.28
Diluted EPS (₹)	15.46	9.21

9. Retirement Benefits

   A) Defined benefit plan

   The amount recognized in the balance sheet in respect of the gratuity: ₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Present value of the defined benefit obligation at the end of the period	346.77	277.12
Fair value of the plan assets	29.68	39.48
Net Liability / (Assets)	317.09	237.64

The amount recognized in salary and employee benefits in the statement of profit & loss as follows in respect of the gratuity:

₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Current Service Cost	53.41	45.67
Interest on defined benefit obligation	22.17	18.12
Expected return on plan assets	(2.68)	(3.90)
Net actuarial (Gain)/ Loss on plan Assets	46.54	7.74
Net Gratuity Cost	119.45	67.63

Actual Return on plan assets: ₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Expected Return on plan assets	2.68	3.90
Acturial Gain / (Loss) on plan assets	-	(3.90)
Actual return on plan assets	2.68	-

Reconciliation of present value of the obligation and the fair value of the Plan assets ₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Opening defined benefit obligation as on 01.04.2011	277.12	209.33
Addition due to acquisition of a Company	-	24.45
Current Service Cost	22.17	45.67
Interest cost	53.41	18.12
Actuarial (Gain)/ Loss	-	5.46
Benefit Paid	46.54	(25.90)
Closing defined benefit obligation as on 31.03.2012	399.25	277.12

Change in fair value plan assets ₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Fair value of the plan assets at the beginning of the period	39.48	38.55
Addition due to acquisition of a Company	-	13.39
Expected return on plan assets for the period	2.68	3.90
Contributions during the period	40.00	11.82
Benefits paid during the period	(52.48)	(25.90)
Acturial Gain / (Loss) on plan assets	-	(2.28)
Fair value of the plan assets at the end of the period	29.68	39.48

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 recognized in the balance sheet in respect of the Leave Encashment: ₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Present value of the defined benefit obligation at the end of the period	160.77	133.40
Fair value of the plan assets	-	-
Net Liability / (Assets)	160.77	133.40

The amount recognized in salary and employee benefits in the statement of profit & loss as follows in respect of the leave encashment/ compensated cost:

₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Current Service Cost	26.27	24.68
Interest on defined benefit obligation	10.67	7.91
Expected return on plan assets	-	-
Net actuarial (Gain)/ Loss on plan Assets	14.80	19.43
Net Compensated absences / Leave encashment Cost	51.75	52.01

Reconciliation of present value of the obligation ₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Opening defined benefit obligation as on 01.04.2011	133.40	102.11
Current Service Cost	26.27	24.68
Interest cost	10.67	7.91
Actuarial (Gain)/ Loss	14.80	19.43
Benefit Paid	(24.37)	(20.72)
Closing defined benefit obligation as on 31.03.2012	160.77	133.40

Principal Actuarial Assumptions at the balance sheet date 31.03.2012 for Gratuity & Leave Encashment ₹ in lakhs

Particulars	Year ended March 31, 2012	Year ended March 31, 2011
Discount Rate	8.50%	8.00%
Estimated rate of return on plan assets	7.50%	7.50%
Rate of Salary Growth	7.25%	6.75%

B) Defined Contribution Plan –

Amount recognized as an expense and included in the Note 13 - "Contribution to Provident & Other Funds-₹ 209.55 lakhs (Previous Year ₹ 209.89 lakhs).

10. Deferred Tax

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

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

Particulars	As on March 31, 2012	As on March 31, 2011
Carried forward Unabsorbed Depreciation	2,887.16	3,157.20
Carried forward Business Loss	1,054.49	1,362.37
Carry Forward Capital Loss	646.79	336.31
Provision For Bad Debts	530.08	725.01
Expenditure/provisions (Gratuity and Leave encashment)	161.44	130.11
Related to Fixed Assets	279.93	300.82
Total Deferred Tax Asset (A)	5,559.89	6,011.82
Related to Fixed Assets	13.05	22.84
Total Deferred Tax Liability (B)	13.05	22.84
Net Deferred Tax Asset (A - B)	5,546.83	5,988.98

11. Segmental Report for the year of the group is annexed.

12. 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.
(Firm Registration No. 105146W)
Chartered Accountants

SHIVJI K. VIKAMSEY
Partner
M. No. 2242
Place : Mumbai
Date : May 7, 2012

For and on behalf of the Board of Directors
APTECH LIMITED

NINAD KARPE
Managing Director & CEO

C. Y. PAL
Vice chairman

T. K. RAVISHANKAR
Executive Vice President & CFO

KETAN SHAH
Company Secretary

11. Segmental report for the year ended 31st March,2012

Primary Segment information: Business Segment

Particulars	For the year ended 31st March, 2012				For the year ended 31st March, 2011			
	Business Segments				Business Segments			
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
Revenue								
Income from Segment	14,461.18	2,981.18	365.00	17,807.36	16,346.07	2,728.89	214.25	19,289.21
Results before Interest and Tax and Exceptional Items	3,102.49	715.70	(2,008.44)	1,809.76	2,557.44	287.92	(1,771.60)	1,073.76
Add: Interest Incomes	-	-	596.17	596.17	-	-	363.38	363.38
Less: Interest Expenses and Finance Charges	-	-	34.87	34.87	-	-	347.85	347.85
Profit before Tax and Exceptional Items	3,102.49	715.70	(1,447.14)	2,371.06	2,557.44	287.92	(1,756.07)	1,089.30
Exceptional Items:-								
Loss on Sale of Stake in Subsidiary/JV			(48.95)	(48.95)		-	-	-
Extraordinary Items:-								
Dividend from Investments			5,285.93	5,285.93	-	-	3,255.00	3,255.00
Profit / (Loss) before Tax	3,102.49	715.70	3,789.84	7,608.04	2,557.44	287.92	1,498.94	4,344.30
Less: Provision for Current tax			59.33	59.33	-	-	50.48	50.48
Less: Loss on sale of stake in JV	8.67	-	-	8.67	9.80	-	-	9.80
Add / (Less): Minority Interest			63.43	63.43	-	-	213.86	213.86
Profit / (Loss) after Tax	3,093.82	715.70	3,793.94	7,603.46	2,547.64	287.92	1,662.32	4,497.88
Other Information								
Carrying amount of Segment Assets	5,169.98	620.43	-	5,790.41	5,326.17	734.52	-	6,060.69
Unallocable Corporate Assets	-	-	31,738.11	31,738.11	-	-	26,932.29	26,932.29
Carrying amount of Segment Liabilities	2,236.96	433.00	-	2,669.97	2,673.59	250.13	-	2,923.72
Unallocable Corporate Liabilities	-	-	1,611.10	1,611.10	-	-	2,583.26	2,583.26
Capital Expenditure	559.72	28.44	112.90	701.06	466.36	31.12	180.45	677.94
Depreciation / Amortization	605.87	37.76	330.23	973.85	775.98	76.93	421.19	1,274.10
Significant Non-Cash Expenditure	1,398.32	2.92	(148.21)	1,253.03	1,495.40	101.48	(47.83)	1,549.05

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 organizational structure and the internal reporting system.

Secondary Segment information: Geographical segment

Particulars	For the year ended 31st March, 2012			For the year ended 31st March, 2011		
	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	14,763.97	4,926.16	701.06	16,466.56	5,025.51	650.63
Outside India	2,678.39	864.25	-	2,608.40	1,035.17	27.31
Total	17,442.36	5,790.41	701.06	19,074.96	6,060.69	677.94

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, 2012 and also the Statements of Profit and Loss and Cash Flow Statement for the year ended 31st March, 2012 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, Statement of Profit and Loss 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, Statement of Profit and Loss 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, 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2012 from being appointed as a Director in terms of Section 274(1) (g) of the Act;
   VI. Refer Note No. 13.3 regarding the payment of remuneration in excess of amount payable as per provisions of the Act to the Managing Director aggregating to ₹ 67.47 Lakhs for which application for approval of Central Government is being made by the Company. The approval of Central Government for the excess remuneration paid to Managing Director in previous year amounting to ₹ 25.04 Lakhs is awaited;
   VII. Subject to VI 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 2012;
      (b) in the case of the Statement of Profit and Loss, of the 'profit' of the Company for the year ended on that date; and
      (c) in the case of Cash Flow statement of the cash flow of the Company for the year ended on that date

For and on behalf of
KHIMJI KUNVERJI & CO
Chartered Accountants
Registration Number – 105146W

Shivji K Vikamsey
Partner (F–2242)

Place : Mumbai,
Dated : 7th May, 2012

ANNEXURE 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 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 year was not substantial;

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year;
(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 to the Company;

(e) According to the information and explanations provided to us, the Company has not taken any loan, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Hence, clauses (iii) (f) & (g) of para 4 of the Order are not applicable to the Company.

(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 year 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 to us, 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.

(b) 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 year 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 year under report;

(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 year under report.

(x) The Company has neither accumulated losses at the end of the financial year nor has incurred cash losses in the current year 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 explanation 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, no term loans are raised during the year by the Company; hence the provisions of clause 4(xvi) of the Order are not applicable to the Company.

(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 year.

(xix) The Company has not issued any debentures during the year. Hence clause 4(xiv) of the order is not applicable to the Company.

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

(xxi) During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

For and on behalf of
KHIMJI KUNVERJI & CO
Chartered Accountants
Registration Number – 105146W

Shivji K Vikamsey
Partner (F–2242)

Place : Mumbai,
Dated : 7th May, 2012

BALANCE SHEET as at 31st March, 2012

PARTICULARS	Note No.	As at March 31, 2012 ₹ in Lakhs		As at March 31, 2011 ₹ in Lakhs	
EQUITY AND LIABILITIES					
SHARE HOLDERS' FUNDS					
(a) Share capital	1	4,879.14		4,877.14	
(b) Reserves and surplus	2	21,617.68		21,648.07	
(c) Money received against share warrants	2	13.19		13.39	
			26,510.01		26,538.60
NON CURRENT LIABILITIES	3				
(a) Long-term borrowings		-		-	
(b) Other long-term liabilities		89.80		77.65	
(c) Long-term provisions		393.69		325.78	
			483.49		403.43
CURRENT LIABILITIES	4				
(a) Trade payables		871.54		907.67	
(b) Other current liabilities		371.81		404.20	
(c) Short term provisions		1,529.16		2,061.66	
			2,772.51		3,373.53
Total			29,766.01		30,315.56
ASSETS					
NON-CURRENT ASSETS					
(a) Fixed assets	5				
(i) Tangible assets		2,175.76		2,299.02	
(ii) Intangible assets		504.77		785.28	
(iii) Capital work-in-progress		15.21		-	
(iv) Intangible assets under development		154.55	2,850.29	61.06	3,145.36
(b) Non-current investments	6		8,801.46		14,197.69
(c) Long-term loans and advances	7		2,225.21		1,891.79
CURRENT ASSETS	8				
(i) Current investments		468.78		1,002.81	
(ii) Inventories		166.84		138.55	
(iii) Trade receivables		2,012.16		1,554.71	
(iv) Cash and bank balances		9,451.96		4,276.82	
(v) Short term loans and advances		3,789.31		4,107.83	
			15,889.05		11,080.72
Total			29,766.01		30,315.56
Significant accounting policies and other notes on accounts	16				

Notes referred to above form an integral part of the financial statements.
As per our attached report of even date.

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

SHIVJI K. VIKAMSEY
Partner
M. No. 2242
Place : Mumbai
Date : May 7, 2012

For and on behalf of the Board of Directors
APTECH LIMITED

NINAD KARPE
Managing Director & CEO

C. Y. PAL
Vice chairman

T. K. RAVISHANKAR
Executive Vice President & CFO

KETAN SHAH
Company Secretary

STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2012

PARTICULARS	Note No.	For the year ended March 31 , 2012 ₹ in Lakhs		For the year ended March 31, 2011 ₹ in Lakhs	
INCOME					
Income from operations	9	9,095.20		9,414.97	
Other income	10	782.82		480.20	
Dividend income		442.38		6.82	
			10,320.40		9,901.99
EXPENDITURE					
Training and education expenses	11	2,803.08		2,552.25	
Marketing and advertisement expenses	12	784.59		728.93	
Payments to and provision for employees	13	2,199.24		2,439.77	
Administration and other expenses	14	1,981.11		2,212.84	
Interest and finance charges	15	26.57		245.66	
Depreciation and amortisation	5	704.14		886.88	
			8,498.73		9,066.33
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX			1,821.67		835.66
EXCEPTIONAL ITEMS		-		-	
			-		-
PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS			1,821.67		835.66
PROVISION FOR TAXATION					
Income tax		266.00		115.95	
Wealth tax		1.19		1.56	
Mat credit entitlement (Refer point No. B-8 of Note 16)		(266.00)		(70.64)	
			1.19		46.87
PROFIT/(LOSS) AFTER TAX FOR THE YEAR			1,820.48		788.79
Earning Per Share (Refer point No. B-3 of Note 16)					
- Basic			3.73		1.63
- Diluted			3.70		1.62
(Nominal value of shares ₹ 10 each (Previous year ₹ 10 each)					
Significant Accounting Policies and other Notes on Accounts	16				

Notes referred to above form an integral part of the financial statements.
As per our attached report of even date.

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

SHIVJI K VIKAMSEY
Partner
M.No. 2242
Place : Mumbai
Date : May 7, 2012

For and on behalf of the Board of Directors
APTECH LIMITED

NINAD KARPE
Managing Director & CEO

C. Y. PAL
Vice chairman

T. K. RAVISHANKAR
Executive Vice President & CFO

KETAN SHAH
Company Secretary

CASH FLOW STATEMENT For the year ended 31st March, 2012

Particulars	For the year ended March 31, 2012 ₹ in Lakhs		For the year ended March 31, 2011 ₹ in Lakhs	
(A) CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT / (LOSS) BEFORE TAX		1,821.67		835.66
Adjustments For :				
Employee stock compensation net charge	(169.74)		(45.57)	
Depreciation and amortisation	704.14		886.88	
Provision for doubtful debts	310.96		312.53	
Bad debt writen off	2.50		26.92	
Liability no longer required back	(199.78)		(56.05)	
Interest and finance income	(577.93)		(352.51)	
Interest and finance fosts	26.57		245.66	
Forex loss on sale of investment	216.91		246.41	
Unrealised forex loss/(gain)	(112.10)		(9.28)	
Loss on sale of fixed assets (net)	1.47	203.00	(60.69)	1,194.29
Operating Profit Before Working Capital Changes		2,024.67		2,029.95
Adjustments for Working Capital Changes				
Decrease/(Increase) in Inventory	(28.29)		17.81	
Decrease/(Increase) in Sundry Debtors	(658.99)		355.25	
Decrease/(Increase) in Loans and Advances - Other than Subsidiaries	19.32		128.10	
Increase/(Decrease) in Current Liabilities and Provisions	1,096.09	428.13	157.93	659.09
Cash From / (used) in Operating Activities		2,452.80		2,689.04
Wealth Tax Paid (Net)	(1.54)		-	
Income Tax/Fringe Benefit Tax Paid (Net)	(30.91)	(32.45)	628.30	628.30
Net Cash From / (used) in Operating Activities (I)		2,420.35		3,317.35
(B) CASH FLOW ON INVESTING ACTIVITIES				
Purchase of Fixed Assets	(427.34)		(468.25)	
Sale of Fixed Assets	16.79		149.47	
Investment in shares of subsidiary company and Unquoted investment	747.61		(1,964.46)	
Loans and Advances to Subsidiary Companies & Others	(2.97)		(958.48)	
Interest and finance income	577.93		352.51	
Redemption of preference share	4,965.74		3,248.48	
Dividend paid (including DDT)	(3,118.28)		(562.94)	
Net Cash From/(used) in Investing Activities (II)		2,759.49		(203.67)

Particulars	For the year ended March 31, 2012 ₹ in Lakhs		For the year ended March 31, 2011 ₹ in Lakhs	
(C) CASH FROM FINANCING ACTIVITIES				
Proceeds from issue of Share Capital/Warrants (ESOP and Preferential Issue)/Share Premium	21.87		27.26	
Increase/(Repayment) in borrowings (net)	-		(2,380.64)	
Interest and finance costs	(26.57)		(245.66)	
Net Cash from /(Used) Financing Activities (III)		(4.70)		(2,599.04)
Net Increase in Cash and Cash equivalents (I+ II+ III)		5,175.14		514.63
Cash and Cash equivalents at the beginning of the year		4,276.82		3,762.19
Cash and Cash equivalents at the end of the year		9,451.96		4,276.82
		5,175.14		514.63

Notes :

1) Cash and Cash equivalents include cash and bank balances in current accounts and deposit accounts. (Refer note no. 8 (iv))
2) Additions to fixed assets, sale of fixed assets and loans and advances given to Subsidiaries are considered as part of investing activities.
3) Previous year figures have been regrouped wherever necessary to correspond with the figures of the current year.
4) The Company has undrawn working capital facility of ₹ 1,000 lakhs (previous year ₹ 2,600 lakhs)

Notes referred to above form an integral part of the financial statements.
As per our attached report of even date.

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

SHIVJI K VIKAMSEY
Partner
M.No. 2242
Place : Mumbai
Date : May 7, 2012

For and on behalf of the Board of Directors
APTECH LIMITED

NINAD KARPE
Managing Director & CEO

C. Y. PAL
Vice chairman

T. K. RAVISHANKAR
Executive Vice President & CFO

KETAN SHAH
Company Secretary

NOTES TO FINANCIAL STATEMENTS
As at March 31, 2012

Note 1 Share Capital

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	₹ in lakhs	Number	₹ in lakhs
Authorised				
Equity Shares of ₹ 10 each	60,000,000	6,000.00	60,000,000	6,000.00
Issued, Subscribed and Paid-up				
Equity Shares of ₹ 10 each fully paid up	48,791,421	4,879.14	48,771,421	4,877.14
Total	48,791,421	4,879.14	48,771,421	4,877.14

The Company has equity shares having a par value of ₹10/- each. Each holder of equity share is entitled to same rights in all respect.

Note 1.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year :-

Particulars	As at March 31, 2012		As at March 31, 2011	
	Number	₹ in lakhs	Number	₹ in lakhs
Shares outstanding at the beginning of the year	48,771,421	4,877.14	46,550,334	4,655.03
Shares Issued during the year:	20,000	2.00	2,221,087	222.11
(i) Shares issued on exercise of employee stock options	20,000	2.00	24,314	2.43
(ii) Shares alloted pursuant to acquisition to Maya Entertainment Limited	-	-	2,196,773	219.68
Shares outstanding at the end of the year	48,791,421	4,879.14	48,771,421	4,877.14

Note 1.2 Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held :-

Name of Shareholder	As at March 31, 2012		As at March 31, 2011	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RAKESH JHUNJHUNWALA	3,152,100	6.46%	3,152,100	6.46%
RARE EQUITY PVT. LTD.	10,554,403	21.64%	10,554,403	21.64%

Note 1.3 For the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

Particulars	Year (Aggregate No. of Shares)				
	2011-12	2010-11	2009-10	2008-09	2007-08
Equity Shares:					
Fully paid-up pursuant to contract(s) without payment being received in cash	-	2,196,773	-	-	-

Note 1.4 Out of the shares outstanding as per 1.1 above, 11,271 Equity Shares (Previous year 11,271) of ₹10 each fully paid-up are represented by 22,542 (Previous year 22,542) Global Depository Receipts (GDRs) of USD 7.175 each.

Note 1.5 Based on the resolution for Employee Stock Option Scheme ('Scheme') approved by the shareholders on September 16, 2006, the Aptech Employees Stock Options Trust - 2006 ("Trust') was set up on 6th December 2006 and 15,00,000 Warrants of ₹ 1 each have been granted by the Company to the Trust on March 12, 2007. The Stock option have been repriced at ₹ 113 as against the formula approved by Shareholder 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. March 19, 2007, is being amortised on a straight line basis over the vesting period and reversal on account of lapsed options is netted off against the charge for the year.

Under the Scheme in final phase 4, out of 3,08,706 options which were granted to the employees, 2,95,906 options were qualified for exercising upto May 3, 2012 based on their performance, 20,000 options were exercised during this year by making payment of the exercise price. Accordingly during the year ended March 31, 2012, 20,000 equity shares were allotted, thus making total allotment of 1, 81,031 equity shares under the Scheme of face value ₹ 10/- each upto March 31, 2012 and ₹ 37.58 lakhs (Previous year ₹ 46.07 lakhs) was transferred from Employee Stock Options Outstanding (ESOP 2006) Account to Securities Premium Account in Note "2".

During the period 19,000 options were lapsed on account of resignations from employees. Out of 2,65,000 Options that were granted to Managing Director & CEO which are performance linked options subject to vesting after one year from the grant date i.e. 62,353 on April 29, 2010, 77,941 on May 4, 2010 and 1,24,706 on May 4, 2011, he was eligible for exercise of 124706 options upto May 3, 2012. In respect of 1,12,625 options which were granted under the Scheme to erstwhile Managing Director under the category of Non-executive Director on May 6, 2010 and vested on May 6, 2011, last date of exercising the options for erstwhile Managing Director was May 5, 2012. Accordingly, during the year proportionate net recovery of ₹ 169.75 lakhs (Previous year ₹ 45.57 lakhs), has been included in the note of "Payments to and Provisions for Employees" (Note "13") as ESOP Compensation Cost. The net reserve as reflected in Note "2" under ESOP-2006 scheme is net of ESOP Outstanding account ₹ Nil/- (Previous Year ₹ 194.61 lakhs) and Deferred Employee Compensation Account ₹ Nil/- (Previous Year ₹ 8.10 lakhs).

Under the ESOP Scheme 2006, 369531 options that were available with the optionees, upto the expiry of exercise period, stood lapsed.

Details of Options Granted, exercised and lapsed	Year ended March 31, 2012	Year ended March 31, 2011
Options granted and outstanding as the beginning of the year	421,331	619,150
Add: Granted during the year	-	132,625
Less: Lapsed/ Forfeited/ Expired during the year	401,331	306,130
Less : Options exercised during the year	20,000	24,314
Options granted and outstanding as the end of the year	-	421,331

Note 2 Reserve and Surplus

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
a) Capital Redemption Reserve		
Opening Balance	884.80	884.80
(+) Current Year Transfer	-	-
Closing Balance	884.80	884.80
b) Securities Premium Account		
Opening Balance	14,055.78	9,762.57
Add: Securities premium credited on Share issue and ESOP exercised (Refer Note No. 1.5 of Note 1)	37.58	4,293.21
Closing Balance	14,093.36	14,055.78
c) Share Options Outstanding Account		
Opening Balance	186.51	255.13
(-) Written Back in Current Year	(186.51)	(68.62)
Closing Balance	-	186.51
d) Cash Flow Hedging Reserve		
Opening Balance	-	-
(+) Current Year Transfer	(0.73)	-
(-) Written Back in Current Year	-	-
Closing Balance	(0.73)	-

Particulars		As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
e)	**General Reserve**		
	Opening Balance	78.88	-
	(+) Current Year Transfer	182.05	78.88
	Closing Balance	260.93	78.88
f)	**Surplus in Profit and loss account**		
	Opening balance	6,442.10	7,149.27
	(+) Net Profit/(Net Loss) for the current year	1,820.48	788.79
	(-) Proposed Dividends including DDT	850.60	1,417.08
	(-) Interim Dividends including DDT	850.60	-
	(-) Transfer to Reserves	182.05	78.88
	Closing Balance	6,379.33	6,442.10
Total		21,617.68	21,648.07

Note 2.1 Share warrants represent money received as per ESOS scheme, and corresponding advances to ESOP trust is shown under advances in the head Long-term Loans and advances. Aptech Equity Option Plan 2006 (ESOP Scheme) shall expire on September 15, 2013 and no option shall be awarded under the said scheme to the optionees after the expiry.

NOTE 3 NON-CURRENT LIABILITIES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Note 3 (a) Long Term Borrowings		
Secured Loans		
Non-fund based limit facility from bankers	-	-
	-	-
Non-fund based limit facility from banks are secured as under:		
a) Non-fund based limit aggregating ₹ 400 lakhs from Union Bank of India are secured by equitable mortgage by deposit of title deeds of the Company's immovable properties situated at Pune and Mumbai.		
b) Non-fund based limit aggregating ₹ 600 lakhs from HDFC Bank secured by way of lien on fixed deposits at the time of utilisation of facility.		
Note 3 (b) Other Long Term Liabilities		
Franchisee/Security Deposits (against agreement)	89.80	77.65
Total	89.80	77.65
Note 3 (c) Long-Term Provisions		
Provision for employee benefits :-		
Gratuity (unfunded)	258.26	210.78
Leave encashment (unfunded)	135.43	115.00
(Refer point No. B-4 of Note 16)		
Total	393.69	325.78

NOTE 4 CURRENT LIABILITIES

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Note 4 (a) Trade Paybles		
Unsecured		
Trade Payable		
Sundry creditors *	871.54	907.67
* 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.		
Total	871.54	907.67
Note 4 (b) Other Current Liabilities		
(a) Unclaimed dividends	42.88	14.01
(b) Sundry creditors for capital assets	17.46	11.23
(c) Other payables :-		
Statutory Dues	276.90	352.76
Others liabilities	34.52	26.15
Caution / other deposits	0.05	0.05
Total	371.81	404.20
Note 4 (c) Short-Term Provisions		
(a) Provision for employee benefits :-		
Gratuity (funded)	5.69	-
Leave encashment (funded)	8.63	6.91
(Refer point No. B-4 of Note 16)		
(b) Others :-		
Provisions for expenses	664.24	637.66
Proposed dividend on equity shares (Refer point no. B-10 of note 16)	731.87	1,219.29
Provision for tax on proposed dividend	118.73	197.80
Total	1,529.16	2,061.66

NOTE 5 FIXED ASSETS

₹ in Lakhs

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 1 April 2011	Additions	Disposals	Balance as at 31 March 2012	Balance as at 1 April 2011	Depreciation charge for the year	Deduction on account of disposal	Balance as at 31 March 2012	Balance as at 31 March 2012	Balance as at 31 March 2011
a) Tangible Assets										
Freehold Land	262.15	-	-	262.15	-	-	-	-	262.15	262.15
Buildings	1,624.92	6.91	-	1,631.83	231.63	31.87	-	263.50	1,368.33	1,393.29
Leasehold Improvements	37.50	-	-	37.50	9.35	7.52	-	16.86	20.64	28.15
Computer Hardware	1,058.96	65.11	263.13	860.93	1,012.23	40.01	262.32	789.92	71.01	46.72
Furniture and Fixtures	657.21	0.22	2.44	654.98	462.65	50.26	2.15	510.76	144.21	194.55
Vehicles	236.88	-	101.50	135.38	140.99	30.91	96.67	75.23	60.14	95.89
Office equipment	298.83	7.33	16.67	289.49	91.69	14.49	3.85	102.32	187.17	207.14
Electrical fittings	160.31	-	1.89	158.42	89.18	9.02	1.89	96.30	62.12	71.14
Total	4,336.75	79.57	385.64	4,030.68	2,037.73	184.06	366.88	1,854.91	2,175.76	2,299.02
Previous year	4,429.61	138.83	231.69	4,336.75	1,912.27	268.36	142.90	2,037.73	2,299.02	-
b) Intangible Assets										
Goodwill	952.61	-	-	952.61	761.98	95.51	-	857.49	95.12	190.63
Computer software **	1,162.93	44.65	1.64	1,205.94	1,021.16	124.51	1.64	1,144.04	61.90	141.77
Courseware **	3,907.43	194.93	-	4,102.36	3,454.55	300.06	-	3,754.61	347.75	452.88
Total	6,022.97	239.57	1.64	6,260.91	5,237.70	520.08	1.64	5,756.14	504.77	785.28
Previous year	5,737.23	285.94	0.20	6,022.97	4,619.38	618.52	0.20	5,237.70	785.28	-
c) Capital Work-in-Progress	-	15.21	-	15.21	-	-	-	-	15.21	-
d) Intangible assets under Development ***	61.06	132.03	38.55	154.55	-	-	-	-	154.55	61.06
Total	10,420.79	466.38	425.82	10,461.34	7,275.42	**704.14**	368.51	7,611.05	2,850.29	3,145.36
Previous year	10,184.43	468.05	231.89	10,420.79	6,531.65	**886.88**	143.10	7,275.42	3,145.36	-

Note:The transfer of asset from one Company to another within Group is effected at Gross Block and accumulated depreciation.

** Opening depreciation includes Impairment on the above assets for the earlier year.

*** The disposal showing under Intangible assets under deveolpment head, is capitalised during the year.

NOTE 6 NON-CURRENT INVESTMENTS

Details of Trade Investments

₹ in Lakhs

Sr. No.	Name of the Body Corporate	Subsidiary/ Others	No. of Shares/Units		Quoted/ Unquoted	Partly Paid/Fully paid	Extent of Holding (%)		Amount (₹)		Whether stated at Cost Yes/No	If Answer to Column (12) is 'No' -Basis of Valuation
			2012	2011			2012	2011	2012	2011		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	**Investement in Equity share of Companies (Refer point No. B-2 of Note 16)**											
	Aptech Worldwide Bangladesh Limited (Bagladesh)	Subsidiary	160,000	160,000	Unquoted	Fully Paid	100%	100%	14.09	14.09	No	As per AS-13,(Valued at cost less provision for dimuniton in investment)
	Aptech Training Limited F.Z.E.	Subsidiary	37	37	Unquoted	Fully Paid	100%	100%	460.07	460.07	Yes	
	Aglsm Sdn.Bhd ' Malaysia	Subsidiary	545,140	545,140	Unquoted	Fully Paid	100%	100%	67.17	67.17	Yes	
	Aptech Worldwide Corporation	Subsidiary	900,000	900,000	Unquoted	Fully Paid	100%	100%	409.50	409.50	No	As per AS-13,(Valued at cost less provision for dimuniton in investment)
	Attest Testing Services Limited	Subsidiary	82,841	82,841	Unquoted	Fully Paid	100%	100%	8.28	8.28	Yes	
	Avalon Aviation Academy Private Limited	Subsidiary	4,000,000	4,000,000	Unquoted	Fully Paid	100%	100%	400.00	400.00	Yes	
	Aptech Venture Limited (Equity share @ 1 Euro each)	Subsidiary	345,245	345,245	Unquoted	Fully Paid	99.86%	99.86%	231.40	231.40	Yes	
	Maya Entertainment Limited	Subsidiary	23,642,107	23,642,107	Unquoted	Fully Paid	100%	100%	5,730.27	5,943.85	Yes	
	Less: Provision for dimunition in the value of Investments:-								-			
	Aptech Worldwide Bangladesh Limited (Bagladesh)								(14.09)	(14.09)		
	Aptech Worldwide Corporation								(409.50)	(409.50)		
	Total (a)								6,897.19	7,110.77		
(b)	**Investments in Preference Shares**											
	Aptech Venture Limited (Preference share @ 1 Euro each)	Subsidiary	2,841,093	10,573,430	Unquoted	Fully Paid	100%	100%	1,904.26	7,086.92	Yes	
	Total (b)								1,904.26	7,086.92		
	Total (a + b)								8,801.46	14,197.69		

NOTE 7 LONG TERM LOANS AND ADVANCES

Particulars	As at 31 March 2012 ₹ in Lakhs	As at 31 March 2012 ₹ in Lakhs	As at 31 March 2011 ₹ in Lakhs	As at 31 March 2011 ₹ in Lakhs
a) Capital Advances				
Secured, considered good	-		-	
Unsecured, considered good	59.92		1.92	
Less: Provision for doubtful advances	-		-	
		59.92		1.92
b) Security Deposits				
Secured, considered good	-		-	
Unsecured, considered good	197.87		231.11	
Less: Provision for doubtful deposits	-		-	
		197.87		231.11
c) Loans and advances to related parties				
Secured, considered good				
Unsecured, considered good *	719.96		643.49	
Less: Provision for doubtful loans and advances	-		-	
		719.96		643.49
d) Other loans and advances				
Advance Tax (Net of Provision for Tax ₹ 1,659.17 lakhs (PY ₹ 2,253.33 lakhs)	1,176.90		967.32	
Prepaid expenses	1.18		0.61	
Loans and Advances to Employees	69.38		47.34	
		1,247.46		1,015.27
Total		2,225.21		1,891.79

* 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 ₹ 706.67 lakhs inclusive of interest (Previous year ₹ 630.00 lakhs) to AICAR.

* This also includes advace to ESOP Trust. (Refer note no. 2.1)

NOTE 8 CURRENT ASSETS

Note 8 (i) Current Investments

Details of Current Investments

Sr. No.	Name of the Body Corporate	Subsidiary/ Associate/ JV/Others	No. of Shares/ Units 2012	No. of Shares/ Units 2011	Quoted/ Unquoted	Partly Paid/ Fully paid	Amount (₹) 2012	Amount (₹) 2011	Basis of Valuation
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(10)	(11)	(12)
(a)	Investments in Debentures or ICD Certificate of Deposits (Axis Bank)	Others	500	-	Unquoted	Fully Paid	468.78	-	Amortised cost
(b)	Investments in Mutual Funds								
	IDFC Liquid fund FMP 1 Year Plan	Others	-	5,016,260	Quoted	Fully Paid	-	501.63	Cost or Market value whichever is lower
	ICICI Prudential FMP 1 Year Plan	Others	-	5,011,805	Quoted	Fully Paid	-	501.18	Cost or Market value whichever is lower
	Total						468.78	1,002.81	

NOTE 8 CURRENT ASSETS (CONTD.)

	As at March 31, 2012	As at March 31, 2011
Aggregate cost of quoted investment	-	1,002.81
Aggregate market value of quoted investment	-	1,011.48

Note 8 (ii) Inventories

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Finished goods (Valued at lower of cost or net realisable value)		
Education and Training course materials	166.84	138.55
Total	166.84	138.55

Note 8 (iii) Trade Receivables

Trade receivables outstanding for a period less than six months		
Secured, considered good	-	-
Unsecured, considered good	1,344.84	1,407.36
Unsecured, considered doubtful	-	-
	1,344.84	1,407.36
Trade receivables outstanding for a period exceeding six months*		
Unsecured, considered good	667.32	147.35
Unsecured, considered doubtful	885.54	1,377.32
Less: Provision for doubtful debts	885.54	1,377.32
	667.32	147.35
Total	2,012.16	1,554.71

* Sundry Debtors are subject to confirmation and reconciliation.

* The debtors are net of ₹ 1,027.57 lakhs (Previous year ₹ 773.12 lakhs) 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.

Note 8 (iv) Cash and bank balances

Particulars	As at March 31, 2012		As at March 31, 2011	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
a) Cash and cash equivalents :-				
i. Cash on hand		2.04		2.80
ii. Balance with banks :-				
EEFC Accounts	68.07		233.26	
Current Accounts	215.16	283.24	533.07	766.33
b) Other Bank balances :-				
Bank deposits with less than 12 months maturity*	9,123.80		3,493.69	
Earmarked Balances (e.g. - unpaid dividend accounts)	42.88	9,166.69	14.01	3,507.70
Total		9,451.96		4,276.82

* Bank deposits as of March 31, 2012 and March 31, 2011 include restricted balances of ₹ 1249.00 lakhs and ₹ 1147.98 lakhs respectively. The restriction are primarily on account of cash and bank balances held as margin money deposits against guarntees.

NOTE 8 CURRENT ASSETS (CONTD.)

Note 8 (v) Short-term loans and advances

Particulars	As at March 31, 2012		As at March 31, 2011	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
Prepaid expenses		53.16		51.09
Other current assets		88.13		78.27
Travel advances and loan to employees		22.31		24.14
Loans and advances to related parties (Refer note below)				
Unsecured, considered good	3,646.75		3,975.37	
Less: Provision for doubtful loans and advances (Refer point no. B-2 of note 16)	21.04	3,625.71	21.04	3,954.33
Total		3,789.31		4,107.83

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		Maximum outstanding during the year	
	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Wholly Owned Subsidiry Company				
Aptech Training Limited, FZE	18.11	11.76	28.30	105.11
Aptech Worldwide Bangladesh Limited @	21.04	21.04	21.04	21.04
Maya Entertainment Limited	274.66	614.14	664.38	616.34
Attest Testing Services Limited	501.57	771.82	771.82	995.74
Aptech Worldwide Corporation	22.06	18.47	22.06	18.47
Aptech Manpower Services Limited @	-	-	-	4.90
Avalon Aviation Academy Private Limited	2,807.48	2,524.26	2,807.48	2,524.26
AGLSM SDN. BHD Malaysia	24.14	24.53	24.53	43.82
Entity in which director has significant influence				
Aptech Training and Education Trust @	-	-	-	62.67
Aptech Employee Welfare Trust @	-	-	-	2.86
Aptech Education Trust @	-	-	-	0.15

* Above Loans and Advances are interests free and repayable on demand.
* Loans and advances to employees as per companies policies, are not considered in above table.
* There are no investments by the loanees in the shares of the Company.
* The Loans Marked @ are Fully/Partly Provided for as Doubtful of Recovery or Written off.

NOTE 9 INCOME FROM OPERATION

Particulars	For the year ended March 31, 2012 ₹ in Lakhs	For the year ended March 31, 2011 ₹ in Lakhs
Training and Education Income	9,095.20	9,414.97
Total	9,095.20	9,414.97

NOTE 10 OTHER INCOME

Interest income	577.42	267.03
Interest income (Tax Refund)	0.53	85.48
Liabilities no longer required written back	199.78	56.05
Net gain/loss on sale of assets	-	60.69
Other non-operating income	5.09	10.95
Total	782.82	480.20

NOTE 11 TRAINING AND EDUCATION EXPENSES

Particulars	For the year ended March 31, 2012	For the year ended March 31,011
	₹ in Lakhs	₹ in Lakhs
Education,Training Expenses and Course Materials	474.17	457.77
Course Execution Charges	2,328.91	2,094.48
Total	2,803.08	2,552.25

NOTE 12 MARKETING AND ADVERTISEMENT EXPENSES

Advertisement expenses	774.00	720.92
Other marketing expenses	10.59	8.01
Total	784.59	728.93

NOTE 13 PAYMENTS TO AND PROVISION FOR EMPLOYEES

(a) Salaries and other allowances (Refer Note 13.1 below)	2,061.57	2,222.84
(b) Contribution to Provident and other Funds (Refer Note 13.1 below & point no. B-4 of note 16)	162.90	150.97
(c) Gratuity fund contributions (Refer point B-4 of Note 16)	93.17	61.92
(d) ESOP Compensation Cost (Net)	(169.74)	(45.57)
(e) Staff welfare expenses	51.34	49.61
Total	2,199.24	2,439.77

NOTE 13.1 Managerial Remuneration:

Managerial remuneration to Managing Director ('MD') under Section 198 of the Companies Act, 1956:		
Salaries and Allowances	120.01	89.15
Contribution to Provident and other funds	8.26	8.21
Membership fees for club	16.55	-
Total	144.82	97.36

NOTE 13.2 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.

NOTE 13.3 The Company has already made an application to the Central Government, seeking approval for remuneration paid in excess of limits prescribed under provisions of the Companies Act, 1956 aggregating ₹ 25.04 lakhs to the Managing Director for the year ended March 31, 2011, which is awaited.The Company is in the process of making application to the Central Government seeking waiver of excess remuneration aggergating to ₹ 67.47 lakhs paid to the Managing Director for the year ended March 31, 2012.

NOTE 13.4 Under the Employee Stock Option Scheme 2006, Managing Director & CEO was granted 265,000 stock options in three phases in April 2009. He was eligible for exercise of 124706 options upto May 3, 2012.

NOTE 14 ADMINISTRATIVE AND OTHER EXPENSES

Particulars	For the year ended March 31, 2012 ₹ in Lakhs	For the year ended March 31, 2011 ₹ in Lakhs
Rent (Refer Note 14.1 below)	316.33	374.47
Rates and Taxes	26.97	32.22
Travelling and Conveyance Expenses	304.83	316.11
Electricity Charges	95.76	126.11
Communication Expenses	152.95	157.48
Repairs and Maintenance :-		
Buildings	0.16	0.75
Plant and Machinery	40.93	32.53
Others	66.22	88.31
Insurance Premium	10.23	20.87
Legal and Professional Charges	179.52	195.39
Bad Debts/Advances/ Stockwritten Off	2.50	26.92
Provision for Doubtful Debts	310.96	312.53
Audit Fees (Refer Note 14.2 below)	30.84	37.11
Safety and Security	106.93	112.91
Exchange Difference (Net)	208.80	261.90
Printing and Stationery	47.74	59.19
Loss on Sale/ Disposal of Fixed Assets (Net)	1.47	-
Director's Commission provided (Refer Note 14.3 below)	15.00	-
Director's Sitting Fees	12.17	10.17
Miscellaneous Expenses	50.80	47.88
Total	1,981.11	2,212.84

Note 14.1 Operating Leases

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

Lease payment for the period/year	46.46	71.58
Not later than one year	-	46.46
Later than one year and not later than five years	-	-
Later than five years	-	-

Note 14.2 Payments to the auditor as

Audit Fees	14.80	17.00
Tax Audit Fees	5.50	5.50
Limited Review	6.45	6.45
Certification/Other Fees:		
Tax advisory	2.00	2.82
Management Consultancy (M & A)	-	3.24
Company Law Matters	0.65	0.75
Reimbursement of expenses	1.44	1.35
Total	30.84	37.11

NOTE 14 ADMINISTRATIVE AND OTHER EXPENSES

Particulars	For the year ended March 31, 2012 ₹ in Lakhs	For the year ended March 31, 2011 ₹ in Lakhs
Note 14.3 Directors' commission provided		
Directors' commission calculated @ 1% as per Section 349 of Companies Act, 1956	15.47	-
Directors' commission proposed by the Board and provided for	15.00	-
* Commission payable to non-whole-time director for financial year 2011-12 @ 1% of net profit computed in accordance with Section 349 of the Companies Act, 1956.		
Note 14.4 Administration and other expenses are net of recoveries.		
NOTE 15 INTEREST AND FINANCE CHARGES		
Interest expense:-		
Working Capital Demand Loans	-	156.74
Cash credit and others	8.80	38.99
Interest on income tax of earlier year		27.00
Commitment and Finance Charges	17.77	22.93
Total	26.57	245.66

Note 16

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

A. SIGNIFICANT ACCOUNTING POLICIES:

(a) ACCOUNTING CONVENTION:

The financial statements are prepared under the historical cost convention, on an accrual basis in compliance with all material aspects of the applicable accounting standards in India and the relevant provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year, unless otherwise mentioned in the notes.

(b) 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 recognized 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.

(c) 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 in 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 ₹ 5,000 or less are depreciated fully in the month of purchase.

(d) 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 Statement of profit and loss 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.

(e) BORROWING COSTS:

Borrowing costs attributable to acquisition or construction of qualifying assets are capitalised as a part of the cost of such assets up to the date when such asset is ready for its intended use.

Other borrowing costs are charged to revenue.

(f) 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 year. The resulting exchange gain/loss is reflected in the Statement of profit and loss. 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 recognized over the life of the contracts. Profit/Loss on cancellation/renewal of forward exchange contract is recognized as income/expense for the year.

(g) INVESTMENTS:

Long Term Investments are stated at cost after deducting provision, if any, made for decline, other than temporary in the value.

Current Investments are stated at lower of cost and market/fair value.

(h) INVENTORIES:

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

(i) GOVERNMENT GRANTS:

Government Grants are recognized when there is reasonable assurance that the same will be received. Revenue grants are recognized in the Statement of profit and loss. 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.

(j) REVENUE RECOGNITION:

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 recognized over the period of contracts. For services rendered through franchisees only the company's share of revenue is recognized.

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**

Interest income is recognised on accrual basis.

(k) **RETIREMENT BENEFITS:**

DEFINED CONTRIBUTION PLAN

The Company makes defined contribution to Provident fund and Superannuation Scheme which are recognized in the statement of profit and loss 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 using the projected unit credit method except for short term compensated absences, which are provided on estimates. Actuarial gain & losses are recognized immediately in the statement of statement of profit and loss 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

(l) **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 Statement of profit and loss 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 (share option outstanding account), net of any unamortised deferred employee compensation is shown separately as part of reserves.

(m) **INCOME TAX:**

Tax expense comprises of current, deferred and Fringe benefits 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 for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the Balance Sheet Date. Deferred tax assets arising from timing differences are recognized to the extent there is reasonable certainty that these would be realized in future.

Deferred tax assets, in case of unabsorbed losses and unabsorbed depreciation, are recognized only if there is virtual certainty that such deferred tax asset can be realized against future taxable profits.

Fringe Benefit Tax is provided in accordance with the provisions of the Income Tax Act, 1961.

(n) **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 Statement of profit and loss.

(o) **PROVISIONS, CONTINGENT LIABILITIES AND CONTIGENT 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 recognized, nor disclosed.

(p) **HEDGE ACCOUNTING**

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" (AS30) 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 ' Statement of profit and loss'. On squaring off the complete position of such ETF on expire, sold, terminated or no longer qualifies for hedge accounting as on any date the gain or loss on such transactions is accounted in Statement of statement of profit and loss.

B) OTHER NOTES ON ACCOUNTS:

1. **Capital commitments and Contingent Liabilities in respect of:**

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
(i) Contingent Liabilities		
(a) Claims against the Company not acknowledged as debt	627.60	798.57
(b) Counter guarantees to bank for projects	77.74	286.80
Total (i)	705.34	1,085.37
(ii) Capital Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	157.80	87.36
Total (ii)	157.80	87.36
Total (i)+(ii)	**863.15**	**1 ,172.73**

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

In case of certain subsidiaries, the Company has investments in the equity shares aggregating ₹ 6,205.73 lakhs (Previous year ₹ 6,419.30 lakhs) and Loans and Advances aggregating ₹ 3,607.85 lakhs (Previous year ₹ 3,934.76 lakhs as at the year end. Despite losses in these companies, in the opinion of the management, considering the strategic long-term nature of the investments and the business plans of the said subsidiaries, the decline in the book value of these investments is temporary.

3. **Earnings per Share ('EPS'):**

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Numerator :		
Profit after tax as disclosed in Profit and Loss Account (A) (₹ in lakhs)	1,820.48	788.79
Denominator :		
Weighted average number of equity shares Outstanding during the year		
Basic (No. of Shares) (B)	48,782,678	48,468,190
Add: Diluted Impact of Employee Stock Option	396,997	343,038
Diluted (No. of Shares) (C)	49,179,675	48,811,228
Nominal value of equity shares (₹)	10/-	10/-
Basic EPS (A/B) (₹)	3.73	1.63
Diluted EPS (A/C) (₹)	3.70	1.62

4. **Retirement Benefits :**

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

The amount recognised in the balance sheet in respect of the gratuity:

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Present value of the defined benefit obligation at the end of the year	277.23	230.25
Fair value of the plan assets	13.28	19.47
Net Liability/(Assets)	263.95	210.78

The amount recognised in salary and employee benefits in the statement of profit & loss as follows in respect of the gratuity:

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Current Service Cost	38.10	33.83
Interest on defined benefit obligation	18.42	14.44
Expected return on plan assets	(2.68)	(2.16)
Net actuarial (Gain)/Loss on plan Assets	39.34	17.10
Adjustment of expenses on account of merger	-	(1.29)
Net Gratuity Cost	93.17	61.92

Actual Return on plan assets:

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Expected Return on plan assets	2.68	2.16
Acturial Gain/(Loss) on plan assets	-	(0.87)
Actual return on plan assets	2.68	1.29

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

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Opening defined benefit obligation as on 01.04.2011	230.25	186.38
Current Service Cost	38.10	33.83
Interest cost	18.42	14.44
Actuarial (Gain)/Loss	39.34	16.23
Benefit Paid	(48.87)	(20.63)
Closing defined benefit obligation as on 31.03.2012	277.23	230.25

Change in fair value plan assets:

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Fair value of the plan assets at the beginning of the year	19.47	28.81
Expected return on plan assets for the year	2.68	2.16
Contributions during the year	40.00	10.00
Benefits paid during the year	(48.87)	(20.63)
Acturial Gain/(Loss) on plan assets	-	(0.87)
Fair value of the plan assets at the end of the year	13.28	19.47

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 company administrated by ICICI Prudential Life Insurance Company Limited.

(II) The amount recognised in the balance sheet in respect of the Leave Encashment:

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Present value of the defined benefit obligation at the end of the year	144.05	121.90
Fair value of the plan assets	-	-
Net Liability / (Assets)	144.05	121.90

The amount recognised in salary and employee benefits in the statement of profit and loss as follows in respect of the:

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Current Service Cost	23.11	21.73
Interest on defined benefit obligation	9.75	6.96
Expected return on plan assets	-	-
Net actuarial (Gain)/Loss on plan Assets	11.86	19.97
Net Leave encashment Cost	44.72	48.65

Reconciliation of present value of the obligation :

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Opening defined benefit obligation as on 01.04.2011	121.90	89.75
Current Service Cost	23.11	21.73
Interest cost	9.75	6.96
Actuarial (Gain)/Loss	11.86	19.97
Benefit Paid	(22.57)	(16.51)
Closing defined benefit obligation as on 31.03.2012	144.05	121.90

Principal Actuarial Assumptions at the balance sheet date 31.03.2012 for Gratuity & Leave Encashment :

Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
Discount Rate	8.50%	8.00%
Estimated rate of return on plan assets	7.50%	7.50%
Rate of Salary Growth	7.25%	6.75%

B) Defined Contribution Plan –

The Company has recognised the following amount as an expense and included in the note 13 - "Contribution to Provident & other funds – ₹ 162.90 lakhs (Previous Year – ₹ 150.97 lakhs).

5. Deferred Tax

Deferred Tax Asset on carry forward business losses / depreciation and other differences in excess of deferred tax liability has not been recognised as a matter of prudence. The items giving rise to defer tax assets / liabilities are as under:-

Particulars	As at March 31, 2012 ₹ in Lakhs	As at March 31, 2011 ₹ in Lakhs
Carried forward Unabsorbed Depreciation	2 ,717.38	2 ,929.21
Carried forward Business Loss	374.04	730.33
Carry Forward Capital Loss	646.79	336.31
Provision For Bad Debts	394.53	403.93
Expenditure/provisions (Gratuity and Leave encashment)	132.38	110.51
Related to Fixed Assets	69.77	69.95
Total Deferred Tax Asset (A)	4,334.90	4,580.24
Related to Fixed Assets	-	-
Total Deferred Tax Liability (B)	-	-
Net Deferred Tax Asset (A-B)	4,334.90	4,580.24

6. Expenditure in Foreign Currency

	Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
a)	Foreign Travel	1 7.23	54.45
b)	Training and Education Expenses	220.23	209.39
c)	Administrative and Other Expenses	93.25	69.03
	Total	**330.70**	**332.87**

7. **Earnings in Foreign Currency**

	Particulars	Year ended March 31, 2012 ₹ in Lakhs	Year ended March 31, 2011 ₹ in Lakhs
a)	F.O.B. Value of sale of Education and training course materials Training and	155.07	212.81
b)	Education Income	1,916.29	1,763.94
	Total	**2,071.35**	**1,976.75**

8. For the quarter and year ended March, 2012 under review, the Company has recognised MAT credit entitlement under section 115JAA of IT act 1961, of ₹ 98 Lakhs and ₹ 266 Lakhs respectively.

9. During the year, the company has signed an Agreement with Syntea SA of Poland for investing 9.09% in the share capital of the said Polish company, involving sum of 5,00,000 USD.

10. The Board of Directors have recommended a final dividend of ₹ 1.50 per equity share (aggregating to a total dividend of ₹ 3 per share for the financial year 2011-12 on Face value of ₹ 10 and which includes an Interim dividend of ₹ 1.50 per equity share declared at the meeting of the Board of Directors held on January 20, 2012 and paid)(In previous year total dividend paid was ₹ 2.50 per share).

11. Disclosure in respect of Related Parties pursuant to AS-18 :-

I. **List of Related Parties:**

Parties where control exists:	**Subsidiaries:**
Company/firm whose control exists:	Aptech Training Limited FZE Dubai Aptech (WOS) Bangladesh Limited Aptech Worldwide Corporation, US Maya Entertainment Limited Attest Testing Services Limited Avalon Aviation Academy Pvt. Ltd. ACE Educação Profissional do Brasil S.A. (ceased w.e.f. 1st July, 2011) AGLSM SDN BHD - MALAYSIA Aptech Investments Enhancers Ltd., Mauritius Aptech Ventures Ltd, Mauritius Aptech Global Investment Ltd., Mauritius **Others:** Aptech Employees Stock option Trust Aptech Investments
Key management personnel:	Mr. Ninad Karpe - Managing Director & CEO

II. **Transactions with Related parties:-**

Nature of transaction	Subsidiaries	Key Management Personnel	Total
Expenses	400.73	144.82	545.54
	(35.19)	*(97.36)*	*(132.55)*
Training and Educaiton Income :-	107.45	-	107.45
	(35.95)	-	*(35.95)*
Purchase of Fixed Assets	-	-	-
	(23.10)	-	*(23.10)*
Reimbursment of Expenses received	646.46	-	646.46
	(404.34)	-	*(404.34)*
Nel loans and advances given/(returned)	(316.79)	-	(316.79)
	958.19	-	*958.19*

Nature of transaction	Subsidiaries	Key Management Personnel	Total
Balances at the end of the year			
Loans and Advances	3,670.35	-	3,670.35
	(3,987.14)	-	*(3,987.14)*
Investments	9,225.05	-	9,225.05
(Previous year)	*(14,621.28)*	-	*(14,621.28)*
Sundry Debtors	352.59	-	352.59
(Previous year)	-	-	-
Figure in italic and bracket are represent Previous year's amount.			

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

There have been no write off /write back in case of any related party except provision for doubtful debts & write off disclosed elsewhere in financial statement. [see note 6 and note 8(v)].

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	2011-12	2010-11
a)	**Expenses**			
	Training and Educaiton Income :-			
	Attest Testing Services Ltd.	Subsidiary	400.73	34.84
b)	**Income**			
	Aptech Training Limited FZE Dubai	Subsidiary	107.45	35.95
c)	**Reimbursment of Expenses received**			
	Attest Testing Services Ltd.	Subsidiary	177.87	139.30
	Avalon Aviation Academy Pvt. Ltd.	Subsidiary	160.13	131.22
	Maya Entertainment Ltd.	Subsidiary	74.36	108.19
d)	**Expenditure**			
	Managerial Remmuneration	Key Management		
	Mr. Ninad Karpe	Personnel	144.82	97.36
e)	**Purchase of fixed assets**			
	Avalon Aviation Academy P. Ltd	Subsidiary	-	23.10
g)	**Net Loans & Advances given / (returned)**			
	Attest Testing Services Ltd.	Subsidiary	(270.25)	(213.31)
	Avalon Aviation Academy Pvt. Ltd.	Subsidiary	283.22	624.38
	Maya Entertainment Ltd.	Subsidiary	(339.48)	615.11
h)	**Investments**			
	Maya Entertainment Ltd.	Subsidiary	5,730.27	5,943.85
	Aptech Venture Ltd.	Subsidiary	2,135.67	7,318.32

12. **Segmental Report for the year of the Company is annexed.**

13. **The figures for the previous year have been regrouped/rearranged wherever necessary.**

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

SHIVJI K. VIKAMSEY
Partner
M. No. 2242
Place : Mumbai
Date : May 7, 2012

For and on behalf of the Board of Directors
APTECH LIMITED

NINAD KARPE
Managing Director & CEO

C. Y. PAL
Vice chairman

T. K. RAVISHANKAR
Executive Vice President & CFO

KETAN SHAH
Company Secretary

Schedule 16 B

11 Segment information under AS – 17

Primary Segment information : Business Segment

₹ in Lakhs

Particulars	For the year ended March 31, 2012				For the year ended March 31, 2011			
	Business Segments				Business Segments			
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
Revenue								
Income from segment	7,453.64	1,641.56	647.25	9,742.45	7,881.78	1,540.01	159.00	9,580.79
Profit/(Loss) before interest and tax and exceptional items	2,680.98	150.25	(1,560.93)	1,270.30	2,710.88	52.61	(2,034.68)	728.81
Add: Interest income	-	-	577.94	577.94	-	-	352.51	352.51
Less: Interest expenses and finance charges	-	-	26.57	26.57	-	-	245.66	245.66
Profit/(Loss) before tax and exceptional items	2,680.98	150.25	(1,009.56)	1,821.67	2,710.88	52.61	(1,927.83)	835.66
Exceptional Items	-	-	-	-	-	-	-	-
Profit/(Loss) before Tax	2,680.98	150.25	(1,009.56)	1,821.67	2,710.88	52.61	(1,927.83)	835.66
Add /(less): Taxation	-	-	1.19	1.19	-	-	46.87	46.87
Profit/(Loss) after Tax	2,680.98	150.25	(1,010.75)	1,820.48	2,710.88	52.61	(1,974.70)	788.79
Other Information								
Carrying amount of segment assets	2,773.46	488.23	-	3,261.69	2,296.38	638.06	-	2,934.44
Unallocable assets	-	-	26,504.33	26,504.33	-	-	27,530.84	27,530.84
Carrying amount of segment liabilities	1,066.84	486.86	-	1,553.70	1,028.51	313.28	-	1,341.78
Unallocable liability	-	-	1,702.30	1,702.30	-	-	2,584.89	2,584.89
Cost incurred to acquire segment fixed assets during the year (net of intercompany accmulated dep.)	343.63	9.86	112.90	466.38	267.16	20.64	180.45	468.25
Depreciation/Amortization	360.29	13.62	330.23	704.14	436.55	29.14	421.19	886.88
Significant non-cash expenditure	262.35	2.99	112.62	377.96	225.54	86.99	(54.85)	257.68

Secondary Segment information: Geographical segment

₹ in Lakhs

Particulars	For the year ended March 31, 2012			For the year ended March 31, 2011		
	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	7,023.85	2,422.62	466.38	7,445.04	2,154.01	462.44
Outside India	2,071.35	839.07	-	1,976.75	780.43	5.81
Total	9,095.20	3,261.69	466.38	9,421.79	2,934.44	468.25

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956 RELATING TO SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31ST MARCH 2012

₹ in Lakhs

Particulars	Name of Subsidiary Company										
	Maya Entertainment Limited	Attest Testing Service Limited	Avalon Aviation Academy Pvt. Ltd.	Aglsm Sdn.bhd. Malasiya	Aptech Worldwide Corporation USA	Aptech Training Limited.Fze, Dubai	Aptech Worldwide Bangladesh Limited	ACE Educacao Profissional do Brasil S.A.	Aptech Investment Enhancers Limited, Maritius	Aptech Ventures Limited, Maritius	Aptech Global Investment Limited, Maritius
Equity capital	2,364.21	8.28	400.00	67.17	409.50	460.07	14.09	-	209.46	209.46	354.55
Preference capital	-	-	-	-	-	-	-	-	1,908.00	1,908.26	-
Reserves	(1,904.74)	(26.47)	(3,007.20)	(95.75)	(545.38)	2.10	(4.59)	-	8,693.73	15.88	(410.49)
Total Assets (exclude investments)	1,741.12	706.25	290.45	36.67	(112.48)	518.23	35.94	-	10,814.22	2,136.67	29.76
Total Liabilities (excluding capital and reserves)	1,283.90	724.43	2,897.66	65.25	23.40	56.06	26.44	-	3.02	3.07	85.70
Investment other than Investment in subsidiary	2.26	-	-	-	-	-	-	-	-	-	-
Income	6,093.96	1,768.31	497.38	120.41	69.79	629.46	-	60.40	5,255.00	11.71	1.83
Profit/(loss) before tax	667.85	414.65	(387.26)	(21.65)	66.10	156.36	-	(125.42)	5,191.06	8.76	(11.07)
Provision for taxation	12.00	41.71	-	-	0.41	-	-	4.02	-	-	-
Exceptional items	-	-	-	-	-	-	-	-	-	-	(396.84)
Profit after tax	655.85	372.94	(387.26)	(21.65)	65.70	156.36	-	(129.45)	5,191.06	8.76	(407.91)
Proposed/Interim dividend	-	-	-	-	-	194.93	-	-	0.64	-	-
Reporting currency (other than ₹)				MYR	USD ($)	USD ($)	Taka	Reias	Euro	Euro	Euro
Closing rate				16.70	51.16	51.16	0.65	-	68.34	68.34	68.34

* The Annual Accounts for 2011-12 for all the subsidiaries are available at Company's registered office. Any investor either of holding company or any subsidiary sompany can seek any information at any point of time by making a request in writing to the Company Secretary of the Company.

NOTICE

IMPORTANT COMMUNICATION TO SHAREHOLDERS:

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with their Depository through their concerned Depository Participants as early as possible. Members who have provided their E-mail addresses desire to receive physical copy of the aforesaid documents as well as those members who hold shares in physical form would like to receive the aforesaid documents by E-mail are requested to inform the Company's Registrar and Transfer Agents M/s. Sharepro Services (India) Pvt. Ltd. at their E-mail id "sharepro@shareproservices.com."

NOTICE is hereby given that the Twelfth Annual General Meeting of APTECH LIMITED will be held on Friday, 20th July, 2012 at "M C Ghia Hall", Suryodaya Banquets Pvt. Ltd., 18/20, 4th Floor, Bhogilal Hargovindas Building, K. Dubhash Marg, Kalaghoda, Behind Prince of Wales Museum, Fort, Mumbai – 400 001 at 4.30 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Statement of Profit and Loss for the financial year ended 31st March, 2012, the Balance Sheet as at that date and the Report of the Directors and Auditors thereon;
2. To declare a dividend for the financial year ended 31st March, 2012.
3. To appoint a Director in place of Mr. C.Y. Pal who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajiv Agarwal who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint a Director in place of Mr. Asit Koticha who retires by rotation and being eligible offers himself for re-appointment.
6. 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.

NOTES:

1. 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.
2. 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.
3. 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.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 13th July, 2012 to Friday, 20th July, 2012 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.
5. 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.

6. As required under Clause 49 of the Listing Agreement particulars of Directors seeking re-appointment/appointment are annexed to this notice below.
7. 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.
8. Those Members who have so far not encashed their dividend warrants in respect of the dividend declared for the period/year ended 31st March, 2010, 31st March, 2011 and interim dividend declared during the year 2011–2012 may approach the Company or Registrar and Share Transfer Agents for the payment thereof.
9. 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 pin code.
   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.
10. Members holding shares in dematerialized mode are requested to intimate changes if any in their addresses along with pin code to their Depository Participants.
11. 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.

By Order of the Board of Directors

Ketan H. Shah
Group Company Secretary

Place : Mumbai
Date : 14th June, 2012

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. C. Y. Pal	Mr. Rajiv Agarwal	Mr. Asit Koticha
Date of Birth	6th March, 1937	28th March, 1971	14th June, 1958
Date of Appointment	5th January, 2004	29th October, 2006	28th October, 2005
Areas of Expertise	General Management	Strategy & Operations Consulting Services	Asset Management Broking and Investment Banking
List of other public companies incorporated in India in which directorships held as on 31st March, 2012	1. United Breweries Ltd. 2. Shriram Pistons & Rings Ltd. 3. Induri Farms Ltd. 4. Maya Entertainment Ltd.	1. Viceroy Hotels Ltd. 2. John Energy Ltd. 3. Concord Biotech Ltd.	Nil
List of Chairmanships / memberships of committees of the board of other public Companies incorporated in India in which directorships held as on 31st March, 2012	United Breweries Ltd. - Audit Committee (Chairman) - Remuneration Committee (Member) Shriram Pistons & Rings Ltd. - Audit Committee (Member) - Remuneration Committee (Member)	Nil	Nil
No. of shares held in the Company prior to the date of appointment/re-appointment	50,000 equity shares	8,100 equity shares	Nil

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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 Twelfth Annual General Meeting of the Company to be held on Friday, the 20th day of July, 2012 at 4.30 p.m. at "M. C. Ghia Hall", Suryodaya Banquets Pvt. Ltd. 18/20, 4th Floor, Bhogilal Hargovindas Building, K. Dubhash Marg, Kalaghoda, Behind Prince of Wales Museum, Fort, Mumbai - 400 001 and at any adjournment thereof.

Affix
₹ 1.00
Revenue
Stamp

Signed this __________ day of __________ , 2012.

(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 Twelfth Annual General Meeting of the Company to be held on Friday, the 20th day of July, 2012 at 4.30 p.m. at "M. C. Ghia Hall", Suryodaya Banquets Pvt. Ltd. 18/20, 4th Floor, Bhogilal Hargovindas Building, K. Dubhash Marg, Kalaghoda, Behind Prince of Wales Museum, Fort, Mumbai - 400 001.

____________________________________ ____________________________________

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 this 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 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 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, 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.

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