Unleash your potential

ANNUAL REPORT 2012-13

Aptech Limited

Content

Corporate information

Board of Directors

Rakesh Jhunjhunwala
Chairman

C. Y. Pal
Vice Chairman

Ninad Karpe
Managing Director & CEO

Anuj Kacker
Whole Time Director

Asit Koticha
Director

Maheshwer Peri
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

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

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.

Yes Bank
25th Floor, Tower 2,
Indiabulls Finance Centre,
Senapati Bapat Marg,
Lower Parel (W), Mumbai - 400 093.

Registrar & Transfer Agents
Sharepro Services (India) Pvt. Ltd.
13 AB Samhita Warehousing Complex,
2nd Floor, Sakinaka Telephone Exchange Lane,
Off Andheri Kurla Road, Sakinaka,
Andheri (East), Mumbai - 400 072.
Tel: +91 22 6770 04400
Fax: +91 22 2859 1568
Email: sharepro@shareproservices.com

DIRECTORS' REPORT

The Members of Aptech Limited

Your Directors are pleased to present their Thirteenth Annual Report on the business and operations of your Company and the Audited Financial Results for the year ended March 31, 2013.

SNAPSHOT OF FINANCIAL RESULTS

The financial results of the Company for the Accounting year ended March 31, 2013 are presented below:

(Rs. in lacs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2013	Year ended March 31, 2012
Operating Revenue	10,036.07	9,095.20	16,921.02	17,442.36
Dividend & Other Income	1,191.21	1,225.20	1,298.89	6,247.09
Total Revenue	11,227.28	10,320.40	18,219.91	23,689.45
Total Expenditure	8,309.25	7,775.92	14,249.77	15,039.80
Profit Before Interest, Depreciation & Tax	2,918.07	2,544.48	3,970.14	8,649.66
Profit Before Exceptional Items, Depreciation & Tax	2,889.91	2,525.81	3,941.65	8,630.84
Profit Before Exceptional Items and tax	2,263.09	1,821.67	3,061.33	7,656.99
Total Exceptional Items	800.32	Nil	800.32	(48.95)
Profit / (Loss) Before Tax	3,063.41	1,821.67	3,861.65	7,608.04
Profit / (Loss) After Tax	2,527.36	1,820.48	3,140.16	7,548.70
Profit/(Loss) After Tax & Minority Interest	2,527.36	1,820.48	3,129.79	7,603.46

OPERATIONS REVIEW

Aptech's continued focus on "Profitable Growth" has been able to deliver significant operational improvements in terms of turnover and profitability for the core businesses in FY2012-13. While revenues for MAAC were impacted due to the change in accounting policy, the overall revenue for Retail segment excluding MAAC grew by 3.1% and Non-retail segment jumped by 29.8%. This performance has been achieved in the backdrop of closure or franchising of Own Centers, which have come down in number from 22 to 14 in FY2012-13. The Company's Operating EBITDA margins have improved from 13.8% in FY2011-12 to 15.8% for the latest fiscal. Profit Before Tax (PBT) before exceptional items was Rs. 3,061.6 lacs in FY2012-13, which after considering the exceptional item pertaining to sale of property goes up to Rs. 3,861.9 lacs. This indicates an increase of 50.3% against PBT after exceptional item of FY2011-12 (after excluding special China dividend of Rs. 5,038.4 lacs). Profit After Tax was Rs. 3,130.0 lacs and EPS was Rs. 6.4 per share in FY2012-13. The Company continues to have zero debt and has cash balances in excess of Rs. 120 crore.

The key operational highlight of Company's performance in FY2012-13 was its successful execution of multiple high stake entrance examinations in India. The Company's nurturing of its Assessment & Testing businesses has thus delivered positive results and the brand is one of the top three revenue grosser for the Company only in its 9th year of operation. International revenue (net of China and MAAC) has now jumped to 46.25% of the total retail revenue. The Company was successful in entering new geographies such as Cameroon, Côte d'Ivoire, Yemen and Afghanistan. We have also been able to debut MAAC brand in Saudi Arabia and Syria, Aptech Networking in Pakistan and Aptech English in Kazakhstan. Our investment in Syntea, Poland delivered its first returns in the form of a dividend of US$ 5,550 and royalty on Aptech courses of US$ 7,000. The Company added 117 more centres taking the total number of centres in India and abroad (excluding China) to 1,089 as of 31st of March 2013.

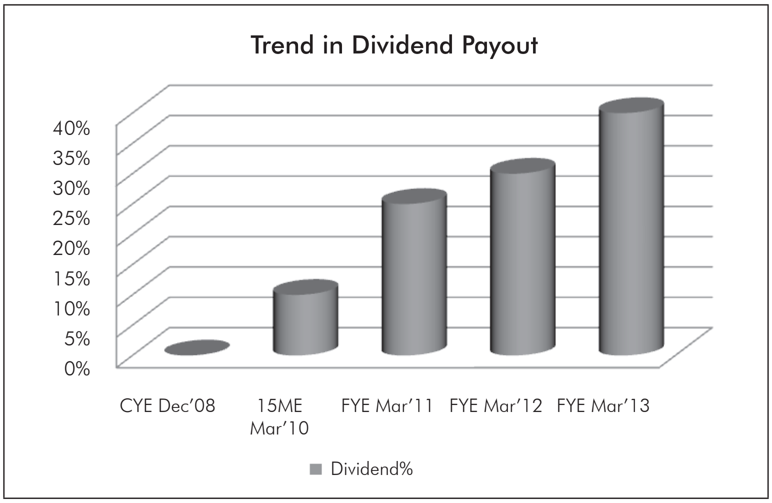
As part of its efforts to grow business through new initiatives, the Company entered into an agreement with National Skill Development

Corporation to provide job-oriented training in a range of disciplines and also a partnership with Universal Commodities Exchange (UCX) to deliver training in financial markets to students and professionals. The company also formed Aptech Hungama Digital Learning LLP, to take its digital education initiative forward.

The Company continued to be recognized internationally for its commitment to quality education and vocational training. In FY2012-13, the Company's flagship Aptech Computer Education brand has been recognized as the best IT Training brand in Vietnam (for the 10th time in a row), Pakistan, Kazakhstan and Uganda. Aptech along with its Retail training partner the TRRAIN foundation also won the Best Innovation in Vocational Education & Skills Training award at World Education Awards 2012 summit.

DIVIDEND

Your Directors are pleased to recommend for your consideration a final dividend of Rs. 2.50 per equity share of Rs. 10/- for the period ended March 31, 2013. An interim dividend of Rs. 1.50 per equity share was paid to the shareholders as approved by the Board of Directors at its meeting held on 22nd January 2013. With this, the total dividend for the year ended 31st March 2013 is Rs. 4/- per share (40%).



Note: FYE Mar'13 includes 25% Proposed Final Dividend

BUYBACK OF SHARES

The Board of Directors at its meeting held on 13th May 2013, approved the buyback of fully paid-up equity shares of Rs.10 each at a price not exceeding Rs 82 per share up to an aggregate amount not exceeding Rs. 64.65 crore, subject to the consent of the shareholders..

Buyback will benefit the shareholders by boosting their returns and thus create a long term value for shareholders. It is expected to result in increase in earnings per share, rationalize the capital structure and also provide a tax efficient mechanism to return surplus cash to the shareholders.

DIRECTORS

In accordance with Sections 255 and 256 of the Companies Act, 1956, Mr. Ramesh Damani, Mr. Vijay Aggarwal, Mr. Rakesh Jhunjhunwala, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible are due for re-appointment. Mr. Mahehwer Peri and Mr. Anuj Kacker were appointed as additional directors by the Board of Directors at its meeting held on 31st October 2012 who will be eligible for appointment under Section 257 of the Companies Act, 1956. Mr. Anuj Kacker has been appointed as a Wholetime Director with effect from 1st November 2012 by the Board of Directors at the meeting held on 31st October 2012 subject to approval of shareholders at the ensuing annual general meeting.

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE GOVERNANCE

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

(i) That in the presentation of the annual accounts for the year ended March 31, 2013, 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 March 31, 2013 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 fulfillment of certain conditions prescribed. The Board of Directors of the Company at its meeting held on 13th May 2013 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 2013. 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 Company's subsidiaries is also included in this Annual Report giving following information in aggregate for each subsidiary including subsidiary of subsidiary:- (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 Note no 16 under Sub Note 6 & 7.

PARTICULARS OF EMPLOYEES

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

RE-APPOINTMENT OF STATUTORY AUDITORS

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

FIXED DEPOSITS

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

INSURANCE

All the properties of the Company have been adequately insured.

ACKNOWLEDGEMENT

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

For and on behalf of the Board of Directors

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

Place: Mumbai
Date : 13th May, 2013

MANAGEMENT DISCUSSION & ANALYSIS

Industry overview

We are today living in a paradoxical world. While there is significant unemployment and underemployment of youth across the world, the employers continue to indicate that they do not find enough skilled manpower at the entry level. As per an estimate by International Labour Organization (ILO), there are 75 million unemployed youth across the world with an estimated double the number underemployed. In a stark contrast with these figures are the estimates from the McKinsey Global Institute that by 2020 there will be a global shortfall of 85 million high- and middle-skilled workers. Governments across the world are attempting to solve this paradox through their Higher Education and Vocational Education policies.

With a population of 1.22 billion people growing at a rate faster than China, India is on the path to become the most populous nation on earth by 2050. Nearly 70 percent of India's population will be between the age of 15 and 59 for the next 35 years. The corresponding figure for Europe and USA is about 50 percent. By 2050, there will be 1 billion employable Indians as against USA's 270 million and Europe's 450 million employable workforces. The Japanese workforce has been shrinking since 1995, and the Korean workforce will start to decline beginning 2015. China's working-age ratio will peak in 2013 and then decline by a substantial amount in the next few decades. This is touted as India's demographic dividend – refers to a period, usually 20 to 30 years, when a greater proportion of people are young and in the working age-group with a significantly low dependence ratio and high savings rate, thus spurring faster economic growth (demographic dividend could add 2 percentage points to per capita GDP growth per annum, according to the IMF). This presents a significant opportunity for India, but if not leveraged appropriately it can become a challenge by causing massive social unrest. In addition to making sure that the economy is able to generate adequate jobs, the Indian government also has to ensure that there is a matching of demand for skilled labour and its supply.

Since less than 20 percent of Indian workforce is formally or non-formally skilled, it is a huge challenge make the leap to a higher percentage. National Higher Education GER was only 20.2 percent (in the year 2011-12) as against developed economy average of 35 – 40 percent. Indian government is thus working on two-fold plan to address these problems. The government's objective is to increase the GER to 30 percent by 2020 and improve the skills of 500 million people by 2022, aiming to bridge the education-employability mismatch. The country aims to spend Rs. 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. India's expenditure on education was 3.85 percent of GDP in 2011 (UNESCO) vis-à-vis USA's contribution of 5.5 percent, 5.4 percent for UK, 3.4 percent for Japan, 5.4 percent for Russia and 2.7 percent for Pakistan. The Prime Minister has taken a direct interest in tackling this problem by setting up a National Council on Skill Development which will oversee coordinated action for skill development and also set-up National Skill Development Corporation as a PPP entity to contribute about 30% of the overall target of skilling 500 million by 2022. The Government is thus aware of the importance of role to be played by the private sector in meeting this challenge. Private vocational training institutes are thus playing an important role in this task of nation building. They compliment the public sector efforts with their Capital, Capacity, Content and Capability. In terms of Content and Capability, they hold a clear advantage vs. Public sector because of their need to address market demands in the real time. Presently there are large players in this space addressing the verticals such as ICT (Software, Hardware & Networking etc.), Media & Entertainment (Animation & Multimedia, Journalism, Acting Schools, etc.), Financial Services (Accountancy, Financial Markets, Banking, Insurance, etc.), Aviation, Hospitality & Tourism (Cabin Crew, Front Desk, F&B, Travel Agents, etc.), Gems & Jewellery (Designing, Polishing, etc.), Healthcare (Administration, Nursing, Physiotherapists, etc.) and more. Manufacturing related trades are usually covered by the government run ITI/ITCs (now also run in PPP mode). The vocational education sector is fragmented and is dominated by specialist players within a specific vocation. There are very few companies, such as Aptech, which have a scaled diversified presence across multiple verticals and vocations.

While not all emerging economies are at the cusp of a demographic dividend like India, most (if not all) leading emerging countries such as China, Brazil, Russia, Indonesia, etc. are also very actively addressing the Unemployment – Skill Gap paradox through public and private, formal and informal initiatives. Globalisation has also augmented the demand for better education, superior facilities and internationally relevant curriculum. The lack of adequate formal education infrastructure, poor quality leading to low employability and increasing propensity to spend on education are other factors driving demand for private vocational training. 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. Hence, emerging economies provide a minefield of opportunities for career-oriented education and the training industry. Aptech, with its ability to create industry relevant curriculum and career oriented courses that provide the talent and skill edge at par with international levels, is well poised to reap this harvest through its multi-product, multi-geography strategy.

Business overview

Aptech has set itself a vision to become a leading global career education company. Career education covers job-oriented content development, training and assessment targeted primarily at high school leaving students and skill upgrade needs of professionals. Based on the customer profile, Aptech's business is classified into two categories, viz. Individual Training (or Retail) and Enterprise Business (or Non-retail). Individual Training segment comprises of brands that market and deliver vocational, certification and skill upgrade courses to individual students primarily through franchise centres spread across the world. 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; MAAC
Aviation, Hospitality and Travel & Tourism	Aptech Aviation & Hospitality Academy
Language Learning	Aptech English Learning Academy

Enterprise Business segment addresses content development, training and assessment related needs of government, institutional and corporate customers. Aptech offers end-to-end solution for capability development needs of organizations and it supports educational institutes by managing their non-core activities like assessment and candidate screening. It is currently operating through following business brands:

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

The Company enjoys nearly 80% of the market share in Animation & Multimedia training segment and is a #2 player in the IT training segment in India. Aptech is also the #1 player in the Vietnam IT and Pakistan Animation & Multimedia training markets. Aptech 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.

For the last four years, the Company has focused on delivering 'Profitable Growth' and succeeded in achieving this by turning around the operations. Key pillars of this strategy have been:

1. Asset light business model: Franchising Focused
2. Multi-product, multi-geography portfolio: De-risked Portfolio
3. Network expansion with integrated back-end for all retail brands and content re-deployment across the globe: Operating Leverage
4. Investment in technology infrastructure for delivery: Process Predictability

Within the challenging macro environment, Aptech has continued to make progress on each of these pillars even in the last year. The Company has been in the process of franchising out or closing down its own centres of Individual Training brands. In FY2012-13, the Company was successful in reducing the own centre count by 8, which included 2 semi-owned centres. In continuation to the new product launches in FY2011-12 in partnerships with Hungama Digital (Digital Education) and TRRAIN Foundation (Organized Retail Training), the Company has signed partnerships with National Skill Development Corporation (NSDC) and Universal Commodities Exchange (UCX) to launch skill development and Financial Markets training products in the market. The Company started addressing the Enterprise market in a focused manner from 2003 in a bid to diversify its customer base and cater to multiple segments. In FY2012-13, Aptech has been able to increase the contribution of Enterprise Business to the overall revenue to 22.9% as against 17.1% in the previous year (25.9% to 30.6%, if MAAC revenue are excluded). It has also been successful in making an entry into four new countries viz. Yemen, Cameroon, Côte d'Ivoire and Afghanistan. Similarly, the network expansion continued at brisk pace with the gross new centre additions of 117 and overall network strength increasing from 1,046 to 1,089 (excluding China). Also, the Company was able to introduce Aptech Networking brand in Pakistan, Arena in Ghana and Aptech English in Kazakhstan, where at least one of the other brands was already present. The Aptech Aviation team was fully integrated and MAAC processes were partially integrated with the overall back-end team for Individual Training segment in the last year. As part of investment in technology to enhance the learning experience for students, Aptech developed and launched a Cloud leveraged Learning Ecosystem for seamless Learning, OnlineVarsity, which will deliver online content to students in interactive digital format.

In recognition of its performance and consistent quality across the world, the Company has over the years received many awards. In the last year, it was awarded following international honours:

- Aptech Vietnam won the 'Top ICT Training' award by the Ho Chi Minh Computer Association for 10th year in a row.
- International educational centre of Aptech at Uralsk, Kazakhstan was awarded as the best training centre in computer technology for the third year in a row at the 'National Recognition-2013' award of Kazakhstan. This centre was also awarded as the best centre in language training.
- Aptech received the award of 'Best Computer Training School of the Year' at the 2013 Uganda Responsible Investment awards from the hands of Uganda's PM Amama Mbabazi.
- Aptech – TRRAIN received the 'Best Innovation in Vocational Education & Skills Training' award at the World Education Awards 2012.

Financial performance

On a consolidated basis, the Company's Operating Revenue for the year ended March 31st 2013 stood at Rs. 16,921.02 lac, reflecting a decline of 3% amounting to Rs. 521.34 lac. MAAC revenue declined as compared to FY2011-12 by Rs. 1,641.73 lac due to the change in accounting policy on revenue recognition. Hence, excluding MAAC the Operating Revenue has shown a growth of 10%. The Company has improved its Operating EBITDA margins by 2% as compared to previous year by achieving better cost efficiencies, closure/ franchising of own centres and improved performance across businesses. Operating EBITDA stood at Rs. 2,671.25 lac for FY2012-13 as against Rs. 2,402.86 lac for FY2011-12. Operating EBITDA in the domestic Individual Training business improved to 22% from 21% in the previous fiscal, with the international market Operating EBITDA margin at 37%. Operating EBITDA margin of Enterprise Business improved from 25% in the previous fiscal to 33% in the last fiscal. This was mainly on account of higher revenue and improvement in per test realization in the Aptech Assessment & Testing Solutions business.

The Company did not receive a dividend from its China operations in FY2012-13, unlike previous year when it received a dividend of Rs. 5,038.42 lac. However the company received a dividend of Rs. 3.02 lac from its 9.09% investment in Syntea, Poland in the current fiscal. There was a gain of Rs. 67.94 lac on account of FOREX movements. The Company continues to hold a strong balance sheet, with zero debt, cash balance of Rs. 12,021.73 lac and debtors equivalent to sales for 55 days.

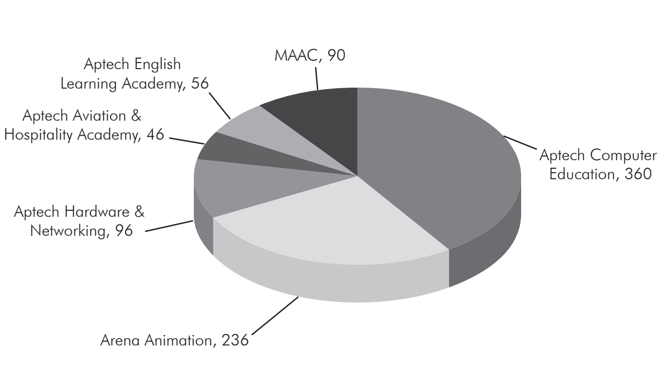
Segment – wise Financial Performance

(Rs. in lacs)

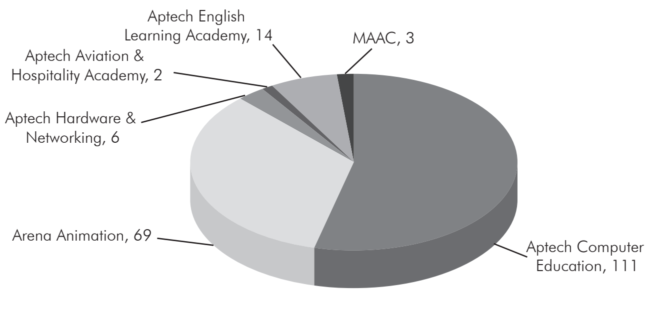
	FY 12	FY 13	Variance	FY 12	FY 13	Variance
Segment	Retail			Non-Retail		
Operating Revenues	14,461	13,051	-10%	2,981	3,872	30%
Operating EBITDA	3,709	3,493	-6%	753	1,272	69%
Operating EBIT	3,103	2,982	-4%	705	1,174	67%
Capital Employed	2,009	1,797	-11%	135	350	160%

INDIVIDUAL TRAINING

Brand-wise spread of network (Domestic) as on 31st March 2013



Brand-wise spread of network (International) as on 31st March 2013



International Individual Training Business (excluding China)

International Individual Training business is one of the key growth drivers identified by the Company. It has set an internal target for the International Business to contribute 50% share in Individual Training (excluding domestic MAAC, excluding China) revenue by the year 2014. The International business contributed 46% of the Individual Training (excluding domestic MAAC, excluding China) revenue in FY2012-13. This has been achieved on the back of following strategies::

- 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

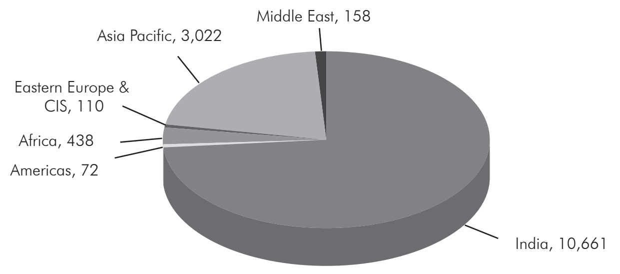
In FY2012-13, the Company entered four new countries - Yemen, Cameroon, Côte d'Ivoire and Afghanistan. On the breadth front, the Company was able to introduce Aptech Hardware & Networking brand in Pakistan, Arena in Ghana and Aptech English in Kazakhstan. In all, there were 23 new centres signed-up in FY2012-13 as against 35 in previous fiscal. The Company also signed up a Master Franchise for its Aptech Computer Education and Arena Animation brands in Nepal.

The Company has invested a sum of US$ 500,000 in Syntea SA of Poland for 9.09% stake. This is the first time Aptech is exploring a new entry strategy to acquire minority stake in an existing education company. Syntea SA has launched Arena and Aptech Aviation products in Poland. It will in FY14 extend them to Romanian and Bulgarian markets. Syntea SA has also remitted Rs. 3.02 lac as dividend for CY 2012.

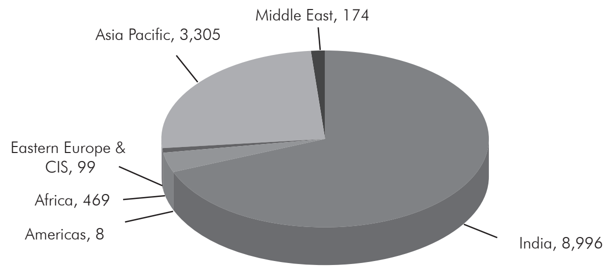
Indian Technical and Economic Cooperation (ITEC) is a programme run and fully funded by the Government of India where youth from 158 countries in Asia, East Europe (including the former USSR), Central Asia, Africa and Latin America are invited to India for training in various fields. This is done to encourage cooperation and partnership among developing countries. Aptech is empanelled by the Ministry of External Affairs, Government of India, to provide short-term (8 to 10 weeks) courses in English communication, IT skills, web designing and graphic design to ITEC participants. Aptech was assigned a greater number of course weeks in ITEC and had received multiple new projects in Malaysia and India Window Program business. On account of increased traction from these International Projects, overall revenue from the International business grew by 7%. But with the ITEC student preference shifting towards Multimedia and Language skills and decline in IT Training revenue from Vietnam, contribution of IT Training revenue to the International markets has come down to 13% from 14%. On account of higher contribution by the International Projects business, the Operating EBITDA margin has come down from 38% to 37%.

Aptech also focused on resolving some long pending issues within the network such as Non-RFF outstanding issue in Sudan, study material income from Nigeria, MF outstanding issue in Nigeria and Aptech Computer Education MF and Arena MF issues in Pakistan. All these were resolved and a large portion of the pending cash flow was received. The Company also launched a new product Aptech Learning Ladder (IT & Multimedia curriculum) in the international market targeted at K12 schools.

Region-wise Revenue (Rs. Lac) FY 2011-12



Region-wise Revenue (Rs. Lac) FY 2012-13



Domestic Individual Training

The Company has integrated back-end for all its Domestic brands. There were many new initiatives carried out by the back-end teams to improve operational efficiency, enhance student experience and streamline processes.

MAAC

MAAC was acquired by the Company in April 2010. It is India's leading educator in high-end 3D Animation and Visual Effects. MAAC is visualized as a premium brand by the student community for its industry interfaces, global events and best-in-class infrastructure.

The brand was predominantly present in the metros and tier-I towns and hence was impacted in FY2011-12 due to increased competition from entry of new players and dispersion of demand to smaller towns. The Company has countered this by focusing on network expansion especially in the smaller towns. 13 new centres were signed-up in FY2012-13 same as previous fiscal. 3 out of these 13 centres were opened in the smaller towns. MAAC had an alliance with the premier national Open University IGNOU for offering degree courses in Animation and Special Effects. These degree courses are a key contributor to the overall booking of MAAC with their contribution increasing from 22% in FY2010-11 to 32% in FY2011-12. Post the July drive for admissions, on account of internal deliberations, IGNOU decided to temporarily halt all its alliance courses (including MAAC). While the impact of this decision was mitigated for the admissions done in the July drive by approaching the Delhi High Court, the brand has not been able to accept any degree enrolments since Q3 of FY2012-13. Due to this, booking for degree courses fell by 19% in FY2012-13 and overall booking remained flat as compared to previous fiscal.

The Company changed its accounting policy from July 1st, 2011 onwards to align the policy with broader Aptech policies and 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. This has impacted the brand revenue negatively with the revenue declining by 28% vis-à-vis previous year. While there was an impact from this change on brand EBITDA as well, the Company was successful in maintaining the absolute EBITDA levels at Rs. 695.42 lac vs. Rs. 704.84 lac in FY2011-12.

MAAC continued to innovate and maintain its differentiation through unique student events. There were many such events organized throughout the year, from 'MAAC Manifest' (seminar) to 'Crackdown' (gaming contest) to '48 hrs – Race against Time' (Animation Marathon) to 'Bollympics' (script writing contest) to National Student Meet (NSM) and many more. The premier among these events was the 10th 24 FPS Awards show. This year the format of the awards show was modified by also adding a 24FPS festival for the students. This edition was organized in partnership with United Nations Information Centre (UNIC) with the theme 'Future We Want'.

The brand launched D3D (Career course in 3D Animation film making), SMOKE Editing and a new Photography course in partnership with Canon. It also conducted 'Art for Smart' workshops as a new revenue model. On the marketing front, new initiative to involve enquiries in Chroma shoot, character design, sketching, etc. for them to get an actual feel before registration was launched across centres. MAAC also tied-up with the Amazing Spiderman movie and launched a joint TV campaign around the movie.

During the year all indemnification claims, covering both statutory/ business claims from the erstwhile promoters of MAAC were completed and received. The total amount received from April 2010 till date is Rs.2.78 crore and balance amount of Rs. 1.93 crore in the Escrow account will be returned to the erstwhile promoters.

Arena Animation

Arena Animation, the leader in Animation & Multimedia education in India, is Aptech's brand with a basket of offerings for vocations within the Media & Entertainment industry. The brand started by focusing on Multimedia courses, but has expanded the offering to a broader set of courses in Animation, Gaming, Web Design, eLearning, Mass Media and Visual Effects. The Company has built a strong brand, which is positioned in market as a mass market brand. The brand is continuously expanding its footprint across the country with deeper penetration in the hinterland. 22 new centres were signed-up in FY2012-13 as against 14 in FY2011-12.

The brand took an aggressive approach towards marketing in the current fiscal by launching a 360^0 marketing during the enrolment season. The Company produced and released India's first 3D commercial for the brand across all media, including cinema halls, which included animated characters called 'Dudolls'. Merchandize for the 'Dudolls' was also launched. Entire campaign was quite well received and this resulted in an increase of 3% in the student booking for the brand. The brand also jointly produced and released a TV ad campaign in association with the Indian animation feature film 'Delhi Safari'. The revenue was flat as compared to previous financial year, but the Operating EBITDA margin dropped from 62% to 46% on account of higher marketing spends (155% jump) and higher revenue contribution from reimbursable marketing expenses.

On the product front, the brand rolled out upgraded Graphic and Web Design course and launched a new course on Smoke Editing. It also launched repurposed sub-brand 'Arena Point' for smaller towns with 4 programs covering Design, Publishing, Web & Multimedia. From the booking perspective, University courses continued to set the pace for growth at 23% and short term courses also grew by 4%. Student events were a key point of focus during the year for the brand as an integral part of its aggressive marketing push and to enhance student engagement and learning experience. It expanded the scale and number of Perspective seminars, Creative Mind and Creative Hunt contests across the country. The brand also successfully launched a new national event 'Orbit Live' as an industry-student interface event. The event saw enthusiastic participation from 270 students and ~70 industry experts. The brand has also been very visible on social media with presence across platforms like Facebook, Twitter, Pinterest etc. and connection with more than 100,000 people. The brand gave a major push on placements in FY2012-13 and was able to successfully increase the number by 20% over previous fiscal. This was achieved by expanding the recruiter base with 60 new clients.

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

Aptech Computer Education delivers software training and Aptech Hardware & Networking Academy cover the hardware and networking segments within IT Training. The Company is the number 2 player in this space in India, with a total of 456 centres across the country as against 449 at the end of FY2011-12. The network expansion continued at a brisk pace for both the brands with 23 new Aptech Computer Education centres and 27 new Aptech Networking centres signed-up during FY2012-13. The Company continued to franchise out its own centres - 3 Aptech Computer Education own centres and 2 Aptech Hardware & Networking Academy own centres – in the current fiscal.

The market continued its shift towards degree and certification products. The Company's new alliance with Mahatma Gandhi University, Meghalaya, and alliance with Microsoft, Oracle (includes Sun) and Red Hat have helped deliver 61% and 22% in University and certification program booking respectively. As a result of the good performance of these two product categories, overall student booking for the brands has gone up by 3%, thus reversing the declining trend since the year 2008.

In FY2012-13, the Company launched many new courses and upgraded its existing courses with latest technology updates. Courses and modules on Android, HTML5, Design Patterns, Oracle 11g, Java SE6/7 were integrated with existing courses of Aptech Computer Education. Following courses were launched in Aptech Computer Education in the current financial year:

- Smart Professional 75 days Java course with alliance courseware
- Application development technologies based STC combo with certifications mapped to Microsoft
- App creation for Windows 8 based on Visual Studio 2012, HTML 5
- Smart Professional 75 days Open source technologies course

Similarly, following new courses were launched in Aptech Networking:

- ACESE with specialization in Cloud & Virtualization
- ACSA Pro
- Smart Professionals courses for Virtualization, Storage, Security and Wireless Networks
- Extended CISCO programs in Routing & Switching, Voice, Security
- BSC & Diploma in Hardware & Networking with MGU

In addition to launching many new products, the Company also carried out many seminars and student events to improve the learning experience and increase industry interaction. Seminars on career workshop, app development under the proposition 'Learn the Future' and Microsoft were carried out by the Academics team for IT Training brands. Microsoft's Visual Studio 2012 was first rolled out at select Aptech centres through demo workshops. Student events included 'Technominds' programming competition, 'Developers Byte' Quiz at Aptech Computer Education centres, 'Protocol' Quiz at Aptech Networking centres and successful execution of World Skill Competition for Web Design skill in association with NSDC and NASSCOM. The brands are in discussion with colleges for tie-ups for bulk admissions in many regions. The Company pitched Smart Professional and Certification programs to Engineering/ BCA-MCA students by marketing NacTech, Skill app, Yuva scholarship and job fair at college premises. The team was also successful in resolving all pending issues related to MSU exams and exams were conducted for IT Training and Arena. For Aptech Computer Education, placements grew by 25% over previous year with students placed into 110 new clients.

Revenue from IT Training brands declined by 7% as compared to FY2011-12 on account of closure of own centres. Decline in annual royalty from Fixed RFF centres by Rs. 20.93 lac as compared to FY2011-12 also contributed to the revenue decline, but the impact of this drop was felt more on the EBITDA margins, which came down from 2.1% to 1.3%.

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

Aptech Aviation & Hospitality Academy addresses the front desk and junior executive staffing requirements of Aviation, Hospitality, and Travel & Tourism verticals. The academy is well known for its specialization in developing talented ground staff and airport management executives unlike other academies which focus on addressing the crowded cabin crew segment. The academy has diversified to address other verticals like Hospitality and Tourism, which have similar skill requirements.

While the year was a mixed bag for the aviation sector, on one hand low cost airlines such as Indigo, SpiceJet and Go Air were doing very well and on the other hand Air India continued to generate losses and Kingfisher stopped operations due to financial issues. This however did not significantly affect the business for the academy. For the first time in 7 years since inception, the academy delivered positive Operating EBITDA for the full year in FY2012-13 (3% vs. -34%). This was possible on account of increase in student booking by 6% in FY2012-13 over and above the 16% jump in the previous fiscal. As a result, the revenue for the brand was higher by 17% as compared to FY2011-12. Employee costs for the brand came down significantly by 28% because of the change in the royalty sharing model in FY2011-12 from 40% to 28%. In this new model, the franchisees are expected to recruit and retain the faculty on their rolls, unlike in the previous model where Aptech provided trainers.

Aptech Aviation received the award for Best Aviation Academy for Placements (in the Mumbai region) from Brand Academy. In FY2012-13, 5 new Aptech Aviation centres were signed-up in the domestic market. With the net addition of 1, the centre count ended at 46 in India. During the year, the Company extended its alliance with Mahatma Gandhi University (MGU), Meghalaya to the Aptech Aviation brand. The academy also completed the necessary activities related to portal roll-out of these alliance courses with MGU. The new courses rolled out in FY2012-13 were as follows:

- BA in Aviation, Tourism and Hospitality Management (3 years)
- Advance Diploma in Aviation and Tourism (2 years)
- Diploma in In-flight and Ground Staff Services (1 year)

Aptech English Learning Academy (formerly known as English Express)

Aptech English Learning Academy (then known as First English) was acquired in 2009 as a 4 own centre operation in Bangalore. As on 31st March 2013, there were 56 centres of this brand with no own centre. Courses offered cover Business English, Spoken English, Accent Training, and TOEFL & IELTS preparation. In FY2012-13, the Company opened 4 new centres in the domestic market, but at the same time closed 1 centre. During the year, the brand did achieve EBITDA break-even in Q3 and has been able to reduce the Operating EBITDA loss from 113% to only 18%. This has been achieved on account of 148% bump in the revenue, 72% increase in enrolments and 90% growth in booking. The Company piloted an online version of Language Lab to help students leverage the product at a time and place of their convenience. A composite course of English training and Personality Development was developed to meet the employability gap among Engineers and Graduates.

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 22.4% 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 did not generate a dividend income in FY 2012-13.

ENTERPRISE BUSINESS

Aptech Assessment & Testing Solutions (formerly known as ATTEST)

In FY2012-13, Aptech Testing business delivered 1.81 million tests vs. 1.55 million tests in FY2011-12. This was achieved due to tailwinds for this business on account of increased acceptance for computer aided testing in India. Strong and efficient delivery of new orders from AICTE, NASSCOM and ICFAI won in FY2011-12 ensured that the division delivered a top-line growth of 68% in spite of decline in Symbiosis enrolments for distance learning and end of ICSI project.

A milestone achievement for the Assessment & Testing business in FY2012-13 was the successful, glitch-free conduct of the Common Management Admission Test (CMAT) exam for over 1,30,000 students across 62 cities, 124 centres in the country over a period of 5 days. With an average of over 25,000 exams in a single day, this project was the largest such roll-out in India. The division also won new business from AICTE to conduct Graduate Pharmacy Aptitude Test (GPAT) in FY2013-14. Aptech Testing was selected as the assessment partner by National Skill Development Corporation (NSDC) for selecting Indian representatives for the World Skill competition in the Web Design segment.

Operating EBITDA margin for the brand went up from 34% to 40% in FY2012-13 on account of operating leverage from higher revenue and per test realizations. Per test realization increased from Rs. 112 in FY2011-12 to Rs. 161 in the current fiscal, an increase of 44%.

Aptech Training Solutions

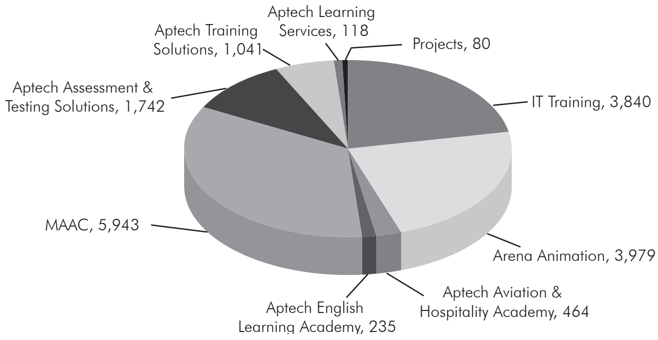
Aptech caters to the training needs of Corporate, Public and other institutions. The Company offers customized training programs in IT, soft skills and product roll-out, targeting middle to lower management within the organisation. Overall revenue from the Training Solutions business dropped by 22% and contribution of IT training to this business decreased from 64% to 46% in FY2012-13 due to end of project with ICSI and challenges in fulfilment of orders due to shortage of trainers. Operating EBITDA margins for the business dropped from 13% to 9% on account of decline in revenue.

The delivery team executed Trainer Touch Program by regularly maintaining contact with empanelled trainers to ensure retention. Business development initiative was strengthened by focusing on key account development. This resulted in two existing large customers, a telecom company and an auto major, renewing their contracts at higher prices. The company received an order to train the indirect tax department of a state government on IT, started delivery for an order from a leading private bank for soft skills training and also received a training order from one of the telecom operators.

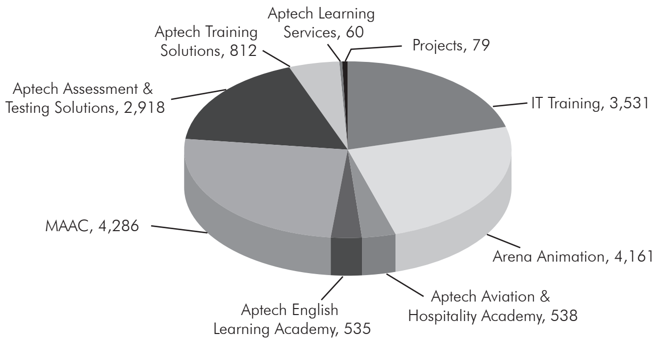
Government Projects & Learning Services

In the government school projects business, the Company is currently executing Technical Support & Training Service Provider (TSTSP) project with the government of Gujarat. The Learning Services division is an extension of the Company's internal content development function. Currently, the division is only servicing existing customers from Europe. The revenue for both these businesses put together declined by 30% as compared to FY2011-12. This trend is expected to continue in the light of the Company defocusing from these businesses.

Brand-wise Revenue (Rs. Lac) FY 2011-12



Brand-wise Revenue (Rs. Lac) FY 2012-13



New initiatives

In the year gone by Aptech signed an agreement with the National Skill Development Corporation (NSDC) as part of which the Company would provide job-oriented training in a range of vocations to meet the growing demand for skilled manpower. As part of the Aptech-NSDC arrangement, the Company would form a separate SBU to train more than 2.33 million people over 10 years in a wide array of disciplines that include Banking, Financial Services and Insurance (BFSI), IT/ITeS, Media & Entertainment, and Organized Retail. Under the agreement, NSDC would also provide a soft loan of Rs 7.5 crore to Aptech for the skills training initiative. Aptech will set-up up to 500 new centres under the proposal and plans to provide learning through technology-enabled methods in remote areas of the country.

Aptech also announced a three year strategic partnership with Universal Knowledge Management Pvt. Ltd (UKMPL), the training arm of Universal Commodities eXchange (UCX) to provide training to individuals in the financial services domain. In the initial phase the partners will focus on hands on training in the Commodity, Equity and Currency markets. Short term certificate courses, covering the above mentioned markets are expected to be launched in FY2013-14. UCX will also hold its certification tests through Aptech. Aptech will take care of branding, marketing & infrastructure, while UKMPL will provide content and deliver the training programs.

The Company had in the previous fiscal year entered into partnerships with Hungama Digital Media Entertainment Pvt. Ltd. for mEducation products/services in India and Trust for Retailers and Retail Associates of India (TRRAIN) foundation to train people in retail management. First product launched from the Aptech-Hungama stable was iEnglish, a Hindi to English course, on Airtel's DTH platform. In FY2012-13, the partnership launched its second product on 'Spoken English' in December 2012 on Airtel's IVR platform. The Company also formed Aptech Hungama Digital Learning LLP to drive this initiative with an initial investment of Rs. 2 lac each, funded by both parties.

Opportunities

Availability of the right set of skills is a critical requirement to secure a bright career for an individual and to deliver sustained economic growth for a nation. Hence, demand for job-related training is influenced by both micro and macro-economic factors across the world. It is very important for an emerging economy to minimize mismatch in demand and supply for skills.

India

In a population of 1.22 billion, an estimated 0.68 billion people are in the age group of 15-64 years – considered the working age population. Out of this, approximately 12% fall into the Company's key target age-group of 18-24. This large and young human resource pool requires necessary skills to get employed and meaningfully contribute to the country's economic growth. For the Higher Education segment, during the Eleventh Plan period (2007–2012), India achieved a Gross Enrolment Ratio (GER) of 20.2%, up from 12.3% at the beginning of the Plan period. This is much below the world average of 27%, as well as that of other emerging countries such as China (26%) and Brazil (36%) even in 2010. Also, a report by Aspiring Minds, an employability assessment firm, highlighted the skills gap, particularly in the IT product development space. According to the report, titled "The National Employability Report, Engineering Graduates, Annual Report-2012," although India produces more than 500,000 engineers annually, only 2.68% meet the skill requirements of the IT products sector. The report estimated that nearly 92% of engineering graduates in India lack computer programming and algorithms skills and around 56% lack soft skills and cognitive skills. This example clearly outlines the failure of formal sector to adequately address the skill needs of the companies. Private institutions now account for 64% of the total number of institutions and 59% of enrolment in the country, as compared to 43% and 33%, respectively, a decade ago. Hence, even private formal institutions have been unable to change the scenario much. This leaves a lot of room for private vocational training institute such as Aptech to provide specialized job focused short term and long term courses.

Opportunities in the Testing business: In the last few years, India has witnessed an increasing trend of management entrance tests shifting to computer aided assessment from "paper and pencil" tests. The trend started with the Common Aptitude Test (CAT) for admission to Indian Institutes of Management, then NMAT (for entrance to Narsee Monjee Institute of Management Studies) and now the new Common Management Aptitude Test (CMAT) from AICTE. Even the JEE (Main) test (a pre-requisite for admissions to undergraduate Engineering programs at NITs, IIITs, other centrally funded technical Institutions, institutions funded by several participating State Governments, and several other Institutions) now offers examinees a choice of opting for computer aided assessment. From 2013, Graduate Pharmacy Aptitude Test (GPAT) for admission in to all post graduate pharmacy programmes in AICTE approved institutions will also go online. This trend has been a watershed moment for the Testing business in India, which started with early adoption by Corporates conducting recruitment tests and a few distance learning institutes for their semester ending exams. Going forward we expect this trend to accelerate. Public sector / Government also provide a huge market for recruitment exams.

International

Aptech is currently present in 15 out of 30 top emerging markets identified by Global Intelligence Analytics based on survey where companies identified the key emerging markets that they planned to target in 2012-2017. This includes 6 out of the top 10 emerging markets in the survey.

Key among these markets for the Company, excluding India, from a size perspective are China (ranked 3), Vietnam (ranked 7), Nigeria (ranked 16), Pakistan (ranked 29) and Russia (ranked 4).

China: China has been the leading emerging economy from a size and growth perspective. While it has also been impacted by the global economic slowdown, the growth rates are still in high single digits. From the perspective of higher education perspective, the number of annual graduates has increased from 1.1 million in 2001 to 6.1 million in 2009. In 2011, this number is expected to reach 7.6 million. Chinese spending on Education has grown exponentially since 1999, now reaching over RMB 216 billion in 2010. China has opened up its education market to the world upon joining the WTO in 2001. Private sector training institutes are highly encouraged by the Chinese government in order to develop a more skilled workforce to meet industry demand. Around 100 million Chinese take part in some form of training each year. The training industry is currently fragmented with no single training organization claiming a significant share and English Language, IT and children's education are the three largest training market segments. This means that the sector now provides investors and operators with a wide range of opportunities.

Nigeria: Nigeria is the most populous country, and the second largest economy in Africa. While the economy is dominated by the Oil and Natural Gas industries, there are many other developed sectors such as Financial Services, Entertainment etc. One of the biggest challenges facing the country today is providing employment for its growing number of job seekers. According to various studies, there is a huge mismatch between skills of young graduates of higher educational institutions and the needs of labour market. Therefore, the enhancement of technical and vocational education and training is a major part of the four-year Strategic Plan for the development of the education sector (2011 to 2015) released by the government. In spite of the existence of many universities, polytechnics and similar institutions, educational institutions have been largely disconnected from industrial and socio-economic needs by consistent neglect of competence and undue emphasis on paper qualification according to a report in 2011. Virtually all reports have rightly noted that there is a preference for university education without emphasis on the skill needs of industries and poor national manpower planning. Further, the formal education sector is marred by the unpredictability of the academic calendar, strikes, poor funding, lack of infrastructure, autonomy problem and a host of other issues. Hence, private vocational institutes have a big role to play in improving education for Nigerian citizens.

Vietnam: Technical and vocational education and training (TVET) is central to Vietnam's aspiration to become an industrialised country by 2020. Currently there is a shortage of skilled labour but at the same time around 1.4 million people enter the labour market every year. Only 15% of the workers have completed formal vocational training. The Vietnamese Government has, therefore, put vocational skills training at the centre of its development goals. It aims to increase the trained, skilled worker pool to 55% by 2020 with a third of them completing intermediate/ advanced vocational qualification. Current figure for trained workers is only 30% of the total. In August 2009, government launched a project "Renewal and Development of Vocational Training System by 2020" which will expand and improve Vietnam's VET system to provide 90% of its eligible population (approx 25 million) with vocational training by 2020. The project aims to establish 230 vocational colleges and 310 vocational intermediate schools nationwide, and train 40,000 people to become vocational trainers. The scheme will require VND41 trillion (US$2.29 billion) to be provided by the State. The Government is also promoting improvements in the quality and needs-based focus of training.

Pakistan: By the year 2020, Pakistan's population is projected to reach 200 million and by 2050, in a business as usual scenario, the country will have 309 million people. Over the years, an increase in the number of vocational and technical institutions has been accompanied by a sizeable growth of technical, vocational and agro-technical education in various regions in Pakistan. However, this spread is not in line with the needs of the job market and there is a shortage of technical manpower because only 255,636 students are enrolled in 3,125 different vocational education and training institutes across the country. According to the United Nations Educational, Scientific and Cultural Organisation (UNESCO) report, Pakistan presently had 64 technicians per one million population, while the same figure for the technically advanced countries was in the range of 1,500 to 2,500. The country urgently needs to introduce a new type of vocational high school that is linked with the private sector.

Russia: In 2004 state spending for education amounted to 3.6% of GDP or 13% of consolidated state budget. In 2011, the spending on education amounted to US$ 20 billion. The literacy rate in Russia, according to the 2002 census, was 99.4%. According to a 2008 World Bank statistic 54% of the Russian labour force has attained a tertiary (college) education, giving Russia the highest attainment of college-level education in the world. with But only 20 percent of Russians graduate with technical degrees and hence there is a shortage of specialists capable of making innovation and modernization happen. Technicians, trades people and labourers are a crucial ingredient in efforts to make Russia more competitive and less dependent on energy exports. With only 35 percent of employers satisfied with the skills of employees graduating from vocational programs, there is a need to shore-up the quality of vocational education in Russia to the international levels. This presents a real opportunity for global private vocational institutes.

Outlook

Key growth drivers for the Company will continue to be its Animation & Multimedia brands in the domestic market, the International Retail business as a whole, and the Assessment & Testing business. In the longer term, the Company expects some of its new initiatives from Digital Education to Retail training to Skill Development segment to Financial Services training to scale and be the next growth drivers. Since the Aptech Aviation and Aptech English businesses have either achieved break-even or are very close, in the coming years the Company expects an increase in margins on account of improving profitability in these businesses and operating leverage from established businesses.

With the spectacular performance of Animation and Special Effects films such as Life of Pi, The Hobbit, The Croods, Chhota Bheem, Eega etc. in the last one year, outlook for Animation and Multimedia training brands of Aptech in the domestic market is expected to be positive. The Company is hoping to exploit this positive environment by continuing with its expansion for both the brands. It will also continue to launch improved version of existing and newer courses within the overall Media & Entertainment space to meet the demands of the students/ Corporates.

Aptech's efforts to revive growth in its IT Training brands by focusing on alliance and short term products worked to an extent in the domestic market in the last year. This was a response to the slowdown in long term enrolments due to significant surplus capacity in the IT segment of formal education (Engineering & BCA/MCA). The Company expects these segments to continue to do well going forward and the focus on 'Employability' programs will remain.

While the overhang of slowdown in growth has reduced to a large extent, current outlook for the emerging economies is a mixed bag. In addition to the overall economic scenario, there are issues related to the competitive scenario (e.g. Vietnam where the formal education has built up significant capacities in the IT Training segment), political unrest (Nigeria, Syria, Sudan) and regulatory framework (Philippines) that impact the market for the Company's offerings. But the continued positive trends in International Projects, Pakistan, Russia, Middle East (excluding Syria) and Africa (excluding Nigeria, Sudan) are expected to deliver growth in the International business. The Company also expects the introduction of new products such as Aptech Learning Ladder and Retail training to support this growth momentum. The Company will continue to expand its network in Length, Breadth and Depth (LBD) terms and thus achieve its objective of International Retail contributing 50% of the overall Individual Training business (excluding MAAC).

Acceptance for Online Assessment & Testing is on an upswing in India. Given the track record, strengths as an established player and the first mover in this space in India, Aptech has the ability to exploit this market potential to the maximum. It continues to aspire to build similar advantage in other international markets where Aptech centres are present. The focus in near future will also be on profitably expanding the Retail Training and Digital Education initiatives, which were launched in FY2011-12, and hit the ground running with the NSDC and UCX partnerships. The Company also continues to look at more segments within the Career Education and adjacent spaces.

Risks, challenges and concerns

Specific significant risks and challenges for Aptech's businesses are:

- Finding the business partners aligned with Aptech's vision and practices
- Maintaining consistency in quality and contemporariness of content
- Ensuring consistent and quality delivery at franchise centres
- Impact of legislation and changes in regulatory norms

governing the education sector at state, national and international levels

- Availability of jobs in specific sectors impacting student enrolment in vocational training for those sectors
- Pace of market acceptance of online testing is a key challenge for the Assessment & Testing business

In addition to these, the Company also faces the generic risks from technology obsolescence, human resource management and currency fluctuation. The Company has put in place Risk Management policy to control and mitigate such business risks. The Company's strategy of multi-product, multi-geography also helps it de-risk from performance issues in a specific product or geography. In addition to these the Company carries out regular monitoring and review of identified risks through its internal audit processes.

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 covers 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 differentiated customer experience, this department undertook some key initiatives during the year:

- Development of OnlineVarsity, a Cloud leveraged Learning Ecosystem for seamless Learning, to deliver an enhanced content and learning experience to students. In addition to making the course content available online in interactive digital format, this portal will also provide students with additional resources in the form of expert videos, online query resolution, references, etc.
- Performance statement and certificate issuance process and University admission and exam form process were outsourced to an external agency.
- Day-to-day management of the University Alliance activities is handled by the Academic Support function. This team worked on revamping the admission process to Mahatma Gandhi University and revalidation of the delayed July 2012 admissions of MAAC students to IGNOU course.

Asian Institute of Communication and Research (AICAR) Business School

The Asian Institute of Communication and Research (AICAR business school) was set up 12 years ago in the outskirts of Mumbai at Neral with the aim of nurturing world-class management and communication professionals. 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. The institute has a sanctioned student intake capacity of 240 students in a batch covering PGDM, PGDM – Banking, Insurance and Finance, PGDM – Aviation and MMS (in affiliation with Mumbai University) programmes. But with the MBA sector having significant excess capacities across the country, the student intake in the previous year was badly affected. To counter this trend, the school has taken first steps to diversify into short term programs and corporate training during the year. The institute is developing a Digital Marketing course in association with Prof. Ashley Braganza of Brunel Business School, UK. It has also developed an "AICAR Banker" program (5-month duration) for providing manpower to Banking Industry and will be launching it in FY14. It has already rolled out a Women Entrepreneurship Program called as 'Secret of Success' in association with Juhu Parle Education Society. First batch of 20 has already commenced and 3 more batches will held at one per quarter in next 12 months. The institute also successfully completed ISO Certification process.

Material developments in Human Resources

Aptech's pool of human capital is one of its biggest reasons for success as a preferred franchisor and leading career education provider. The Company has since the past four years redesigned the organization model in line with its strategy of "Profitable Growth". As part of this reorganization, we have carried out following activities:

1. Combined the backend operations of all our retail brands into a single function
2. Synergized the sales teams for Enterprise business into a single function
3. Rationalized the top management bandwidth

The Company has also exited from some of its owned centres, thus reducing the own staff count deployed at these centres. The total number of employees with the Company as on March 31, 2013 was 434, out of which 66 were from MAAC, as against 462 at the end of previous financial year. The Company's gross recruitment was 83 new employees during the year.

The Company has continuously endeavoured to create a conducive and productive work environment by keeping its employees engaged and capability development initiatives. It has also kept its internal policies and procedures updated to be in step with the changing times. As part of this activity, policies on 'Responsible usage of Social Media' and 'Prevention of Sexual Harassment at the Workplace' were rolled-out in the company. One of the key CSR activities carried out by the Company to increase employee engagement was to partner with the Give India foundation for its Payroll Giving program.

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 2013 under review, the Board of Directors met 4 times on 7th May, 2012, 20th July, 2012, 31st October, 2012 and 22nd January, 2013. 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 year and at the last Annual General Meeting held on 20th July, 2012, 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 year ended 31st March 2013	Whether attended AGM held on 20th July, 2012	No. of Directorships in other public companies incorporated in India as on 31st March 2013	No. of Committee positions held in other public companies incorporated in India as on 31st March 2013	
					Chairman	Member
Mr. Rakesh Jhunjhunwala, Chairman	Promoter Non- Independent Non-Executive	3	Yes	5	Nil	Nil
Mr. C. Y. Pal, Vice Chairman	Independent Non-Executive	4	Yes	4	1	3
Mr. Ninad Karpe Managing Director & CEO	Non Independent Executive	4	Yes	5	2	1
Mr. Asit Koticha	Promoter Non Independent Non-Executive	1	No	Nil	Nil	Nil
Mr. Rajiv Agarwal	Promoter Non Independent Non-Executive	3	Yes	2	Nil	Nil
Mr. Ramesh. S Damani	Independent Non Executive	4	Yes	1	Nil	Nil
Mr. Utpal Seth	Promoter Non Independent Non-Executive	4	Yes	9	Nil	1

Names of the Directors	Category	No. of Board Meetings attended during the year ended 31st March 2013	Whether attended AGM held on 20th July, 2012	No. of Directorships in other public companies incorporated in India as on 31st March 2013	No. of Committee positions held in other public companies incorporated in India as on 31st March 2013	
					Chairman	Member
Mr. Vijay Aggrawal	Independent Non-Executive	4	Yes	4	2	2
Mr. Walter Saldanha	Independent Non-Executive	4	Yes	Nil	Nil	Nil
Mr. Yash Mahajan	Independent Non – Executive	2	Yes	1	Nil	Nil
**Mr. Anuj Kacker	Non Independent Executive	1	N.A	2	Nil	Nil
**Mr. Maheshwer Peri	Independent Non- Executive	2	N.A	Nil	Nil	Nil

**Mr. Anuj Kacker was appointed as a Wholetime Director on the Board of the Company w.e.f 1st November, 2012.

** Mr. Maheshwer Peri was appointed as an Independent Non – Executive Director on the board of the Company w.e.f 31st October 2012.

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

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

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

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

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

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

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

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

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

g. Is not less than 21 years of age.

Other Provisions:

The Company also confirms that it did not have any material pecuniary relationship or transaction with any Non-Executive Director during the year ended 31st March 2013, except for the payment of Sitting Fees made to them for attending the Board and/or the Committee meetings and commission.

The information as required under Annexure 1 to Clause 49 of the listing agreement is being made available to the Board. The Audit Committee of the Board of Directors periodically 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 has 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 year ended 31st March, 2013. Necessary declaration to this effect signed by the Managing Director forms a part of the Annual Report of the Company for the year ended 31st March, 2013.

AUDIT COMMITTEE:

The Composition of the Audit Committee as on 31st March, 2013 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, reappointment 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 7th May, 2012, 20th July, 2012, 31st October, 2012 and 22nd January, 2013, 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 year ended 31st March 2013
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 20th July, 2012.

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:

During the year under review, the Committee met once on 31st October, 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 year ended 31st March 2013
Mr. Ramesh S. Damani – Chairman	Independent, Non Executive	1
Mr. Asit Koticha	Promoter, Non Independent, Non Executive	-
Mr. C. Y. Pal	Independent, Non Executive	1

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

STRATEGY COMMITTEE:

During the year under review, the Strategy Committee met 5 times on 23rd April 2012, 7th May 2012, 20th July 2012, 31st October 2012 and 22nd January, 2013. The composition of the Strategy 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 year ended 31st March 2013
Mr. Vijay Aggarwal – Chairman	Independent, Non-Executive	5
Mr. C. Y. Pal	Independent, Non-Executive	5
Mr. Utpal Sheth	Promoter, Non Independent, Non-Executive	4
Mr. Rajiv Agarwal	Promoter, Non Independent, Non-Executive	4
Mr. Ninad Karpe	Non Independent, Executive	5

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 year ended March 31, 2013:

Nature of Complaints	Received	Resolved	Pending
Relating to Transfer, Transmission etc.	1	1	NIL
Other / Miscellaneous	7	7	NIL
TOTAL	8	8	NIL

Pending Transfers:

There were no pending transfers as on 31st March 2013.

REMUNERATION AND COMPENSATION COMMITTEE:

During the year under review, the Remuneration and Compensation Committee met 2 times on 7th May 2012 and 22nd January, 2013. The composition of the Remuneration and Compensation 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 year ended 31st March 2013
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	Independent, Non-Executive	2

The terms of reference of the Remuneration and 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 and 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.

The details of remuneration paid to Mr. Ninad Karpe during the year ended 31st March 2013 are as follows:

Particulars of remuneration	**(Period: 1st April 2012 to 31st March 2013)** Amount (in Rs.lacs)
Salary & Allowances	152.48
Contribution to Provident Fund, Superannuation Fund	8.92
TOTAL	161.40

During the year ended 31st March 2013, 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 Rs. 54.90 lacs and the application to Central Government for waiver of excess remuneration paid to Mr. Ninad Karpe will be made by the Company.

The Board of Directors at its meeting held on 31st October 2012 appointed Mr. Anuj Kacker as Wholetime Director of the Company for the period from 1st November 2012 to 31st October 2017 subject to approval of shareholders at the ensuing annual general meeting.

The details of remuneration paid to Mr. Anuj Kacker are as follows:

Particulars of remuneration	(Period: 1st November 2012 to 31st March 2013) Amount (in Rs.lacs)
Salary & Allowances	60.66
Contribution to Provident Fund, Superannuation Fund	3.88
TOTAL	64.54

Details of shareholding of non-executive directors other than promoter directors in the Company as on 31st March 2013 are as follows:

Names of Directors	**Category**	**No. of shares**
Mr. Ramesh Damani	Independent Non-Executive	25,000
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. Rs. 21 lacs as commission payable to independent directors for the financial year 2012-13 @1% of net profits computed in accordance with Section 349 of the Companies Act, 1956 was distributed to the Independent Directors as under:

Name of Director	**Sitting Fees**
C.Y.Pal	5,50,000
Ramesh S. Damani	5,50,000
Vijay Aggarwal	5,50,000
Walter Saldanha	1,50,000
Yash Mahajan	1,50,000
Maheshwer Peri	1,50,000
Total:	21,00,000

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

The details of the Sitting Fees paid to the Non-Executive Directors for the year ended 31st March 2013 are as follows:

Name of Director	**Sitting Fees**
Rakesh JhunJhunwala	Nil
C. Y. Pal	320000
Asit Koticha	20000
Rajiv Agrawal	140000
Ramesh S. Damani	220000
Utpal Seth	200000
Vijay Aggarwal	300000
Walter Saldanha	80000
Yash Mahajan	40000
Maheshwer Peri	40000
Total:	1360000

Subsidiary Companies:

As on the close of the accounting year ended 31st March 2013, 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 year 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 & Ethics. The Company also maintains a website known as 'Aptalk' which is a platform developed exclusively for all Aptech employees to Connect, Converse & Collaborate. This site helps employees to know their colleagues, to share information & industry news with them, to exchange their thoughts and collaborate together to create a vibrant online community of Aptech employees all over the world. This site is open to all members who have been assigned an Aptech 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 certificate to the Board of Directors which forms a part of the Annual Report of the Company for the year ended March 31st, 2013.

GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings along with the details of the Extraordinary General Meetings held from the year 2010-2011 to 2012-13 are given below, in the ascending order:

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 day of July, 2011 at "Rangaswar Hall",4th floor,Chavan Centre, General Jagannth Bhosale Marg, Next to sachivalaya gymkhana, Mumbai: 400 021 at 4.00 p.m.

2012-13: (i) The Twelfth Annual General Meeting of the Company was held on 20th July, 2012 at "M C Ghia Hall", Suryodaya Banquets Pvt. Ltd., 18/20, 2nd Floor, Bhogilal Hargovindas Building, K Dubhash Marg, Kalaghoda, Behind Prince Of Wales Museum, Fort, Mumbai – 400001 at 4.00p.m

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

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. Bhukanvala Holdings Pvt. Ltd. on preferential basis in terms of Share Purchase Agreement executed with Maya Entertainment Limited and its shareholders on January 27, 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 5 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 :

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 30th September, 2013.

Financial Calendar:

A.	Next Financial Year	:	1st April 2013 to 31st March 2014
B.	First Quarter results	:	to be published by 14th August 2013
C.	Second Quarter results	:	to be published by 15th November 2013
D.	Third Quarter results	:	to be published by 14th February 2014
E.	Results for the year ending 31st March, 2014	:	to be published by 30th May 2014
	Date of Book Closure	:	26th September, 2013 to 30th September, 2013 (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) BSE 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 2012-2013.

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:

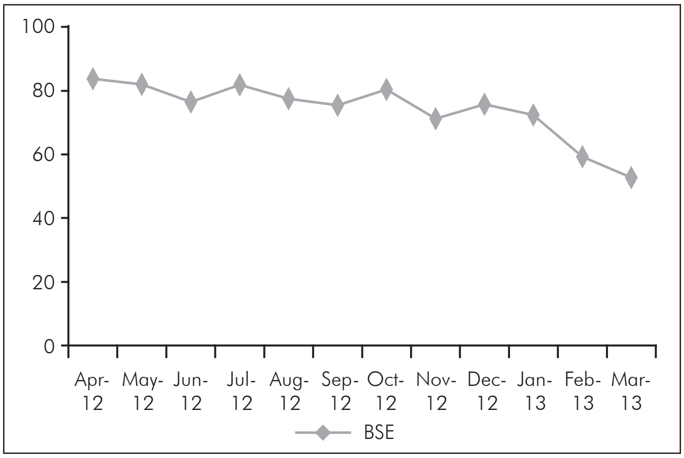
Month and Year	BSE Limited (Rs.)		The National Stock Exchange of India Limited (Rs.)	
	High	Low	High	Low
Apr-12	83.70	74.00	83.50	74.10
May-12	82.00	64.00	78.60	65.55
Jun-12	76.45	67.60	76.60	67.10
Jul-12	81.90	67.25	81.90	67.40
Aug-12	77.50	65.10	77.70	65.00
Sep-12	75.50	65.60	75.35	66.05
Oct-12	80.40	65.50	80.45	65.50
Nov-12	71.25	65.10	71.25	65.20
Dec-12	75.70	67.30	75.70	67.20
Jan-13	72.35	57.15	72.25	57.00
Feb-13	59.25	45.75	59.25	45.00
Mar-13	52.70	40.15	52.65	40.25

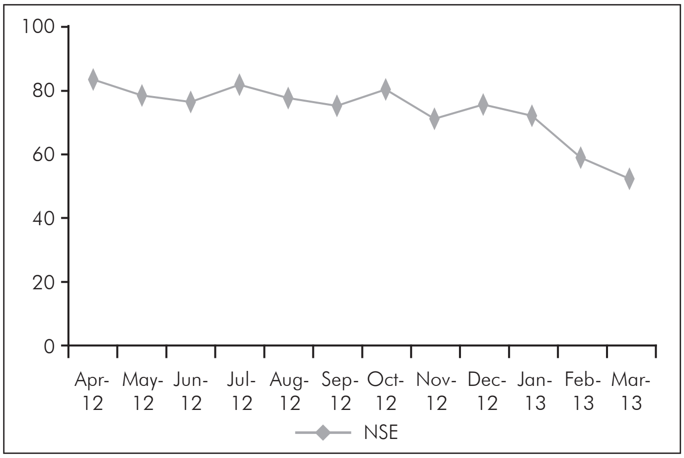
(Source: www.bseindia.com and www.nseindia.com)

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 72
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. The Shareholders/Investors Grievance Committee usually approves the transfer of shares once in every 15 days.

Distribution of Shareholding :

	As on March 31, 2013				As on March 31, 2012			
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	96206	94.36	7438632	15.24	93527	95.57	6491019	13.30
501-1000	3021	2.96	2446504	5.014	2212	2.26	1789078	3.68
1001-2000	1374	1.35	2099733	4.303	1009	1.03	1557843	3.19
2001-3000	443	0.44	1134820	2.326	358	0.37	912418	1.87
3001-4000	196	0.19	711349	1.458	159	0.16	579174	1.19
4001-5000	198	0.19	941370	1.929	144	0.15	690994	1.41
5001-10000	272	0.27	1935820	3.968	218	0.22	1579844	3.24
10001 and above	246	0.24	32083193	65.756	240	0.24	35191051	72.12
TOTAL	**101956**	**100.00**	**48791421**	**100.00**	**97867**	**100.00**	**48791421**	**100.00**

Categories of shareholding :

Sr. No.	As on March 31, 2013				As on March 31, 2012		
	Category	No. Of Shareholders	No. Of Shares	Voting Strength	No. Of Shareholders	No. Of Shares	Voting Strength
1	Promoter & Promoter Group	6	18815036	38.57	6	17464603	35.79
2	Mutual Funds	8	3318	0.01	7	2558	0.01
3	Banks / Financial Institutions / Insurance Companies (Central / State Government Institutions / Non Government Institutions)	35	135555	0.28	36	46765	.10
4	FIIs	25	2764422	5.67	32	4043890	8.29
5	NRIs	2632	618365	1.27	2676	580377	1.19
6	OCBs	1	1	0.00	1	1	0.00
7	Foreign National /Financial Banks	3	950	0.00	-	-	-
8	Domestic Companies	1440	6157023	12.62	1470	8163898	16.73
9	GDR	1	11271	0.02	1	11271	0.02
10	Trust	3	15302	0.03	2	5302	0.01
11	Indian Public	97802	20270178	41.54	93636	18472756	37.86
	TOTAL	**101956**	**48791421**	**100.00**	**97867**	**48791421**	**100.00**

Dematerialization of Shares and liquidity:

Trading in the Equity Shares of the Company is permitted only in dematerialized form. Over 98.23 % of the Company's Share Capital was dematerialized as on 31st March, 2013.

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

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

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 Rs. 10/- each are outstanding as on 31st March, 2013.

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
Email: investor_relations@aptech.ac,in
Website: www.aptech-worldwide.com

AUDITORS' CERTIFICATE ON CORPORATE GOVERANCE

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, 2013, 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 implementations 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: 13th May, 2013

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

We, Ninad Karpe, Managing Director & 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 statements for the year ended 31st March, 2013 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, 2013, 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 to disclose 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: 13th May, 2013

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 compliances with the Aptech Code of Conduct, for the year ended 31st March, 2013 over financial reporting.

Ninad Karpe
Managing Director
and Chief Executive Officer

Place: Mumbai

Date: 13th May, 2013

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To,

The Board of Directors of Aptech Limited

1. We have audited the accompanying Consolidated Financial statements ("CFS") of Aptech Limited ("the Company") and its Subsidiaries, Joint Ventures and an Associate (collectively referred to as the 'Group'), which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and Consolidated Cash Flows Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these CFS that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the CFS that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these CFS based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the CFS are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the CFS The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the CFS, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the CFS that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the CFS.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

6. 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	12986.82	71.50	(38.63)
Associate	1	21.38	1.31	(7.11)
Joint Venture	1	1.90	-	(3.88)
Total	**6**	**13010.10**	**72.81**	**(49.62)**

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.

7. Further the CFS includes Assets of Rs. 66.22 lakhs and revenue of ₹ Nil Revenue of a Subsidiary which are based on unaudited financial statements of the Subsidiary, and our opinion in so far as it relates to those amounts is based solely on such management certified financial statement.

8. Attention is drawn to Note No. 13.3 regarding the payment of remuneration in excess of amount payable as per the provision of the Act to the Managing Director aggregating to Rs.54.91 Lakhs in F.Y. 2012-13 for which application for approval of Central Government is being made and for such excess remuneration paid amounting to Rs. 25.04 Lakhs in F.Y. 2010-11 and Rs. 67.47 lakhs in F.Y. 2011-12 the approval of Central Government is awaited.

Opinion

9. In our opinion and to the best of our information and according to the explanations given to us, the CFS read with Para 6 and subject to Para 7 and 8 above give a true and fair view in conformity with the accounting principles generally accepted in India:

   (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31 March 2013;

   (b) in the case of the Consolidated Statement of Profit and Loss account, 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 Khimji Kunverji & Co
Chartered Accountants
Firm Registration No 105146W

Place: Mumbai
Date: May 13, 2013

Shivji K Vikamsey
Partner (F - 2242)

CONSOLIDATED BALANCE SHEET as at 31st March, 2013

₹ in Lakhs

PARTICULARS	Note No.	AS AT 31st March, 2013		AS AT 31st March, 2012	
(I) EQUITY AND LIABILITIES					
1 SHARE HOLDERS' FUNDS					
(a) Share capital	1	4,879.14		4,879.14	
(b) Reserves and surplus	2	29,210.80		28,355.12	
(c) Money received against share warrants	2	13.19		13.19	
			34,103.13		33,247.45
2 NON CURRENT LIABILITIES	3				
(a) Long term borrowings		-		-	
(b) Long term provisions		324.78		462.54	
			324.78		462.54
3 CURRENT LIABILITIES	4				
(a) Trade payables		1,378.74		1,091.34	
(b) Other current liabilities		1,146.71		1,011.97	
(c) Short term provisions		2,462.48		1,715.22	
			4,987.93		3,818.53
4 MINORITY INTEREST			-		-
TOTAL			39,415.84		37,528.52
(II) ASSETS					
1 NON CURRENT ASSETS					
(A) Goodwill on consolidation (Refer point no B-2(i)of note 16)			6,562.58		6,618.49
(B) Fixed assets	5				
(i) Tangible assets		2,096.25		2,414.75	
(ii) Intangible assets		822.60		743.32	
(iii) Capital work-in-progress		0.65		15.21	
(iv) Intangible assets under development		281.03	3,200.53	245.28	3,418.55
(C) Non current investments	6		11,089.37		10,826.29
(D) Long term loans and advances	7		2,599.32		2,819.50
2 CURRENT ASSETS	8				
(i) Current investments		-		468.78	
(ii) Inventories		463.28		441.80	
(iii) Trade receivables		2,559.03		2,383.60	
(iv) Cash and bank balances		12,021.73		9,865.09	
(v) Short term loans and advances		920.00		686.42	
			15,964.04		13,845.69
TOTAL			39,415.84		37,528.52
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 : 13th May, 2013

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 31st March, 2013

₹ in Lakhs

PARTICULARS	Note No.	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
INCOME					
Income from operations	9	16,921.02		17,442.36	
Other income	10	1,295.70		961.17	
Dividend income		3.19		5,285.93	
			18,219.91		23,689.46
EXPENDITURE					
Training and education expenses	11	5,210.35		5,933.51	
Marketing and advertisement expenses	12	1,592.73		1,275.81	
Payments to and provision for employees	13	3,819.61		3,640.75	
Administration and other expenses	14	3,627.08		4,189.73	
Interest and finance expenses	15	28.50		18.82	
Depreciation and amortisation	5	880.32		973.85	
			15,158.59		16,032.47
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX			3,061.32		7,656.99
EXCEPTIONAL ITEMS					
Loss on disvestment in Joint venture		-		(48.95)	
Net Profit on sale of Chennai Premises		800.32		-	
			800.32		(48.95)
PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS			3,861.64		7,608.04
PROVISION FOR TAXATION					
Income tax		721.44		366.60	
Wealth tax		0.05		1.19	
Mat credit entitlement (Refer point no. B-6 of note 16)		-		(308.46)	
			721.49		59.33
PROFIT/ (LOSS) AFTER TAX			3,140.15		7,548.71
Add / (Less): Minority Interest			-		63.43
Add / (Less): Share of profit /(loss) of Associate			(10.36)		(8.67)
PROFIT/ (LOSS) AFTER TAX AND MINORITY INTEREST			3,129.79		7,603.46
Earning Per Share (Refer point no. B-8 of note 16)					
- Basic (face value of Rs. 10 each)			6.41		15.59
- Diluted			6.41		15.46
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 : 13th May, 2013

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 31st March, 2013

₹ in Lakhs

Particulars	For the year ended March 2013		For the year ended March 2012	
(A) NET PROFIT / (LOSS) BEFORE TAX		3,861.64		7,608.04
Employee Stock Compensation	-		(169.53)	
Loss on sale in stake in JV	-		48.95	
Depreciation and Amortisation	880.32		973.85	
Provision for Bad debts	860.30		1,383.92	
Bad debts written off	24.16		18.60	
Dividend Income	(3.19)		(5285.93)	
Interest and Finance costs	28.50		18.82	
Interest and Finance income	(982.20)		(596.17)	
Liability no longer required back	(236.24)		(350.63)	
Unrealised exchange loss/(gain) (Net)	(146.19)		(129.64)	
(Profit) / Loss on Sale of Fixed Assets (Net)	(801.21)	(375.75)	(0.73)	(4088.49)
Operating Profit Before Working Capital Changes		3,485.89		3,519.54
Adjustments for Working Capital Changes				
Decrease/(Increase) in Inventory	(21.48)		(103.06)	
Decrease/(Increase) in Trade Receivables	(907.54)		(2079.62)	
Decrease/(Increase) in Loans and Advances	(509.79)		(226.68)	
Increase/(Decrease) in Current Liabilities and Provisions	652.81		43.70	
Increase/(Decrease) of Foreign Currency Translation Reserve	(0.35)	(786.35)	8.28	(2357.38)
Cash From / (used) in Operating Activities		2,699.54		1,162.16
Wealth Tax (Paid) / Received	(1.19)		(1.54)	
Income Tax (Paid) / Received (Net)	(168.00)	(169.19)	124.69	123.15
Net Cash From / (used) in Operating Activities (I)		2,530.35		1,285.31
(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	(1465.00)		(611.06)	
Sale of fixed assets	1603.91		20.55	
Purchases of Investment	(273.45)		(468.78)	
Sale of investment	468.78		1002.69	
Dividend received	3.19		5285.93	
Dividend paid (Including DDT)	(1701.20)		(2267.68)	
Interest and finance received	982.20		596.17	
Investing in Bank Deposits (original maturity more than three months)	(2004.52)		(8058.64)	
Net Cash used in Investing Activities (II)		(2,386.07)		(4,213.58)

₹ in Lakhs

Particulars	For the year ended March 2013		For the year ended March 2012	
(C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital/warrants/reserve	-		21.67	
Financing of hedging contract	3.92		-	
Interest and finance costs	(22.05)		(18.82)	
Net Cash from Financing Activities (III)		(18.12)		2.85
Net Increase in Cash & Cash equivalents (I+ II+ III)		126.15		(2,925.42)
Cash & Cash equivalents at the beginning of the year		1,527.02		4,452.44
Cash & Cash equivalents at the end of the year		1,653.17		1,527.02
Net (Decrease) / Increase in Cash & Cash equivalents		126.15		(2,925.42)

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 : 13th May, 2013

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 31st March, 2013

NOTE 1 SHARE CAPITAL

₹ in Lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10 each	60,000,000	6,000.00	60,000,000	6,000.00
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid up	48,791,421	4,879.14	48,791,421	4,879.14
Total	48,791,421	4,879.14	48,791,421	4,879.14

The company has only one class equity share having a par value of Rs 10/- each. Each holder of the equity share is entitle 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 year;

₹ in Lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	48,791,421	4,879.14	48,771,421	4,877.14
Shares Issued during the year(ESOP)	-	-	20,000	2.00
Shares outstanding at the end of the year	48,791,421	4,879.14	48,791,421	4,879.14

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 31st March, 2013		As at 31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RAKESH JHUNJHUNWALA	4,319,100	8.85%	3,152,100	6.46%
RARE EQUITY PVT. LTD.	10,554,403	21.63%	10,554,403	21.63%

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)				
	2012-13	2011-12	2010-11	2009-10	2008-09
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 Rs.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 6th December 2006 and 15,00,000 Warrants of Rs.1 each have been granted by the Company to the Trust on 12th March 2007. The Stock option had been repriced at Rs. 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. 19th March, 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.In the previous year all options issued under this Scheme are lapsed, hence no options are outstanding at the begining of the year.

During the previous year proportionate net recovery of Rs. 169.53 lakhs, had been included in the note of "Payments to and Provisions for Employees" (Note "13") as ESOP Compensation Cost.

Details of Options Granted, exercised and lapsed	Year Ended 31st March, 2013	Year Ended 31st March, 2012
Options granted and outstanding as the beginning of the year	-	421,331
Less: Lapsed/Forfeited/Expired during the year	-	401,331
Less : Options exercised during the year	-	20,000
Options granted and outstanding as the end of the year	-	-

NOTE 2 RESERVE AND SURPLUS

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
a. **Capital Redemption Reserve**		
Opening Balance	884.80	884.80
Closing Balance	884.80	884.80
b. **Securities Premium Account**		
Opening Balance	14,093.36	14,055.78
Add : Securities premium credited on Share issue and ESOP exercised (Refer note no. 1.5 of note 1)	-	37.58
Closing Balance	14,093.36	14,093.36
c. **Share Options Outstanding Account**		
Opening Balance	-	186.51
(-) Written Back in Current Year	-	(186.51)
Closing Balance	-	-
d. **Cash Flow Hedging Reserve**		
Opening Balance	(0.73)	-
(+) Current Year Transfer	3.92	(0.73)
Closing Balance	3.19	(0.73)
e. **General Reserve**		
Opening Balance	260.93	78.88
(+) Current Year Transfer	253.00	182.05
Closing Balance	513.93	260.93
f. **Foreign Currency Translation Reserve**		
Opening Balance	(4.26)	(12.55)
(+) Addition during the year	(0.35)	8.28
Closing Balance	(4.61)	(4.26)

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
g. Surplus in Profit and loss account		
Opening balance	13,121.02	7,400.82
(+) Net Profit/(Net Loss) for the current year	3,129.79	7,603.46
(-) Proposed Dividends including DDT	1,427.09	850.60
(-) Interim Dividends including DDT	850.60	850.60
(-) Transfer to Reserves	253.00	182.05
Closing Balance	13,720.13	13,121.02
Total	29,210.80	28,355.12

Note 2.1 Share warrants represent money received as per ESOS scheme, and corresponding advance 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 15th September 2013 and no option shall be awarded under the said scheme to the optionees after the expiry.

NOTE 3 NON CURRENT LIABILITIES

Note 3 (a) Long Term Borrowings

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
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) Long Term Provisions

Particulars	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits :-		
Gratuity (unfunded)	114.54	311.40
Leave encashment (unfunded) (Refer point no. B-9 of note 16)	210.24	151.14
Total	324.78	462.54

NOTE 4 CURRENT LIABILITIES

Note 4 (a) Trade Paybles

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
Unsecured		
Trade Payable		
Sundry creditors *	1,378.74	1,091.34
* 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	1,378.74	1,091.34
Note 4 (b) Other Current Liabilities		
(a) Advance received from Students	518.05	369.74
(b) Unclaimed dividends	68.86	42.88
(c) Sundry creditors for capital assets	96.57	33.55
(d) Other payables :-		
Statutory Dues	295.21	418.29
Others liabilities	45.63	51.10
Franchisee/Caution deposits	122.39	96.42
Total	1,146.71	1,011.97
Note 4 (c) Short Term Provisions		
(a) Provision for employee benefits :-		
Gratuity (funded)	-	5.69
Leave encashment (funded) (Refer point no. B-9 of note 16)	10.53	29.35
(b) Others :-		
Provisions for expenses	1,024.86	829.58
Proposed Dividend on Equity Shares	1,219.79	731.87
Provision for tax on Proposed Dividend	207.30	118.73
The Board of Directors have recommended a final dividend of ₹ 2.50 per equity share (aggregating to a total dividend of ₹ 4.00 per share for the financial year 2012-13 on Face value of ₹ 10 and which includes an Interim dividend of ₹ 1.50 per equity share and paid)(In previous year total dividend paid was ₹ 3.00 per share).		
Total	2,462.48	1,715.22

NOTE 5 FIXED ASSETS

₹ in Lakhs

	Particulars	TANGIBLE ASSETS								INTANGIBLE ASSETS				Total
		Freehold land	Buildings	Leasehold Improvements	Computer Hardware	Furniture and Fixtures	Vehicles	Office equipment	Electrical fittings	Goodwill	Computer Software	Courseware **	Patents	
a	Gross Block													
	As at 01st April, 2011	262.15	1,624.92	195.48	1,664.90	893.57	266.73	511.16	243.05	1,054.41	2,025.91	4,703.04	8.75	13,454.06
	Additions	-	6.91	-	106.51	2.22	-	11.39	-	-	64.46	286.84	-	478.33
	Deletions	-	-	-	316.20	16.44	109.52	69.67	1.89	-	1.64	-	8.75	524.11
	As at 31st March, 2012	262.15	1,631.83	195.48	1,455.21	879.35	157.21	452.88	241.16	1,054.41	2,088.73	4,989.88	-	13,408.28
	Additions	-	140.86	-	283.46	194.57	-	67.45	25.87	-	345.17	371.86	-	1,429.25
	Deletions	-	602.13	12.80	244.79	428.20	82.80	74.66	70.44	-	80.17	-	-	1,595.98
	As at 31st March, 2013	262.15	1,170.56	182.68	1,493.88	645.72	74.41	445.67	196.59	1,054.41	2,353.73	5,361.74	-	13,241.54
b	Accumulated Depreciation													
	As at 01st April, 2011	-	231.63	111.76	1,553.92	636.57	170.84	149.03	131.97	809.86	1,832.97	4,073.53	1.95	9,704.03
	For the year	-	31.87	31.85	80.77	78.17	30.91	29.51	15.37	105.70	157.87	411.40	0.44	973.86
	Deletions	-	-	-	291.42	3.99	104.68	21.67	1.89	-	1.64	-	2.39	427.68
	As at 31st March, 2012	-	263.50	143.61	1,343.27	710.75	97.07	156.87	145.45	915.56	1,989.20	4,484.93	-	10,250.21
	For the year	-	31.16	29.15	130.22	74.48	19.16	24.75	9.94	105.27	123.69	332.51	-	880.32
	Deletions	-	92.04	12.36	233.78	320.89	70.23	24.33	50.32	-	3.88	-	-	807.84
	As at 31st March, 2013	-	202.62	160.40	1,239.71	464.35	46.00	157.29	105.07	1,020.83	2,109.01	4,817.44	-	10,322.70
	Net Block as at 31st March, 2013	262.15	967.94	22.28	254.18	181.37	28.42	288.38	91.52	33.58	244.72	544.30	-	2,918.84
	Net Block as at 31st March, 2012	262.15	1,368.33	51.87	111.94	168.60	60.14	296.01	95.71	138.85	99.53	504.95	-	3,158.07

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

** Opening depreciation includes Impairment on the above assets for the earlier 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	Fully paid	Extent of Holding (%)		Amount (₹ in lakhs)		"Whether stated at Cost Yes / No"	"If Answer to Column (12) is 'No' - Basis of Valuation"
			Mar'13	Mar'12			Mar'13	Mar'12	Mar'13	Mar'12		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
(a)	**Investement in Equity share of Companies**											
	Aptech Philippines Inc, Philippines	Associate	34,208	27,973	Unquoted	Fully paid	40.00%	40.00%			No	Equity method as per AS -23.
	Opening balance								10.83	19.50		
	Less :- Share in current year loss Rs.								10.36	8.67		
	Add:- Share application money								8.09	-		
	Net share in equity								8.55	10.83		
	Syntea S.A. Polland JV	JV			Unquoted	Fully paid	9.09%		265.24	-	Yes	
	Bejing jadebird IT education Company (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	
	Aptech Hungama Digital Learning LLP	JV					50%	-	-	-		As per AS-27
(b)	**Investments in Mutual Funds**											
	LIC Nomura MF Income Plus Fund	Others	19,580	18,469	Quoted	Fully paid			1.97	1.85	No	Market Value
	Total								11,088.97	10,825.88		

B.	Details of Other Investments											
Sr. No.	Name of the Body Corporate	JV/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹ in lakhs)		"Whether stated at Cost Yes / No"	"If Answer to Column (12) is 'No' - Basis of Valuation"
			Mar'13	Mar'12			Mar'13	Mar'12	Mar'13	Mar'12		
(1)	(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 accounts. Accordingly, the investment made in the Investee Company has been reflected as an investment at the acquisition cost in term of provisions of Accounting Standard 13 – "Accounting for Investment" (AS 13).

NOTE 7 LONG TERM LOANS AND ADVANCES

₹ in Lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
a. Capital Advances				
Secured, considered good	-		-	
Unsecured, considered good	0.38		65.23	
Less: Provision for doubtful advances	-		-	
		0.38		65.23
b. Security Deposits				
Secured, considered good	-		-	
Unsecured, considered good	430.51		539.61	
Less: Provision for doubtful deposits	-		-	
		430.51		539.61
c. Loans and advances to related parties				
Secured, considered good				
Unsecured, considered good *	796.72		719.96	
Less: Provision for doubtful loans and advances	-		-	
		796.72		719.96
d. Other loans and advances				
Advance Tax (Net of Provision for Tax ₹ 2,648.44 lakhs (PY ₹ 1,946.22 lakhs)	1,339.60		1,414.79	
Prepaid expenses	1.90		1.65	
Loans and Advances to Employees	30.21		78.26	
		1,371.71		1,494.70
Total		2,599.32		2,819.50

* 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 ₹ 783.43 lakhs, inclusive of interest (Previous Year ₹ 706.66 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

Sr. No.	Name of the Body Corporate	Associate/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Amount (₹ in lakhs)		Basis of Valuation
			Mar'13	Mar'12			Mar'13	Mar'12	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(a)	Investments in Debentures or ICD								
	Certificate of Deposits (Axis Bank)	Others	-	500	Unquoted	Fully Paid	-	468.78	Amortised cost
	Total						-	468.78	

Note 8 (ii) Inventories

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
(Valued at lower of cost or net realisable value)		
a. **Work-in-progress**		
Film under production	280.26	242.80
b. **Finished goods**		
Education and Training course materials	183.02	199.00
Total	463.28	441.80

Note 8 (iii) Trade Receivables

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Secured, considered good	-	-
Unsecured, considered good	1,878.22	1,607.91
Unsecured, considered doubtful	-	-
	1,878.22	1,607.91
Trade receivables outstanding for a period exceeding six months from the date they are due for payment (Refer note below)		
Secured, considered good	-	-
Unsecured, considered good	680.81	775.69
Unsecured, considered doubtful	543.39	1,334.54
Provision for rebate		-
Less: Provision for doubtful debts	(543.39)	(1334.54)
	680.81	775.69
Total	2,559.03	2,383.60

Sundry Debtors are subject to confirmation and reconciliation.

The Debtors are net of ₹ Nil (Previous year ₹ 1127.76 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 balance

₹ in Lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
a. **Cash and cash equivalents :-**				
i. **Cash on hand**		1.57		2.10
ii. **Balance with banks :-**				
EEFC Accounts	49.20		68.42	
Bank deposits (with original maturity less than three months)	652.16		854.56	
Current Accounts	950.24	1,651.60	601.94	1,524.92
Subtotal		1,653.17		1,527.02
b. Other Bank balances :-				
Bank deposits *(with original maturity more than three months)	10,299.70		8,295.19	
Earmarked Balances (Unpaid dividend accounts)	68.86		42.88	
Subtotal		10,368.56		8,338.07
Total (a+b)		12,021.73		9,865.09

* Bank deposits as of March 31,2013 and March 31,2012 include restricted balances of ₹ 1112.54 lakhs and ₹ 1251.48 lakhs respectively. The restriction are primarily on account of cash and bank balances held as margin money deposits against guarntees.

Note 8 (v) Short-term loans and advances

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
Prepaid expenses	86.04	106.56
Other current assets	833.96	579.86
Total	920.00	686.42

NOTE 9 INCOME FROM OPERATION

₹ in Lakhs

Particulars	2012-13	2011-12
Training and Education Income	13,924.45	15,700.42
Income from Testing Services Operations	2,996.57	1,741.94
Total	16,921.02	17,442.36

NOTE 10 OTHER INCOME

₹ in Lakhs

Particulars	2012-13	2011-12
Interest Income	982.20	596.17
Exchange Rate Gain (Net)	67.94	5.41
Liabilities No Longer Required Written Back	236.24	350.63
Net gain on sale of assets	0.89	0.73
Other non-operating income	8.43	8.23
Total	1,295.70	961.17

NOTE 11 TRAINING AND EDUCATION EXPENSES

₹ in Lakhs

Particulars	2012-13	2011-12
Education,Training expenses and Course Materials	817.94	734.40
Course Execution Charges	4,392.41	5,199.11
Total	5,210.35	5,933.51

NOTE 12 MARKETING AND ADVERTISEMENT EXPENSES

₹ in Lakhs

Particulars	2012-13	2011-12
Advertisement expenses	1,579.24	1,260.98
Other marketing expenses	13.49	14.83
Total	1,592.73	1,275.81

NOTE 13 PAYMENTS TO AND PROVISION FOR EMPLOYEES

₹ in Lakhs

Particulars		2012-13	2011-12
(a)	Salaries and other allowances (Refer note 13.1 below)	3,446.34	3,410.73
(b)	Contribution to Provident and other Funds (Refer note 13.1 below)	223.16	209.55
(c)	Gratuity fund contributions (Refer point B-9 of note 16)	77.45	119.45
(d)	Esop Compensation Cost (Net)	-	(169.53)
(e)	Staff welfare expenses	72.66	70.55
Total		3,819.61	3,640.75

Note 13.1 Managerial Remuneration:
Managerial remuneration to Managing Director ('MD') and Whole Time Director ('WTD') under Section 198 of the Companies Act 1956:

₹ in Lakhs

Particulars	2012-13	2011-12
Salaries and Allowances	213.14	120.01
Contribution to Provident and other funds	12.80	8.26
Membership fees for club	-	16.55
Total	225.94	144.81

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 applications to the Central Government, seeking approval for remuneration paid to the Managing Director in excess of limits prescribed under the Companies Act, 1956 aggregating ₹ 25.04 lakhs for the year ended 31st March, 2011, ₹ 67.47 lakhs for the year ended 31st March 2012, approval for which are awaited. Application to the Central Government seeking waiver of excess remuneration of ₹ 54.91 lakhs paid to the Managing Director for the year ended 31st March, 2013 shall be made in due course.

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 3rd May, 2012.

NOTE 14 ADMINISTRATIVE AND OTHER EXPENSES

₹ in Lakhs

Particulars	2012-13	2011-12
Rent (Refer note 14.1 below)	932.91	993.83
Rates And Taxes	50.83	32.42
Travelling And Conveyance Expenses	539.62	422.79
Electricity Charges	177.53	162.35
Communication Expenses	208.87	193.66
Repairs And Maintenance :-		
Buildings	0.12	0.58
Plant & Machinery	42.64	55.15
Others	85.11	92.45
Insurance Premium	11.71	10.69
Legal And Professional Charges	203.57	252.74
Provision For Doubtful Debts	860.30	1,383.92
Bad Debts/Advances/ Stockwritten Off	24.16	18.60
Audit Fees (Refer note 14.2 below)	47.39	46.53
Safety And Security	186.54	161.18
Printing and Stationery	59.92	60.42
Bank Charges	26.81	16.05
Director's Commission provided (Refer note 14.3 below)	21.00	15.00
Director'S Sitting Fees	14.40	12.57
Miscellaneous Expenses	133.66	258.80
Total	3,627.08	4,189.73

14.1 Operating Leases

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

₹ in Lakhs

Particulars	2012-13	2011-12
Lease payment for the period/year	-	143.06
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-

14.2 Payments to the auditor as

₹ in Lakhs

Particulars	2012-13	2011-12
Audit Fees	25.90	23.87
Tax Audit Fees	7.50	7.50
Limited Review	10.80	10.80
Certification/ Other Fees:		-
Tax advisory	0.80	2.00
Management Consultancy (M & A)	-	-
Company Law Matters	0.56	0.65
Reimbursement of expenses	1.83	1.70
Total	47.39	46.52

14.3 Directors' commission provided

₹ in Lakhs

Particulars	2012-13	2011-12
Directors' commission calculated @ 1%	21.30	15.47
Directors' commission proposed by the Board and provided for	21.00	15.00

* Commission payable to non-whole-time director for financial year 2012-13 @ 1% of net profit computed in accordance with section 349 of the Companies Act, 1956.

14.4 Administration and other expenses are net of recoveries.

NOTE 15 INTEREST AND FINANCE EXPENSES

₹ in Lakhs

Particulars	2012-13	2011-12
Interest expense:-		
Cash credit and others	20.31	9.05
Commitment & Finance Charges	8.19	9.77
Total	28.50	18.82

Note "16"

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". The CFS of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified by the Companies Accounting Standard Rules, 2006 (as amended), 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.

All assets and liabilities have been classified as current or non-current as per the "Aptech Group" normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

(b) Accounting Estimates/Assumptions

The preparation of Consolidated Financial Statements in conformity with Indian GAAP requires the management to make judgements, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure relating to the contingent liabilities as at the date of the financial statements and the results of operations during the reporting year end. 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) 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.

vi) 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.

vii) 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.

viii) 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.

ix) 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 ₹ 5000 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**

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. When there is indication that an impairment loss recognised for an assets earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

(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.

Any Premium/discount arising at the inception of a forward exchange contract is recognized as income/expenses over the life of the contracts, except where the contract is designated as a cash flow hedge. 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 and fair value, determined by category of investment.

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

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.

Revenue in respect of sale of Education course materials is recognised on delivery of the course materials to the customers. Revenue on Self Developed Intellectual Property is recognised in the financial year in which the Intellectual Property is commercially exploited.

Dividend from investments is recognised in the Statement of Profit and Loss, when the right to receive payment is established

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

(n) Retirement Benefits

i. Defined Contribution plan

The Group makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes 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 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.

(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 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.

(p) Income Tax

i) Tax expense comprises of current, wealth 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) Cash and Cash Equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of less than three months and short term highly liquid investments with an original maturity of three months or less.

(t) 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.

(u) 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.

B) OTHER NOTES ON ACCOUNTS

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

Name of the Company	Country of Incorporation	Ownership Interest as on March 31st, 2013	Ownership Interest as on March 31st, 2012
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%
Limited Liability Partnership - LLP			
Aptech Hungama Digital Learning LLP	India	50%	-
Associate / Joint Venture			
Aptech Philippines Incorporation	Philippines	40%	40%

2) During the year ended 31st March, 2013:

i) Vide Share Purchases Agreement (SPA) 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 Rs. 500 lakhs 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 under the Audit, the Company has recovered claims amounting of ₹ 55.91 lakhs (P.Y. ₹ 222.14 lakhs) from the erstwhile promoter of MEL; the goodwill amount is reduced accordingly.

ii) During the year, the company has signed an Agreement with Hungama Digital Learning for investing 50% in the share capital of the newly formed "Aptech Hungama Digital learning LLP", investing sum of ₹ 2.00 lakhs.

iii) In pursuance to agreement of Syntea SA of of (Poland JV), The Company has Invested in said Company there of USD$ 500,000 for 9.09% there in.

3) Contingent Liabilities and Capital Commitments: ₹ in Lakhs

Particulars	As at 31 March 2013	As at 31 March 2012
(i) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt	743.18	709.89
(b) In respect of tax matters	59.94	131.60
	803.12	841.49
(ii) Capital Commitments and Guarntees		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	36.63	216.94
(b) Counter guarantees to bank for projects	185.70	80.23
	222.33	297.17
Total	1,025.45	1,138.66

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.

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, 2012. There are no material transactions in the said subsidiary for the period from Sept'2012 to March'2013.

6) From April 2012 the Company has not recognised MAT credit entitlement under section 115JAA of IT act 1961, as a matter of prudence.

7) Related Party Disclosures:

a) Names of related parties and description of relation:

i) Key Management Personnel : Mr.Ninad Karpe (CEO and Managing Director)

: Mr. Anuj Kacker (w.e.f. 1st November, 2012 Whole Time Director)

b) Transactions with related parties: ₹ in Lakhs

Nature of Transactions	Key Management Personnel	Total
Expenses (Remuneration)	225.94	225.94
(Previous Year)	(144.81)	(144.81)

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

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

₹ in Lakhs

Transaction	Relationship	2012-13	2011-12
Expenditure: Remuneration			
Mr. Ninad Karpe	Key Management	161.40	144.81
Mr. Anuj Kacker	Key Management	64.54	-

8) Earnings per Share:

Particulars	2012-13	2011-12
Profit/ (loss) after tax attributable to Shareholders (₹ in lakhs)	3,129.79	7,603.46
Weighted average number of equity shares outstanding during the year :		
Basic	48,791,421	48,782,678
Add: Diluted Impact of Employee Stock Options	-	396,997
Diluted	48,791,421	49,179,675
Nominal value of equity shares (₹)	10/-	10/-
Basic EPS (₹)	6.41	15.59
Diluted EPS (₹)	6.41	15.46

9) **Retirement Benefits**

A) **Defined benefit plan**

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

₹ in lakhs

Particulars	2012-13	2011-12
Present value of the defined benefit obligation at the end of the period	416.14	346.77
Fair value of the plan assets	301.60	29.68
Net Liability / (Assets)	114.54	317.09

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

₹ in lakhs

Particulars	2012-13	2011-12
Current Service Cost	56.20	53.41
Interest on defined benefit obligation	29.48	22.17
Expected return on plan assets	(13.97)	(2.68)
Net actuarial (Gain)/ Loss on plan Assets	5.74	46.54
Net Gratuity Cost	77.45	119.45

Actual Return on plan assets:

₹ in lakhs

Particulars	2012-13	2011-12
Expected Return on plan assets	13.97	2.68
Acturial Gain / (Loss) on plan assets	-	-
Actual return on plan assets	13.97	2.68

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

₹ in lakhs

Particulars	2012-13	2011-12
Opening defined benefit obligation	346.77	277.12
Current Service Cost	56.20	22.17
Interest cost	29.48	53.41
Actuarial (Gain)/ Loss	5.74	46.54
Benefit Paid	(22.05)	(52.48)
Closing defined benefit obligation	416.14	346.77

Change in fair value plan assets

₹ in lakhs

Particulars	2012-13	2011-12
Fair value of the plan assets at the beginning of the year	29.68	39.48
Addition due to acquisition of a Company	-	-
Expected return on plan assets for the period	13.97	2.68
Contributions during the period	280.00	40.00
Benefits paid during the period	(22.05)	(52.48)
Acturial Gain / (Loss) on plan assets	-	-
Fair value of the plan assets at the end of the year	301.60	29.68

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	2012-13	2011-12
Present value of the defined benefit obligation at the end of the period	198.25	160.77
Fair value of the plan assets	-	-
Net Liability / (Assets)	198.25	160.77

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

₹ in lakhs

Particulars	2012-13	2011-12
Current Service Cost	27.01	26.27
Interest on defined benefit obligation	13.58	10.67
Expected return on plan assets	-	-
Net actuarial (Gain)/ Loss on plan Assets	21.30	14.80
Net Compensated absences / Leave encashment Cost	61.88	51.75

Reconciliation of present value of the obligation

₹ in lakhs

Particulars	2012-13	2011-12
Opening defined benefit obligation	160.77	133.40
Current Service Cost	27.01	26.27
Interest cost	13.58	10.67
Actuarial (Gain)/ Loss	21.30	14.80
Benefit Paid	(24.40)	(24.37)
Closing defined benefit obligation	198.25	160.77

Principal Actuarial Assumptions at the balance sheet date 31.03.2013 for Gratuity & Leave Encashment

B) **Defined Contribution Plan –**

Amount recognized as an expense and included in the Note 13 - "Contribution to Provident & Other Funds – Rs. 223.16 lakhs (Previous Year Rs. 209.55 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

Particulars	2012-13	2011-12
Carried forward unabsorbed depreciation	2,976.54	2,887.16
Carried forward Business Loss	784.44	1,054.49
Carry Forward Capital Loss	646.79	646.79
Provision For Bad Debts	171.32	530.08
Expenditure/provisions(Gratuity & Leave encashment)	108.79	161.44
Related to Fixed Assets	160.77	279.93
Total Deferred Tax Asset (A)	4,848.65	5,559.89
Related to Fixed Assets	80.75	13.05
Total Deferred Tax Liability (B)	80.75	13.05
Net Deferred Tax Asset (A-B)	4,767.90	5,546.84

11) Segmental Report for the year of the group is annexed as per AS-17.

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 : 13th May, 2013

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 16B

11. Segment information under AS-17
    Primary Segment information : Business Segment

₹ in Lakhs

Particulars	YTD March, 2013 Business Segments				YTD March, 2012 Business Segments			
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
Revenue								
Income from Segment	13,051.49	3,869.53	313.50	17,234.52	14,461.18	2,981.18	365.00	17,807.36
Results before Interest and tax and exceptional items	**2,983.54**	**1,171.58**	**(2,050.69)**	**2,104.43**	**3,102.49**	**715.70**	**(2,008.44)**	**1,809.76**
Add: Interest Incomes	-	-	982.20	982.20	-	-	596.17	596.17
Less: Interest exp and Finance Charges	-	-	28.50	28.50	-	-	34.87	34.87
Profit before Tax and Exceptional Items	**2,983.54**	**1,171.58**	**(1,096.98)**	**3,058.14**	**3,102.49**	**715.70**	**(1,447.14)**	**2,371.06**
Exceptional Items:-								
Loss on sale of stake in Subsidiary/JV	-	-	-	-	-	-	(48.95)	(48.95)
Net Profit on Sale of Chennai Premises	-	-	800.32	800.32	-	-	-	-
Extraordinary Items:-								
Dividend from Investments			3.19	3.19	-	-	5,285.93	5,285.93
Profit / (Loss) before Tax	**2,983.54**	**1,171.58**	**(293.47)**	**3,861.65**	**3,102.49**	**715.70**	**3,789.84**	**7,608.04**
Less: Provision for Current tax			721.49	721.49	-	-	59.33	59.33
Less: Loss on sale of stake in JV/Associates	10.36	-	-	10.36	8.67	-	-	8.67
Add / (Less) : Minority Interest	-	-	-	-	-	-	63.43	63.43
Profit / (Loss) after Tax	2,983.54	1,171.58	(1,025.33)	3,129.79	3,093.82	715.70	3,793.94	7,603.46
Other Information								
Carrying amount of Segment Assets	5,330.94	2,285.44	-	7,616.38	5,169.98	620.43	-	5,790.41
Unallocable Corporate Assets	-	-	31,799.47	31,799.47	-	-	31,738.11	31,738.11
Carrying amount of Segment Liabilities	2,359.28	734.74	-	3,094.02	2,236.96	433.00	-	2,669.97
Unallocable Corporate Liabilities	-	-	2,218.69	2,218.69	-	-	1,611.10	1,611.10
Capital Expenditure	945.61	390.24	455.08	1,790.94	559.72	28.44	112.90	701.06
Depreciation / Amortization	511.42	97.91	270.99	880.32	605.87	37.76	330.23	973.85
Significant Non-Cash Expenditure	866.94	17.52	(21.47)	862.99	1,398.32	2.92	(148.21)	1,253.03

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

₹ in Lakhs

Particulars	YTD March, 2013			YTD March, 2012		
	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	14,422.38	6,477.12	1,790.94	14,763.97	4,926.16	701.06
Outside India	2,498.65	1,139.26	-	2,678.39	864.25	-
Total	16,921.02	7,616.38	1,790.94	17,442.36	5,790.41	701.06

INDEPENDENT AUDITOR'S REPORT

To the Members of APTECH LIMITED
Report on the Financial Statements

1 We have audited the accompanying financial statements of APTECH LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

2 Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

Auditor's Responsibility

3 Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement

4 An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements

5 We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

6 Attention is drawn to Note No. 13.3 regarding the payment of remuneration in excess of amount payable as per the provision of the Act to the Managing Director aggregating to Rs. 54.91 Lakhs in F.Y. 2012-13 for which application for approval of Central Government is being made and for such excess remuneration paid amounting to Rs. 25.04 Lakhs in F.Y. 2010-11 and Rs. 67.47 lakhs in F.Y. 2011-12 the approval of Central Government is awaited

Opinion

7 Subject to para 6 above, in our opinion and to the best of our information and according to the explanations given to us, the financial statements 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 March 31, 2013;
b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

8 As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 4 and 5 of the Order.

9 As required by section 227(3) of the Act, we report that:

a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the applicable Accounting Standards referred to in subsection (3C) of section 211 of the Act;
e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;

For **Khimji Kunverji & Co**
Chartered Accountants
Firm Registration No 105146W

Place: Mumbai
Date: 13th May, 2013

Shivji K Vikamsey
Partner (F - 2242)

ANNEXURE AUDITOR'S REPORT

Annexure referred to in paragraph 8 of the Our Report of even date to the members Aptech Limited on the accounts of the company for the year ended 31st March, 2013

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

(b) In accordance with a planned programme of verifying all fixed assets once in three years, the physical verification of fixed asset is being carried out by the management. The plan of such verification, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As per the information and explanations given to us, no material discrepancies are so far noticed on such verification;

(c) The Company has not disposed off substantial part of its fixed assets during the year;

(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 managements 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 explanation 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, clause (iii)(b), (c) & (d) of paragraph 4 of the order are not applicable to company;

(b) According to the information and explanation provided to us, the Company has not taken any Loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Hence, clause (iii)(f) & (g) of paragraph 4 of the order are not applicable to company;

(iv) According to the information and explanations provided to us, there is 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. On the basis of examination of the books and records of the Company and according to the information and explanations given, and as per checking carried out in accordance with the auditing standards generally accepted in India, neither we have observed nor have we been reported of any continuing failure to correct major weakness in the internal control system relating to these areas. As regards, the internal control in the area of sale of services, there is significant 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 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 of Company 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 explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities;

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

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

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

(xvi) According to the information and explanations given to us by the management, 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. 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 **Khimji Kunverji & Co**
Chartered Accountants
Firm Registration No 105146W

Place: Mumbai
Date: 13th May, 2013

Shivji K Vikamsey
Partner (F - 2242)

BALANCE SHEET as at 31st March, 2013

₹ in Lakhs

PARTICULARS	Note No.	AS AT 31st March, 2013		AS AT 31st March, 2012	
(I) EQUITY AND LIABILITIES					
1 SHARE HOLDERS' FUNDS					
(a) Share capital	1	4,879.14		4,879.14	
(b) Reserves and surplus	2	21,871.28		21,617.69	
(c) Money received against share warrants	2	13.19		13.19	
			26,763.61		26,510.02
2 NON CURRENT LIABILITIES	3				
(a) Long term borrowings		-		-	
(b) Long term provisions		272.93		393.69	
			272.93		393.69
3 CURRENT LIABILITIES	4				
(a) Trade payables		826.69		871.54	
(b) Other current liabilities		506.57		461.61	
(c) Short term provisions		2,223.92		1,529.16	
			3,557.18		2,862.31
TOTAL			30,593.72		29,766.02
(II) ASSETS					
1 NON CURRENT ASSETS					
(A) Fixed assets	5				
(i) Tangible assets		1,800.05		2,175.77	
(ii) Intangible assets		474.62		504.77	
(iii) Capital work-in-progress		0.65		15.21	
(iv) Intangible assets under development		210.21	2,485.53	154.55	2,850.30
(B) Non current investments	6		8,879.97		8,801.46
(C) Long term loans and advances	7		2,040.05		2,225.21
2 CURRENT ASSETS	8				
(i) Current investments		-		468.78	
(ii) Inventories		149.40		166.84	
(iii) Trade receivables		2,331.03		2,012.16	
(iv) Cash and bank balances		11,296.25		9,451.96	
(v) Short term loans and advances		3,411.49		3,789.31	
			17,188.17		15,889.05
TOTAL			30,593.72		29,766.02
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 : 13th May, 2013

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, 2013

₹ in Lakhs

PARTICULARS	Note No.	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
INCOME					
Income from operation	9	10,036.07		9,095.20	
Other income	10	1,188.22		782.82	
Dividend income		3.02		442.38	
			11,227.31		10,320.40
EXPENDITURE					
Training and education expenses	11	3,031.48		2,803.08	
Marketing and advertisement expenses	12	1,042.56		784.59	
Payments to and provision for employees	13	2,395.56		2,199.24	
Administration and other expenses	14	1,839.65		1,989.01	
Interest and finance expenses	15	28.15		18.68	
Depreciation and amortisation	5	626.82		704.14	
			8,964.22		8,498.73
PROFIT/(LOSS) BEFORE EXCEPTIONAL ITEMS AND TAX			2,263.09		1,821.67
EXCEPTIONAL ITEMS					
Net Profit on sale of Chennai Premises		800.32		-	
			800.32		-
PROFIT/(LOSS) AFTER EXCEPTIONAL ITEMS			3,063.41		1,821.67
PROVISION FOR TAXATION					
Income tax		536.00		266.00	
Wealth tax		0.05		1.19	
Mat credit entitlement (Refer point no. B-8 of note 16)		-		(266.00)	
			536.05		1.19
PROFIT/ (LOSS) AFTER TAX FOR THE YEAR			2,527.36		1,820.48
Earning Per Share (Refer point no. B-3 of note 16)					
- Basic (Rs.)			5.18		3.73
- Diluted (Rs.)			5.18		3.70
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 : 13th May, 2013

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, 2013

₹ in Lakhs

	Particulars	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
(A)	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit/(Loss) before tax		3,063.41		1,821.67
	Adjustments For :				
	Employee Stock Compensation Net Charge	-		(169.74)	
	Depreciation and Amortisation	626.82		704.14	
	Provision for Doubtful Debts	300.70		310.96	
	Bad debt writen off	14.13		2.50	
	Liability no longer required back	(163.21)		(199.78)	
	Interest and Finance income	(979.75)		(577.94)	
	Interest and Finance Costs	28.15		18.68	
	Forex Loss on Sale of investment	-		216.91	
	Unrealised forex loss/ (gain)	(122.79)		(112.10)	
	Loss/(gain) on Sale of Fixed Assets (Net)	(801.19)	(1,097.14)	1.47	195.10
	Operating Profit Before Working Capital Changes		1,966.27		2,016.76
	Adjustments for Working Capital Changes				
	Decrease/(Increase) in Inventory	17.44		(28.29)	
	Decrease/(Increase) in Sundry Debtors	(511.20)		(658.99)	
	Decrease/(Increase) in Loans and Advances-Other than Subsidiaries	(583.44)		19.32	
	Increase/(Decrease) in Current Liabilities and Provisions	128.69	(948.51)	216.61	(451.35)
	Cash From / (used) in Operating Activities		1,017.77		1,565.41
	Wealth Tax Paid (Net)	(1.19)		(1.54)	
	Income Tax Paid (Net)	(79.00)	(80.19)	(30.91)	(32.45)
	Net Cash From / (used) in Operating Activities (I)		937.58		1,532.96
(B)	CASH FLOW ON INVESTING ACTIVITIES				
	Purchase of Fixed Assets	(1,033.41)		(427.34)	
	Sale of Fixed Assets	1,572.53		16.79	
	Investment in shares of subsidiaries company	(267.24)		-	
	Sale of investment	657.50		1,216.39	
	Investment in Unqouted investment	-		(468.78)	
	Loans and Advances to Subsidiaries Companies (Net)	690.57		(2.97)	
	Interest and Finance income	971.80		287.28	
	Redemption of Preference shares	-		4,965.74	
	Dividend paid (including DDT)	(1,701.20)		(2,267.68)	
	Investing in Bank Deposits (original maturity more than three months)	(2,010.00)		(7,775.00)	
	Net Cash From / (used) in Investing Activities (II)		(1,119.44)		(4,455.57)

₹ in Lakhs

Particulars	For the year ended 31st March, 2013		For the year ended 31st March, 2012	
(C) CASH FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital/reserve/warrants	-		21.88	
Financing of hedging contract	3.92		-	
Interest and Finance Costs	(21.70)		(18.68)	
Net Cash from /(Used) Financing Activities (III)		(17.78)		3.20
Net Increase in Cash & Cash equivalents (I+ II+ III)		(199.64)		(2,918.87)
Cash & Cash equivalents at the beginning of the year		1,139.84		4,058.71
Cash & Cash equivalents at the end of the year		940.20		1,139.84
		(199.64)		(2,918.87)

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 ₹ 1,000 lakhs)

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 : 13th May, 2013

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 31st March, 2013

NOTE 1 SHARE CAPITAL

₹ in lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number	₹	Number	₹
Authorised				
Equity Shares of ₹ 10 each	60,000,000	6,000.00	60,000,000	6,000.00
Issued, Subscribed & Paid up				
Equity Shares of ₹ 10 each fully paid up	48,791,421	4,879.14	48,791,421	4,879.14
Total	48,791,421	4,879.14	48,791,421	4,879.14

The company has equity shares having a par value of ₹ 10/- each. Each holder of equity share is entitle 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 :-

₹ in lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	48,791,421	4,879.14	48,771,421	4,877.14
Shares Issued during the year(Esop)	-	-	20,000	2.00
Shares outstanding at the end of the year	48,791,421	4,879.14	48,791,421	4,879.14

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 31st March, 2013		As at 31st March, 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RAKESH JHUNJHUNWALA	4,319,100	8.85%	3,152,100	6.46%
RARE EQUITY PVT. LTD.	10,554,403	21.63%	10,554,403	21.63%

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)				
	2012-13	2011-12	2010-11	2009-10	2008-09
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 6th December 2006 and 15,00,000 Warrants of ₹ 1 each have been granted by the Company to the Trust on 12th March 2007. The Stock option had 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. 19th March, 2007, was 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.In the previous year all options issued under this Scheme are lapsed, hence no options are outstanding at the begining of the year.

During the previous year proportionate net recovery of ₹ 169.74 lakhs, had been included in the note of "Payments to and Provisions for Employees" (Note "13") as ESOP Compensation Cost.

Details of Options Granted, exercised and lapsed	Year ended 31st March, 2013	Year ended 31st March, 2012
Options granted and outstanding as the beginning of the year	-	421,331
Less: Lapsed/Forfeited/Expired during the year	-	401,331
Less : Options exercised during the year	-	20,000
Options granted and outstanding as the end of the year	-	-

NOTE 2 Reserve and Surplus

₹ in lakhs

	Particulars	As at 31st March, 2013	As at 31st March, 2012
a.	**Capital Redemption Reserve**		
	Opening Balance	884.80	884.80
	Closing Balance	884.80	884.80
b.	**Securities Premium Account**		
	Opening Balance	14,093.36	14,055.78
	Add : Securities premium credited on Share issue and ESOP exercised	-	37.58
	Closing Balance	14,093.36	14,093.36
c.	**Share Options Outstanding Account**		
	Opening Balance	-	186.51
	(-) Written Back in Current Year	-	(186.51)
	Closing Balance	-	-
d.	**Cash Flow Hedging Reserve**		
	Opening Balance	(0.73)	0.00
	(+) Current Year Transfer	3.92	(0.73)
	Closing Balance	3.19	(0.73)
e.	**General Reserve**		
	Opening Balance	260.93	78.88
	(+) Current Year Transfer	253.00	182.05
	Closing Balance	513.93	260.93
f.	**Surplus in Profit and loss account**		
	Opening balance	6,379.32	6,442.10
	(+) Net Profit for the current year	2,527.36	1,820.48
	(-) Proposed Dividends including DDT	1,427.09	850.60
	(-) Interim Dividends including DDT	850.60	850.60
	(-) Transfer to Reserves	253.00	182.05
	Closing Balance	6,376.00	6,379.33
Total		21,871.28	21,617.69

Note 2.1 Share warrants represent money received as per ESOS scheme, and corresponding advance 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 15th September 2013 and no option shall be awarded under the said scheme to the optionees after the expiry.

NOTE 3 Non Current Liabilities

Note 3 (a) Long Term Borrowings ₹ in lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
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) Long Term Provisions ₹ in lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
Provision for employee benefits :-		
Gratuity (unfunded)	104.56	258.26
Leave Encashment (unfunded) (Refer point no. B-4 of note 16)	168.37	135.43
Total	272.93	393.69

NOTE 4 Current Liabilities

Note 4 (a) Trade Payables ₹ in lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
Unsecured		
Trade Payable		
Sundry creditors *	826.69	871.54
* 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	826.69	871.54

Note 4 (b) Other Current Liabilities ₹ in lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
(a) Unclaimed dividends	68.86	42.88
(b) Sundry creditors for capital assets	82.39	17.46
(c) Other payables :-		
Statutory Dues	211.76	276.90
Others liabilities	29.00	34.52
Franchisee /Caution deposits	114.56	89.85
Total	506.57	461.61

Note 4 (c) Short Term Provisions

₹ in lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
(a) Provision for employee benefits :-		
Gratuity (funded)	-	5.69
Leave encashment (funded)	9.24	8.63
(Refer point no. B-4 of note 16)		
(b) Others :-		
Provisions for expenses	787.59	664.24
Proposed Dividend on Equity Shares	1,219.79	731.87
Provision for tax on Proposed Dividend	207.30	118.73
The Board of Directors have recommended a final dividend of ₹ 2.50 per equity share (aggregating to a total dividend of ₹ 4.00 per share for the financial year 2012-13 on Face value of ₹ 10 and which includes an Interim dividend of ₹ 1.50 per equity share paid) (In previous year total dividend paid was ₹ 3.00 per share).		
Total	2,223.92	1,529.16

NOTE 5 FIXED ASSETS

₹ in Lakhs

Particulars	Tangible Assets								Intangible Assets			Total
	Freehold land	Buildings	Leasehold Improvements	Computer Hardware	Furniture and Fixtures	Vehicles	Office equipment	Electrical fittings	Goodwill	Computer Software	Courseware **	
a Gross Block												
As at 01st April 2011	262.15	1,624.92	37.50	1,058.96	657.21	236.88	298.83	160.31	952.61	1,162.93	3,907.43	10,359.72
Additions	-	6.91	-	65.11	0.22	-	7.33	-	-	44.65	194.93	319.15
Deletions	-	-	-	263.13	2.44	101.50	16.67	1.89	-	1.64	-	387.27
As at 31st March 2012	262.15	1,631.83	37.50	860.94	654.99	135.38	289.49	158.42	952.61	1,205.94	4,102.36	10,291.60
Additions	-	140.86	-	156.32	152.18	-	52.45	20.72	-	215.81	239.38	977.74
Deletions	-	602.13	-	182.44	406.71	77.44	63.70	64.49	-	78.71	-	1,475.62
As at 31st March 2013	262.15	1,170.55	37.50	834.82	400.45	57.94	278.25	114.65	952.61	1,343.05	4,341.74	9,793.71
b Accumulated Depreciation												
As at 01st April 2011	-	231.63	9.35	1,012.23	462.65	140.99	91.69	89.18	761.98	1,021.16	3,454.55	7,275.41
For the year	-	31.87	7.52	40.01	50.26	30.91	14.49	9.02	95.51	124.51	300.06	704.16
Deletions	-	-	-	262.32	2.15	96.67	3.85	1.89	-	1.64	-	368.52
As at 31st March 2012	-	263.50	16.87	789.92	510.76	75.23	102.33	96.31	857.49	1,144.03	3,754.61	7,611.05
For the year	-	31.16	7.48	78.88	52.85	19.16	15.25	4.92	95.12	81.64	240.37	626.82
Deletions	-	92.04	-	181.62	303.07	64.88	20.57	46.19	-	10.47	-	718.84
As at 31st March 2013	-	202.62	24.35	687.17	260.55	29.51	97.02	55.04	952.61	1,215.19	3,994.98	7,519.04
Net Block as at 31st March 2013	262.15	967.93	13.15	147.64	139.90	28.42	181.24	59.62	0.00	127.85	346.77	2,274.67
Net Block as at 31st March 2012	262.15	1,368.33	20.63	71.02	144.22	60.15	187.16	62.11	95.12	61.91	347.75	2,680.55

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

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

NOTE 6 NON CURRENT INVESTMENTS

Sr. No.	Name of the Body Corporate	Subsidiary/ Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount (₹ in lakhs)		"Whether stated at Cost Yes / No"	"If Answer to Column (12) is 'No' - Basis of Valuation"
	Details of Trade Investments											
			2013	2012			2013	2012	2013	2012		
(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. (Refer point no B-9 of note 16)	Subsidiary	28	37	Unquoted	Fully Paid	100%	100%	327.27	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%	5,674.35	5,730.27	Yes	
	Syntea Polland JV (Refer point no B-9 of note 16)	Others					9.09%	0%	265.24	-	Yes	
	Aptech Hungama Digital learning LLP (Refer point no B-9 of note 16)	LLP /JV	-	-			50%	0%	2.00	-	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)								6,975.71	6,897.19		
(b)	Investments in Preference Shares											
	Aptech Venture Limited (Preference share @ 1 Euro each)	Subsidiary	2,841,093	2,841,093	Unquoted	Fully Paid	100%	100%	1,904.26	1,904.26	Yes	
	Total (b)								1,904.26	1,904.26		
	Total (a + b)								8,879.97	8,801.46		

NOTE 7 LONG TERM LOANS AND ADVANCES

₹ in lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
a. Capital Advances				
Unsecured, considered good	-		59.92	
Less: Provision for doubtful advances	-		-	
		-		59.92
b. Security Deposits				
Unsecured, considered good	171.99		197.87	
Less: Provision for doubtful deposits	-		-	
		171.99		197.87
c. Loans and advances to related parties				
Unsecured, considered good *	796.72		719.96	
Less: Provision for doubtful loans and advances	-		-	
		796.72		719.96
d. Other loans and advances				
Advance Tax (Net of Provision for Tax ₹ 2,195.22 lakhs (PY ₹ 1,659.17 lakhs)	1,043.26		1,176.90	
Prepaid expenses	1.83		1.18	
Loans and advances to employees	26.25		69.38	
		1,071.34	-	1,247.46
Total		2,040.05		2,225.21

* 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 ₹ 783.43 lakhs, inclusive of interest (Previous Year ₹ 706.66 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

Sr. No.	Name of the Body Corporate	Subsidiary/ Others	No. of Shares / Units		Quoted / Unquoted	Partly/Fully paid	Amount (₹ in lakhs)		Basis of Valuation
			2013	2012			2013	2012	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
(a)	Investments in Debentures or ICD								
	Certificate of Deposits (Axis Bank)	Others	-	500	Unquoted	Fully Paid	-	468.78	Amortised cost
	Total						-	468.78	

NOTE 8 CURRENT ASSETS

Note 8(ii) Inventories

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
Finished goods (Valued at lower of cost or net realisable value)		
Education and Training course materials	149.40	166.84
Total	149.40	166.84

Note 8(iii) Trade Receivables

₹ in lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
Trade receivables outstanding for a period less than six months		
Secured, considered good	-	-
Unsecured, considered good	1,661.31	1,344.84
Unsecured, considered doubtful	-	-
	1,661.31	1,344.84
Trade receivables outstanding for a period exceeding six months		
Unsecured, considered good	669.72	667.32
Unsecured, considered doubtful	486.02	885.54
Less: Provision for doubtful debts	(486.02)	(885.54)
	669.72	667.32
Total	2,331.03	2,012.16

Sundry Debtors are subject to confirmation and reconciliation.

The debtors are net of ₹ Nil (Previous year ₹ 1027.57 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 balance

₹ in lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
a. Cash and cash equivalents :-				
i. Cash on hand		1.45		2.04
ii. Balance with banks :-				
EEFC Accounts	44.58		68.07	
Bank deposits (with original maturity less than three months)	651.31		854.56	
Current Accounts	242.86	938.75	215.16	1,137.80
Sub Total		940.20		1,139.84
b. Other Bank balances :-				
Bank deposits *(with original maturity more than three months)	10,287.19		8,269.24	
Earmarked Balances (Unpaid dividend accounts)	68.86		42.88	
Sub Total		10,356.05		8,312.12
Total (a+b)		11,296.25		9,451.96

* Bank deposits as of March 31,2013 and March 31,2012 include restricted balances of ₹ 1107.20 lakhs and ₹ 1249.00 lakhs respectively. The restriction are primarily on account of cash and bank balances held as margin money deposits against guarntees.

Note 8(v) Short-term loans and advances

₹ in lakhs

Particulars	As at 31st March, 2013		As at 31st March, 2012	
Prepaid expenses		46.50		53.16
Other current assets		193.73		65.82
Travel advances and loan to employees		28.64		22.31
Loans and advances to related parties (Refer note below)				
Unsecured, considered good	3,163.66		3,669.06	
Less:Provision for doubtful loans and advances (Refer point no. B-2 of note 16)	21.04	3,142.62	21.04	3,648.02
Total		3,411.49		3,789.31

Details of loans and advances in the nature of loans (as required by Clause 32 of the listing agreement with the Stock exchanges)

₹ in lakhs

Particulars	Loans & advances as at		Maximum outstanding during the year	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
Wholly Owned Subsidiry Company				
Aptech Training Limited, FZE	5.47	18.11	18.11	28.30
Aptech Worldwide Bangladesh Limited @	21.04	21.04	21.04	21.04
Maya Entertainment Limited	86.80	275.63	373.19	664.38
Attest Testing Services Limited	81.58	501.57	519.95	771.82
Aptech Worldwide Corporation	22.85	22.06	22.85	22.06
Avalon Aviation Academy Private Limited	2,921.79	2,807.48	2,921.92	2,807.48
AGLSM SDN. BHD Malaysia	24.14	24.14	24.14	24.53

* Above Loans and Advances are interest 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

₹ in Lakhs

Particulars	2012-13	2011-12
Training and Education Income	8,741.82	8,694.47
Income from Testing Services Operations	1,294.25	400.73
Total	10,036.07	9,095.20

NOTE 10 OTHER INCOME

₹ in Lakhs

Particulars	2012-13	2011-12
Interest Income	979.75	577.41
Exchange Rate Gain (Net)	43.20	-
Interest Income (Tax Refund)	-	0.53
Liabilities No Longer Required Written Back	163.20	199.78
Net gain on sale of assets	0.87	-
Other non-operating income	1.20	5.10
Total	1,188.22	782.82

NOTE 11 TRAINING AND EDUCATION EXPENSES

₹ in Lakhs

Particulars	2012-13	2011-12
Education,Training Expenses and Course Materials	535.67	474.17
Course Execution Charges	2,495.81	2,328.91
Total	3,031.48	2,803.08

NOTE 12 MARKETING AND ADVERTISEMENT EXPENSES

₹ in Lakhs

Particulars	2012-13	2011-12
Advertisement expenses	1,032.72	774.00
Other marketing expenses	9.84	10.59
Total	1,042.56	784.59

NOTE 13 PAYMENTS TO AND PROVISION FOR EMPLOYEES

₹ in Lakhs

Particulars	2012-13	2011-12
(a) Salaries and other allowances (Refer note 13.1 below)	2,111.21	2,061.57
(b) Contribution to Provident and other Funds (Refer note 13.1 below)	169.06	162.90
(c) Gratuity fund contributions (Refer point B-4 of note 16)	65.61	93.17
(d) Esop Compensation Cost (Net) (Refer point 1.5)	-	(169.74)
(e) Staff welfare expenses	49.68	51.34
Total	2,395.56	2,199.24

Note 13.1 Managerial Remuneration:

Managerial remuneration to Managing Director ('MD') and Whole Time Director ('WTD') under Section 198 of the Companies Act 1956:

₹ in Lakhs

Particulars	2012-13	2011-12
Salaries and Allowances	213.14	120.01
Contribution to Provident and other funds	12.80	8.26
Membership fees for club	-	16.55
Total	225.94	144.81

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 applications to the Central Government, seeking approval for remuneration paid to the Managing Director in excess of limits prescribed under the Companies Act, 1956 aggregating ₹ 25.04 lakhs for the year ended 31st March, 2011, ₹ 67.47 lakhs for the year ended 31st March 2012, approval for which are awaited. Application to the Central Government seeking waiver of excess remuneration of ₹ 54.91 lakhs paid to the Managing Director for the year ended 31st March, 2013 shall be made in due course.

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 3rd May 2012.

NOTE 14 ADMINISTRATIVE AND OTHER EXPENSES

₹ in Lakhs

Particulars	2012-13	2011-12
Rent (Refer note 14.1 below)	306.59	316.33
Rates And Taxes	38.70	26.97
Travelling And Conveyance Expenses	394.69	304.83
Electricity Charges	98.61	95.76
Communication Expenses	163.63	152.95
Repairs And Maintenance :-		
Buildings	-	0.16
Plant & Machinery	32.59	40.93
Others	54.23	66.22
Insurance Premium	11.03	10.23
Legal And Professional Charges	140.38	179.52
Bad Debts/Advances/ Stockwritten Off	14.13	2.50
Provision For Doubtful Debts	300.70	310.96
Audit Fees (Refer note 14.2 below)	29.93	30.84
Safety And Security	121.98	106.93
Exchange Difference (Net)	-	208.80
Printing and Stationery	47.32	47.74
Loss On Sale / Disposal Of Fixed Assets (Net)	-	1.47
Director's Commission provided (Refer note 14.3 below)	21.00	15.00
Director'S Sitting Fees	13.60	12.17
Miscellaneous Expenses	50.54	58.70
Total	1,839.65	1,989.01

14.1 Operating Leases

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

₹ in Lakhs

Particulars	2012-13	2011-12
Lease payment for the period/year	-	46.46
Not later than one year	-	-
Later than one year and not later than five years	-	-
Later than five years	-	-

14.2 Payments to the auditor as

₹ in Lakhs

Particulars	2012-13	2011-12
Audit Fees	14.80	14.80
Tax Audit Fees	5.50	5.50
Limited Review	6.45	6.45
Certification/ Other Fees:		
Tax advisory	0.80	2.00
Company Law Matters	0.69	0.65
Reimbursement of expenses	1.69	1.44
Total	29.93	30.84

14.3 Directors' commission provided

₹ in Lakhs

Particulars	2012-13	2011-12
Directors' commission calculated @ 1% as per section 349 of Companies Act, 1956	21.30	15.47
Directors' commission proposed by the Board and provided for	21.00	15.00

* Commission payable to non-whole-time director for financial year 2012-13 @ 1% of net profit computed in accordance with section 349 of the Companies Act, 1956.

14.4 Administration and other expenses are net of recoveries.

NOTE 15 INTEREST AND FINANCE EXPENSES

₹ in Lakhs

Particulars	2012-13	2011-12
Interest expense:-		
Cash credit and others	28.15	8.80
Commitment & Finance Charges	-	9.88
Total	28.15	18.68

NOTE "16"

SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS

A. Significant Accounting Policies:

Accounting Convention

(a) Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspect of the Accounting Standard (AS) Notified by the Companies Accounting Standard Rules, 2006 (as amended), 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.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956. Based on the nature of products and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

(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.

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

(iv) Depreciation on Buildings, Computer Hardware, Software , Courseware and Furniture & 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%

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

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

(vii) Assets purchased during the year whose acquisition cost is ₹ 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. When there is indication that an impairment loss recognised for an assets earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

(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.

All other borrowing costs are charged to Statement of Profit and Loss in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(f) 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.

Any Premium/discount arising at the inception of a forward exchange contract is recognized as income/expenses over the life of the contracts, except where the contract is designated as a cash flow hedge. Any Profit/Loss on cancellation/renewal of forward exchange contract is recognized as income/expense for the year.

(g) 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 and fair value, determined by category of investment.

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

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.

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

Dividend from investments is recognised in the Statement of Profit and Loss, when the right to receive payment is established.

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

(k) Retirement Benefits

Defined Contribution plan

The Company's makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognised 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 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, wealth and deferred tax.

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

The deferred tax 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 supported by convincing evidence that sufficient future tax income will be available against which such deferred tax asset can be realized.

(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 on a straight-line basis over the lease term.

(o) Cash and Cash Equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of less than three months and short term highly liquid investments with an original maturity of three months or less.

(p) Provisions, Contingent Liabilities and Contingent Assets

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

Provisions are recognised when there is a present obligation as a result of past events, 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.

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

Contingent Assets are neither recognized, nor disclosed.

(q) 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 profit and loss.

NOTE 16

B) OTHER NOTES ON ACCOUNTS:

1) Contingent Liabilities, Capital commitments, and Counter Guarantees in respect of:

₹ in Lakhs

Particulars	As at 31st March, 2013	As at 31st March, 2012
(i) Contingent Liabilities		
(a) Claims against the company not acknowledged as debt	675.34	627.60
Total (i)	675.34	627.60
(ii) Capital Commitments and Guarntees		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	36.44	157.80
(b) Counter guarantees to bank for projects	180.43	77.74
Total (ii)	216.87	235.54
Total (i+ii)	**892.21**	**863.15**

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 ₹ 6,141.52 lakhs (Previous year ₹ 6,205.73 lakhs) and Loans and Advances aggregating ₹ 3,032.73 lakhs (Previous year ₹ 3,607.85 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	2012-13	2011-12
Profit/ (loss) after tax attributable to Shareholders (₹ in lakhs) (A)	2,527.36	1,820.48
Weighted average number of equity shares outstanding during the year:	48,791,421	48,782,678
Basic (No. of Shares) (B)	-	396,997
Add: Diluted Impact of Employee Stock Options	48,791,421	49,179,675
Diluted (C)	10/-	10/-
Nominal value of equity shares (₹)		
Basic EPS (₹) (A/B)	5.18	3.73
Diluted EPS (₹) (A/C)	5.18	3.7

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	2012-13	2011-12
Present value of the defined benefit obligation at the end of the year	343.38	277.23
Fair value of the plan assets	238.82	13.28
Net Liability / (Assets)	104.56	263.95

The amount recognised in salary and employee benefits in the Statement of Profit and loss as follows in respect of the gratuity:

₹ in lakhs

Particulars	2012-13	2011-12
Current Service Cost	40.44	38.10
Interest on defined benefit obligation	23.56	18.42
Expected return on plan assets	(11.55)	(2.68)
Net actuarial (Gain)/ Loss on plan Assets	13.16	39.34
Net Gratuity Cost	65.61	93.17

Actual Return on plan assets:

₹ in lakhs

Particulars	2012-13	2011-12
Expected Return on plan assets	11.55	2.68
Acturial Gain / (Loss) on plan assets	-	-
Actual return on plan assets	11.55	2.68

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

₹ in lakhs

Particulars	2012-13	2011-12
Opening defined benefit obligation	277.23	230.25
Current Service Cost	40.44	38.10
Interest cost	23.56	18.42
Actuarial (Gain)/ Loss	13.16	39.34
Benefit Paid	(11.01)	(48.87)
Closing defined benefit obligation	343.38	277.23

Change in fair value plan assets

₹ in lakhs

Particulars	2012-13	2011-12
Fair value of the plan assets at the beginning of the year	13.28	19.47
Expected return on plan assets for the period	11.55	2.68
Contributions during the period	225.00	40.00
Benefits paid during the period	(11.01)	(48.87)
Fair value of the plan assets at the end of the year	238.82	13.28

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.

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

₹ in lakhs

Particulars	2012-13	2011-12
Present value of the defined benefit obligation at the end of the year	177.62	144.05
Fair value of the plan assets	-	-
Net Liability / (Assets)	177.62	144.05

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

₹ in lakhs

Particulars	2012-13	2011-12
Current Service Cost	24.01	23.11
Interest on defined benefit obligation	12.24	9.75
Net actuarial (Gain)/ Loss on plan Assets	20.22	11.86
Net Leave encashment Cost	56.47	44.72

Reconciliation of present value of the obligation

₹ in lakhs

Particulars	2012-13	2011-12
Opening defined benefit obligation as on 1.04.2012	144.05	121.90
Current Service Cost	24.01	23.11
Interest cost	12.24	9.75
Actuarial (Gain)/ Loss	20.22	11.86
Benefit Paid	(22.90)	(22.57)
Closing defined benefit obligation as on 31.03.2013	177.62	144.05

Principal Actuarial Assumptions at the balance sheet date 31.03.2013 for Gratuity & Leave Encashment

₹ in lakhs

Particulars	2012-13	2011-12
Discount Rate	8.25%	8.50%
Estimated rate of return on plan assets	9.92%	7.50%
Rate of Salary Growth	7.00%	7.25%

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 – ₹ 169.06 lakhs (Previous Year – ₹ 162.90 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:-

₹ in lakhs

Particulars	As on March 31, 2013	As on March 31, 2012
Carried forward Unabsorbed Depreciation	2,793.42	2,717.38
Carried forward Business Loss	-	374.04
Carry Forward Capital Loss	646.79	646.79
Provision For Bad Debts	157.69	394.53
Expenditure/provisions(Gratuity & Leave encashment)	91.55	132.38
Related to Fixed Assets	-	69.77
Total Deferred Tax Asset (A)	3,689.45	4,334.90
Related to Fixed Assets	48.85	-
Total Deferred Tax Liability (B)	48.85	-
Net Deferred Tax Asset (A-B)	3,640.60	4,334.90

6) Expenditure in Foreign Currency:

₹ in lakhs

Particulars	2012-13	2011-12
a) Foreign Travel	21.57	17.23
b) Training & Education Expenses	233.05	220.23
c) Administrative and Other Expenses"	205.63	93.25
Total	**460.25**	**330.71**

7) Earnings in Foreign Currency:

₹ in lakhs

Particulars	2012-13	2011-12
a) F.O.B. Value of sale of Education and training course materials	142.75	155.07
b) Training and Education Income	1,909.10	1,916.29
Total	**2,051.85**	**2071.36**

8) From April 2012 the Company has not recognised MAT credit entitlement under section 115JAA of Income Tax Act, 1961 as a matter of prudence.

9) a. During the year, the company has signed an Agreement with Hungama Digital Learning for investing 50% in the share capital of the newly formed "Aptech Hungama Digital learning LLP", investing sum of ₹ 2.00 lakhs.

b. During the year, Aptech Training Limited FZE brought back 9 units towards which 132.80 lakhs are received.

c. In pursuance to agreement of Syntea SA of (Poland JV), The Company has Invested in said Company there of USD$ 500,000 for 9.09% there in.

10) Segmental Report for the year of the Company As per AS-17 is annexed.

11) Foreign Currency exposure which are not hedged:

₹ in Lakhs

Particulars	Currency	2012-13	2011-12
a) Trade Receivables	USD	468.58	465.37
Total		**468.58**	**465.37**

12) 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 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 Hungama Digital Learning LLP
Key management personnel:	Mr. Ninad Karpe - Managing Director & CEO Mr. Anuj Kacker - Whole Time Director (w.e.f. 1st Nov'12)

II. Transactions with Related parties:-

₹ in lakhs

Nature of transaction	Subsidiaries	Key Management Personnel	Total
Expenses	109.89	225.94	335.83
	(400.73)	(144.81)	(545.54)
Training & Educaiton Income :-	405.84	-	405.84
	(107.45)	-	(107.45)
Reimbursment of Expenses received	661.79	-	661.79
	(768.41)	-	(768.41)
a) Loans granted -			
Nel loans and advances given/ (returned)	(507.33)	-	(507.33)
	(316.79)	-	(316.79)
Balances at the end of the year			
Loans and Advances	3,163.66	-	3,163.66
	(3,670.99)	-	(3,670.99)
Investments	9,036.33	-	9,036.33
(Previous year)	(9,225.05)	-	(9,225.05)
Sundry Debtors	12.89	-	12.89
(Previous year)	(0.53)	-	(0.53)
Sundry Creditors	(97.13)	-	(97.13)
(Previous year)	(352.06)	-	(352.06)

Figure in italic and bracket 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:

₹ in lakhs

	Transaction	Relationship	2013	2012
a)	Expenses			
	Training & Educaiton Income :-			
	Attest Testing Services Ltd.	Subsidiary	109.89	400.73
b)	Income			
	Aptech Training Limited FZE Dubai	Subsidiary	383.60	107.45
c)	Reimbursment of Expenses received			
	Attest Testing Services Ltd.	Subsidiary	238.50	177.87
	Avalon Aviation Academy Pvt. Ltd	Subsidiary	177.73	160.13
	Maya Entertainment Ltd.	Subsidiary	245.56	74.36
d)	Expenditure			
	Managerial Remmuneration			
	Mr. Ninad Karpe	Key Management Personnel	161.40	144.81
	Mr. Anuj Kacker		64.54	-
e)	Net Loans & Advances given / (returned)			
	Attest Testing Services Ltd.	Subsidiary	(419.99)	(270.25)
	Avalon Aviation Academy Pvt. Ltd	Subsidiary	114.31	283.22
	Maya Entertainment Ltd.	Subsidiary	(189.79)	(339.48)
f)	Investments			
	Maya Entertainment Ltd.	Subsidiary	5,674.35	5,730.27
	Aptech Venture Ltd.	Subsidiary	2,135.67	2,135.67

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 : 13th May, 2013

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

10 Segment information under AS – 17

Primary Segment information : Business Segment

₹ in lakhs

Particulars	For the Year ended 31st March 2013				For the Year ended 31st March 2012			
	Business Segments				Business Segments			
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
Revenue								
Income from Segment	7,793.81	2,242.26	211.49	10,247.56	7,453.64	1,641.56	647.25	9,742.45
Results before Interest and Tax and Exceptional Items	2,458.84	645.24	(1,792.59)	1,311.49	2,680.98	150.25	(1,560.93)	1,270.30
Add: Interest income	-	-	979.75	979.75	-	-	577.94	577.94
Less: Interest Expenses and Finance Charges	-	-	28.15	28.15	-	-	26.57	26.57
Profit/(Loss) before Tax and Exceptional Items	2,458.84	645.24	(840.99)	2,263.09	2,680.98	150.25	(1,009.56)	1,821.67
Exceptional Items								
Net Profit on sale of Premises	-	-	800.32	800.32	-	-	-	-
Profit / (Loss) before Tax	2,458.84	645.24	(40.67)	3,063.41	2,680.98	150.25	(1,009.56)	1,821.67
Add /(Less): Taxation	-	-	536.05	536.05	-	-	1.19	1.19
Profit / (Loss) after Tax	2,458.84	645.24	(576.72)	2,527.36	2,680.98	150.25	(1,010.75)	1,820.48
Other Information	-	-	-	-	-	-	-	-
Carrying amount of Segment Assets	2,197.03	1,309.10	-	3,506.13	2,773.46	488.23	-	3,261.69
Unallocable Assets	-	-	27,087.58	27,087.58	-	-	26,504.33	26,504.33
Carrying amount of Segment Liabilities	2,459.85	645.31	-	3,105.16	1,066.84	486.86	-	1,553.70
Unallocable Liabilities	-	-	2,219.63	2,219.63	-	-	1,702.30	1,702.30
Cost incurred to acquire Segment Fixed Assets during the year	616.24	168.15	455.08	1,239.47	343.63	9.86	112.90	466.38
Depreciation / Amortization	305.48	50.35	270.99	626.82	360.29	13.62	330.23	704.14
Significant Non- Cash Expenditure	245.84	16.54	(21.61)	240.77	262.35	2.99	112.62	377.96

Secondary Segment information : Geographical segment

₹ in lakhs

Particulars	2012-13			2011-12		
	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	7,984.23	2,749.40	1,239.47	7,023.85	2,422.62	466.38
Outside India	2,051.84	756.74	-	2,071.35	839.07	-
Total	10,036.07	3,506.13	1,239.47	9,095.20	3,261.69	466.38

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956 RELATING TO SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	Name of Subsidiary Companies									
	Maya Entertainment Ltd.	Attest Testing Service Ltd.	Avalon Aviation Academy Pvt.Ltd.	Aglsm Sdn.bhd. Malaysia	Aptech Worldwide Corporation USA	Aptech Training Ltd. FZE, Dubai	Aptech Worldwide Bangladesh Ltd.	Aptech Investment Enhancers Ltd. Mauritius	Aptech Ventures Ltd. Mauritius	Aptech Global Investment Ltd. Mauritius
Equity capital	2,364.21	8.28	400.00	67.17	409.50	327.27	14.09	209.46	209.46	362.70
Preference capital	-	-	-	-	-	-	-	1,908.00	1,908.26	-
Reserves	(1,437.16)	271.96	(3,183.67)	(92.06)	(477.67)	(36.76)	(4.59)	8,691.55	13.69	(415.29)
Total Assets (exclude investments)	2,053.56	672.99	292.83	60.32	(44.44)	281.10	-	10,814.15	2,136.62	39.26
Total Liabilities (excluding capital and reserves)	1,128.89	392.75	3,076.51	85.21	23.74	45.28	26.44	5.14	5.21	91.84
Investment other than Investment in subsidiary	2.38	-	-	-	-	-	-	-	-	-
Income	4,301.06	1,796.45	547.26	156.14	71.32	711.55	-	-	-	0.19
Profit / (loss) before tax	551.58	399.43	(176.47)	3.69	67.71	38.86	-	(2.19)	(2.19)	(4.80)
Provision for taxation	84.00	101.00	-	-	-	-	-	-	-	-
Exceptional items	-	-	-	-	-	-	-	-	-	-
Profit after tax	467.58	298.43	(176.47)	3.69	67.71	38.86	-	(2.19)	(2.19)	(4.80)
Proposed/ Interim dividend	-	-	-	-	-	-	-	-	-	-
Reporting currency (other than ₹)	-	-	-	MYR	USD ($)	USD ($)	Taka	Euro	Euro	Euro
Closing rate	-	-	-	17.51	54.39	54.39	0.65	69.54	69.54	69.54

* The Annual Accounts for 2012-13 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 SHEREHOLDERS

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Goverance" 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 throse members who hold shares in physical form would like to receive the aforesaid documents by E-mail are requesed 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 Thirteenth Annual General Meeting of APTECH LIMITED will be held on Monday 30th September, 2013 at "Rangaswar Hall, 4th Floor, Chavan Centre, General Jagannath Bhosle Marg, Next to Sachivalaya Gymkhana, Mumbai - 400 021 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Profit and Loss Account for the financial year ended 31st March, 2013, 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, 2013.
3. To appoint a Director in place of Mr. Ramesh Damani who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Vijay Aggarwal who retires by rotation and being eligible offers himself for reappointment.
5. To appoint a Director in place of Mr. Rakesh Jhunjhunwala who retires by rotation and being eligible offers himself for reappointment.
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.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Maheshwer Peri, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31st October 2012 and who holds office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act 1956, ("the Act") and who is eligible for appointment and in respect of whom the Company has received notice in writing under Section 257 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company."

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

"RESOLVED THAT Mr. Anuj Kacker, who was appointed by the Board of Directors as an Additional Director of the Company with effect from 31st October 2012 and who holds office upto the date of this Annual General Meeting of the Company under Section 260 of the Companies Act 1956, ("the Act") and who is eligible for appointment and in respect of whom the Company has received notice in writing under Section 257 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company."

9. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act"), including any statutory modifications or re-enactments thereof and Articles of Association of the Company, the members hereby approves the appointment of Mr. Anuj Kacker as the Whole-time Director of the Company for the period 1st November 2012 to 31st October 2017, not liable to retire by rotation, on the terms and conditions as set out in the explanatory statement and the agreement for the appointment be entered into between the Company and Mr. Anuj Kacker covering interalia the terms and conditions as set out in the said explanatory statement."

   "RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, the remuneration payable to Mr. Anuj Kacker be not reduced and the recovery of excess remuneration paid if any be waived subject to the approval of the Central Government and if the approval of the Central Government in that regard is not received, then the maximum permissible remuneration under Schedule XIII of the Act as may be in force shall be the remuneration payable to him."

   "RESOLVED FURTHER THAT the Board of Directors (including its Committee thereof) be and is hereby authorized to alter, vary, revise, any of the terms and conditions relating to the appointment and remuneration payable to Mr. Anuj Kacker, the Wholetime Director, whenever required and to do all such act, deeds, matters and things and take such steps as may be deemed fit in giving effect to this resolution and to execute all necessary documents, applications and writings as may be necessary."

10. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

    "RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310 and all other applicable provisions, if any, of the

Companies Act, 1956 ("Act") read with Schedule XIII to the said Act, and the Memorandum and Articles of Association of the Company and subject to the approval of the Central Government as may be required, consent of the Company be and is hereby accorded for payment of remuneration made to Mr. Ninad Karpe, Managing Director & CEO of the Company of ₹ 97,35,894/- for the financial year ended 31st March 2011, ₹ 1,44,81,194/- for financial year ended 31st March 2012 and ₹ 1,61,40,000/- for the financial year ended 31st March 2013 and to waive recovery of remuneration paid to Mr. Karpe in excess of the limits prescribed under the provisions of the Act read with Schedule XIII to the Act of ₹ 25,03,601/- for the financial year 31st March 2011, ₹ 67,46,296/- for the financial year 31st March 2012 and ₹ 54,90,522/- for the financial year 31st March 2013."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be considered necessary or expedient to give effect to this resolution."

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 Thursday, 26th September, 2013 to Monday, 30th September, 2013 (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 (final), 31st March 2011 (final), 31st March 2012 (interim), 31st March 2012 (final) and 31st March 2013 (interim), 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.

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

Items 7: The Board of Directors has appointed Mr. Maheshwer Peri as Additional Director on the Board with effect from 31st October 2012.

Mr. Maheshwer Peri started his career as an investment banker with the largest investment bank in India. He is a Chartered accountant by profession. He is also a qualified management accountant and company secretary. As a merchant banker at SBI Capital Markets Limited, he has worked on many projects in varying industries including the ones on media. After a 3 year stint as a merchant banker, he joined Hathway Investments Private Limited, a wholly owned company of the Rajan Raheja group. Mr. Peri took over the reins of one of the fastest growing media group at a young age of 28 in 1998. He turned as entrepreneur in 2009 and started his own publishing venture, Pathfinder Publishing.

Under Section 260 of the Companies Act 1956, Mr Peri hold office as Director only upto the date of this Annual General Meeting. Notice under Section 257 of the Companies Act 1956 has been received from a member signifying his intention to propose the appointment of Mr. Maheshwer Peri as Director of the Company.

In view of his vast and varied experience, it is eminently in the Company's interest to appoint Mr. Maheshwer Peri as Director of the Company. Mr. Peri is concerned or interested in the Resolution at Item 7 of the Notice.

Items 8 and 9: The Board of Directors has appointed Mr. Anuj Kacker as Additional Director on the Board with effect from 31st October 2012.

Mr. Anuj Kacker has been working for Aptech since 2003. He has been the Chief Operating Officer (COO) at Aptech since 2010 and as COO he currently heads the Individual (Retail) Training businesses of Aptech for India. In his earlier roles at Aptech he has been head of International business (2005-09) and Head of Marketing (2003-04). As part of the senior leadership team at Aptech, Anuj been also involved in various strategic initiatives and cross functional roles.

An Electronics Engineer from the premier Indian Institute of Technology (IIT), Kanpur and a management graduate from the Indian Institute of Management (IIM) , Kolkata, Anuj has over 26 years of experience in a variety of highly competitive industries like Pharmaceuticals, Paints, Consumer Durables and Education. Besides Aptech, his experience includes successful tenures in multinationals like ICI as well as other well known brands like Akai and Jenson and Nicholson.

Recognizing his Talent, Competence, Skills & contribution to the organization, Anuj was awarded the 'Indira Super Achiever Award' for 2007 by the Indira Group of Institutes.Anuj was also Chairman, International Franchising Committee and Member of the Core Council in Franchising Association of India in 2008.

Under Section 260 of the Companies Act 1956, Mr Kacker hold office as Director only upto the date of this Annual General Meeting. Notice under Section 257 of the Companies Act 1956 has been received from a member signifying his intention to propose the appointment of Mr. Kacker as Director of the Company. In view of his vast and varied experience, it is eminently in the Company's interest to appoint Mr. Anuj Kacker as Director of the Company. Mr. Kacker is concerned or interested in the Resolution at Item 8 of the Notice.

The Board of Directors at its meeting held on 31st October 2012 appointed Mr. Kacker as a Wholtime Director for five years with effect from 1st November 2012 and the Remuneration Committee at its meetings held on 22nd January 2013 and 13th May 2013 has approved/revised the following terms and conditions of appointment of Mr. Anuj Kacker.

PARTICULARS	Effective 1st November, 2012		Effective 1st April, 2013	
	Per Month (₹)	Per Annum (₹)	Per Month (₹)	Per Annum (₹)
Salary and Allownace	5,13,564	61,62,768	5,66,623	67,99,476
Contribution to Provident Fund, Superannuation & Gratuity	46,436	5,57,232	58,377	7,00,524
TOTAL	5,60,000	67,20,000	6,25,000	75,00,000

1. Ex- Gratia is payable subject to Company's performance and being in service of the Company as on 31st March of the subsequent year.
2. Mediclaim of ₹ 3,00,000 for Self & 3 dependents as per Company rules. The premium will be borne by the Company.
3. Driver's salary & Fuel to be paid by Company on actuals for use of car under OYCS for work.
4. Official Mobile Bills (rent + usage to be on actuals) to be paid by Company."

The appointment can be terminated by either party at any time provided 6 months notice in writing is given by the terminating party

This aforesaid explanation together with the accompanying notice may be regarded as an abstract of the terms of the appointment u/s 302 of the Act and also information to the members pursuant to clause 49 of the listing agreement with the Stock Exchanges.

As the appointment and remuneration shall be in terms of Section I of Part II of Schedule XIII of the Act, no approval of the Central Government will be required.

Your Directors recommend passing of this resolution. None of the Directors except Mr. Kacker is concerned or interested in the resolution at item No. 9.

Item no.10: The shareholders of the Company in the Annual General Meeting held on 25th September 2009, approved the appointment of Mr. Ninad Karpe as Managing Director & CEO of the Company and payment of remuneration to him for a period of five years upto 31st January 2014.

Even though the Company earned net profits on standalone basis as well as on consolidated basis in each of the years mentioned in the Special Resolution, the remuneration paid to Mr. Ninad Karpe exceeded the profits computed in the manner laid down in Sections 349 and 350 of the Act and hence exceeded the limits prescribed under the Act read with Schedule XIII. Accordingly consent of the shareholders is being sought, subject to the applicable regulatory and government approvals as may be required, for remuneration paid to Mr. Ninad Karpe during the said financial years and to waive recovery of excess remuneration paid to him as computed under the provisions of Schedule XIII of the Act.

The Board recommends the Resolution for approval of Shareholders. Mr. Ninad Karpe is interested or concerned in the proposed Resolution. None of the other Directors are interested or concerned in the proposed resolution.

By Order of the Board of Directors

Ketan H. Shah
Group Company Secretary

Place: Mumbai
Date: 13th May, 2013

Details of the Directors seeking appointment / re-appointment at this Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Mr. Ramesh Damani	Mr. Vijay Aggarwal	Mr. Rakesh Jhunjhunwala	MR. Maheshwer Peri	Mr. Anuj Kacker
Date of Birth	12th May, 1957	8th July, 1968	5th July, 1960	8th August, 1969	8th October, 1961
Date of Appointment	28th October, 2005	28th October, 2005	28th October, 2005	31st October, 2012	31st October, 2012
Areas of Expertise	Finance & Media	General Management	Proprietary Investment & Share Trading	Finance & Media	General Management
List of other public companies incorporated in India in which directorships held as on 31st March, 2013	1. Avenue Supermarkts Limited	1. Asianet Satellite Communications Ltd. 2. Exide Industries Ltd. 3. Prism Cement Ltd. 4. ING Vysya Life Insurance Co. Ltd.	1. NCC Ltd. 2. Prime Focus Ltd. 3. Geojit BNP Paribas Financial Services Limited 4. Metro Shoes Ltd. 5. Delta Corp. Ltd.	Nil	1. Attest Testing Services Ltd. 2. Maya Entertainment Ltd.
List of Chairmanships / memberships of committees of the board of other public Companies incorporated in India in which directorships held as on 31st March, 2013	Nil	1. Asianet Satellite Communications Ltd. - Audit Committee (Chairman) - Remuneration Committee (Chairman) 2. Exide Industries Ltd. - Audit Committee (Member) - Remuneration Committee (Member)	Nil	Nil	Nil
No. of shares held in the Company prior to the date of appointment / re-appointment	25000	250000	4319100	Nil	5000

Aptech
Unleash your potential

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 Thirteenth Annual General Meeting of the Company to be held on Monday, 30th day of September, 2013 at 4.00 p.m. at "Rangaswar Hall", 4th Floor, Chavan Centre, General Jagannath Bhosale Marg, Next to Sachivalaya gymkhana, Mumbai- 400 021 and at any adjournment thereof.

Signed this __________ day of __________ , 2013.

Affix
₹1.00
Revenue
Stamp

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

Notes:

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

APTECH LIMITED

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

ATTENDANCE SLIP

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

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

I hereby record my presence at the Thirteenth Annual General Meeting of the Company to be held on Monday, 30th day of September, 2013 at 4.00 p.m. at "Rangaswar Hall", 4th Floor, Chavan Centre, General Jagannath Bhosale Marg, Next to Sachivalaya gymkhana, Mumbai- 400 021.

___________________________________ ________________________________

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

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

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FORM B

1.	*Name of the Company*	***APTECH LIMITED***
2.	*Annual financial statements for the year ended*	*31st March,2013*
3.	*Type of Audit qualification*	*Subject to approval of Central Government seeking waiver of excess managerial remuneration.*
4.	*Frequency of qualification*	*Similar in Annual Report 2010-11, 2011-12*
5.	*Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:*	*Attention is drawn to Note No. 13.3 regarding the payment of remuneration in excess of amount payable as per the provision of the Act to the Managing Director aggregating to Rs. 54.91 Lakhs in F.Y. 2012-13 for which application for approval of Central Government is being made and for such excess remuneration paid amounting to Rs. 25.04 Lakhs in F.Y. 2010-11 and Rs. 67.47 lakhs in F.Y. 2011-12 the approval of Central Government is awaited (Reference page number 70 in the Annual Report 2012-13) Management response – Self explanatory.*
6.	*Additional comments from the board/audit committee chair*	--

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

Shivji K Vikamsey

Shivji K. Vikamsey
Partner

Membership No. 2242
Place: Mumbai
Date: 2nd September, 2013

For and on behalf of the Board of Directors
APTECH LIMITED

NBKarpe

Ninad Karpe
(Managing Director & CEO)

C.Y Pal
(Audit Committee Chairman)

T.K. Ravishankar
(Executive Vice President &CFO)