



# Aptech Limited

ANNUAL REPORT 2014-15

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# Corporate information

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## Board of Directors

### **Rakesh Jhunjhunwala**

Chairman

### **C. Y. Pal**

Vice Chairman

### **Ninad Karpe**

Managing Director & CEO

### **Anuj Kacker**

Whole Time Director

### **Asit Koticha**

Director

### **Madhu Jayakumar**

Director

### **Maheshwer Peri**

Director

### **Rajiv Agarwal**

Director

### **Ramesh S. Damani**

Director

### **Utpal Sheth**

Director

### **Vijay Aggarwal**

Director

### **Yash Mahajan**

Director

### **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@apttech.ac.in

## Statutory Auditors

### **M/s. Khimji Kunverji & Company**

Chartered Accountants,

Sunshine Tower, Level 19,

Senapati Bapat Marg,

Elphinstone Road, Mumbai - 400 013.

## Bankers

### **HDFC Bank Ltd,**

Peninsula Business Park,

B Wing, 4th Floor,

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 - 400 013.

### **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 6772 0300 / 400

Fax: +91 22 2859 1568

Email: sharepro@shareproservices.com

## DIRECTORS' REPORT

### The Members of Aptech Limited

Your Directors are pleased to present their Fifteenth Annual Report on the business and operations of your Company and the Audited Financial Results for the year ended March 31, 2015.

### SNAPSHOT OF FINANCIAL RESULTS

The financial results of the Company for the accounting year ended March 31, 2015 are presented below:

(₹ In lacs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2015	Year ended March 31, 2014
Operating Revenue	10,042.09	10,738.33	17,048.65	18,170.65
Other Income	480.49	855.78	467.08	885.09
<b>Total Revenue from Operation</b>	<b>10,522.58</b>	<b>11,594.11</b>	<b>17,515.73</b>	<b>19,055.74</b>
Total Expenditure excluding Interest & Depreciation	7,917.63	8,172.73	14,590.37	14,670.60
Operating profit before Interest, Depreciation & Tax	2,124.45	2,565.60	2,458.28	3,500.05
Profit Before Exceptional Items, Depreciation & Tax	2,567.76	3,393.18	2,888.18	4,356.91
Profit / (Loss) Before Tax	1,990.79	2,899.11	1,910.79	3,558.68
Profit / (Loss) After Tax	1,648.79	2,339.11	1,568.30	2,981.38
Profit/(Loss) After Tax & share of Associates	1,648.79	2,339.11	1,564.73	2,975.94

### OPERATIONS REVIEW

The core retail business of Aptech continued to grow in terms of top line in FY2014-15. Excluding the accrual revenue for MAAC, IT Training and Aptech Aviation brands, which was impacted because of change in MAAC accounting policy and own center exits, the overall Individual Training segment grew by 5.9%. Within the overall Individual Training segment, the domestic business witnessed a jump of 5.2% while the international business went up by 6.7%.

The Company continued to have zero debt and has cash balances of Rs. 3,788.53 lacs as on 31st March 2015.

In the last few years Aptech has improved its franchise model into a Career Education platform which can be leveraged to deploy additional new brands/products in the Career Education space. The Company is innovating to make this a differentiated platform so as to give a competitive edge to a new product right from the beginning. The new product to be launched would be Aptech Banking & Finance Academy in the first half of year FY2015-16 based on the groundwork done in current financial year. Digitization is one of the key pillars of this effort. Right from the initial investments into an online center ERP system and shift of marketing spend to online medium, Aptech has slowly and surely started to increase its digital footprint. With the launch of OnlineVarsity two years back for its retail brands, most of the courseware has now moved online and each year a greater percentage of students are experiencing Digital Aptech through this platform.

The other key element to Aptech's value proposition to the students going forward will be events and engagement activities to be conducted by Aptech at the brand level and franchise partner at the center level. With this approach in FY2014-15, the Company launched many new events such as 'Evolve' for IT Training, 'Kalakari' in Arena Animation, 'Panorama' for Aptech Aviation, and MaacClick, MAAC Creative League, Masterclass and 100HRS in MAAC. The Organized Retail training partnership with the TRRAIN foundation has catapulted in FY2014-15 to total enrolments of 2,924 students as against 666 in FY2013-14.

In FY2014-15, the Company's strength of network of centers was 952 as on 31st March 2015. New center additions were 114 vs. 130 in the previous financial year. Gross additions in the international market were 37 as against 33 in FY2013-14. The Company entered into many newer markets during the year such as Bahrain, Mozambique, Libya, Zimbabwe, Kenya and Swaziland.

The Company for the 12th year in a row won the ICT Gold Medal for Highest Turnover (Category: Training) and Top ICT Training Cup from HCM Computer Association, Vietnam (2003 – 2014). Student film from a MAAC center in Mumbai won the Best Animation Award in Indian Cine Film Festival 2014 and 'The Resilient Bangalore Traffic Cop', a documentary made by MAAC students, won many accolades and award. Indian VFX and Animation Council (IVAC) endorsed MAAC courses. Some of the other recognitions included 'Microsoft –Wizard of Technology' award and certificate for 3 Aptech Trainers/ Faculties.

### DIVIDEND

During the year under review, two Interim Dividends of ₹ 1.50 and ₹ 1.75 per equity share were paid to the shareholders as approved by the Board of Directors at its meetings held on 9<sup>th</sup> February 2015 and 29<sup>th</sup> April 2015 respectively. With this, the total dividend for the year ended 31<sup>st</sup> March 2015 is ₹3.25 per share (32.50%).

## DIRECTORS

At the ensuing Annual General Meeting, Mr. Maheshwer Peri, Mr. Vijay Aggarwal and Mr. Ramesh Damani are proposed to be appointed as Independent Directors upto 31<sup>st</sup> March 2019. Mr. Rajiv Agarwal, Director of the Company, retiring by rotation and being eligible offers himself for re-appointment.

Mr. Walter Saldanha ceased to be Director of the Company with effect from 31st July 2014.

Keeping in view the legal requirements, the Board of Directors at its meeting held on 24th September 2014, appointed Ms. Madhu Jayakumar as an Independent Director for five years. Her appointment was approved by the shareholders at the last Annual General Meeting. At the time of appointing Ms. Madhu Jayakumar, a formal letter of appointment was given to her which has been posted on the Company's website on the link <http://www.aptech-worldwide.com/downloads/Letter-of-appointment-Madhu.pdf>. By way of introduction to the Company, a detailed Corporate presentation was given to her which is posted on the Company's website on the link <http://www.aptech-worldwide.com/pages/investor-relations/investorrelations.html>.

## PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, during the year under review, the Board carried out the annual evaluation of its own performance. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligation and governance was distributed to each member of the Board and inputs were received.

The performance evaluation of the Independent Directors who will be appointed at the ensuing Annual General Meeting was carried out by the entire Board. The performance evaluation of Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

## 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:

- (i) That in the presentation of the annual accounts for the year ended March 31, 2015, 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, 2015 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 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.
- (v) That internal financial controls followed by the Company are adequate and were operating effectively
- (vi) That the system to ensure compliance with the provisions of all applicable laws were adequate and operating effectively

## CONSOLIDATED FINANCIAL STATEMENTS

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

## SUBSIDIARY COMPANIES

Scheme of merger of Maya Entertainment Limited, wholly owned subsidiary with Avalon Aviation Academy Private Limited, another wholly owned subsidiary from appointed date 1<sup>st</sup> April 2013 was sanctioned by the Hon'ble Bombay High Court on 5<sup>th</sup> September, 2014 and the same became effective from 23<sup>rd</sup> September 2014 on filing of the Scheme with the Registrar of Companies. On and from effective date of the scheme, Maya Entertainment Limited ceased to exist. Name of Avalon Aviation Academy Private Limited, thereupon was changed to Maya Entertainment Limited effective 21<sup>st</sup> October 2014.

The balance sheet, profit & loss account, report of the board of directors and report of the auditors of each of the subsidiary companies for the year ended 31<sup>st</sup> March 2015 shall be available on the Company's website ([www.aptech-worldwide.com](http://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 statement containing salient features of the financial statements of subsidiaries is also included in Form AOC-1 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 (k) percentage of shareholding.

## **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 (Refer point No.B-6 & B-7 of Note 16).

## **PARTICULARS OF EMPLOYEES**

Particulars of employees as required to be disclosed in terms of Section 134 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, 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. The Company has received certificate from Khimji Kunverji & Co. dated 10<sup>th</sup> April 2015 confirming that their re-appointment for the year 2015-16, if made at the ensuing Annual General Meeting of the Company will be in accordance with the provisions of the Companies Act, 2013 and as per the term prescribed under the said act.

## **FIXED DEPOSITS**

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

## **INSURANCE**

The Company has taken insurance cover for its assets to the extent required.

## **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

Place : Mumbai  
Date : 2<sup>nd</sup> July, 2015

**C. Y. Pal**  
Vice Chairman

**Ninad Karpe**  
Managing Director & CEO

**ANNEXURE A TO DIRECTORS REPORT****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR Policy giving overview of projects proposed to be undertaken can be viewed on the following link:

<http://www.aptech-worldwide.com/downloads/policy-on-csr.pdf>

2. The composition of the CSR Committee.

Mr. C. Y. Pal, Chairman of the CSR Committee (Independent Director)

Mr. Rajiv Agarwal, Director

Mr. Ninad Karpe, Managing Director & CEO

3. Average net profit of the company for last three financial years. ₹ 2219.07 lacs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above). ₹ 44.38 lacs

5. Details of CSR spent during the financial year;

(a) Total amount to be spent for the financial year: ₹ 44.38 lacs

(b) Amount unspent, if any: ₹ 38.23 lacs

(c) Manner in which the amount spent during the financial year is detailed below:

1	2	3	4	5	6	7	8	
Sr No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs (1)Local area or other (2)Specify the State and district where projects or Programs was undertaken	Amount outlays (budgets) project or programs wise	Amount spent on the projects or programs Sub-heads: (1)Direct expenditure on projects or programs (2)Over-heads:	Cumulative-expenditure upto to the reporting period	Amount spent through implementing agency	
1	Skill Development / knowledge building	Education	Maharashtra	-	-	-	Vedanta Foundation	3,80,000
							Antarang Foundation	21,338
							Aarambh	49,077
							Paragon (Muktangan)	53,335
							CII (Sponsorship)	1,11,250
	Total							6,15,000

6. Reasons for not spending the amount:

The Company has constituted a CSR committee and formulated CSR Policy as required under Section 135 of the Companies Act, 2013. CSR initiatives have been identified as also methodology for spending the same to ensure appropriate end use of funds so spent. The Company is in process of tying up with some more NGO's operating in the similar field as that of Company's identified CSR initiatives. Accordingly, till end of the financial year 2014-15, sum of Rs. 6.15 lacs have been spent on the said initiatives. The focused spending on these initiatives would happen from next financial year.

7. Implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company

Sd/- Ninad Karpe (Managing Director & CEO)	Sd/- C. Y. Pal (Chairman of CSR Committee)	Sd/- Ketan H. Shah (Company Secretary)
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**ANNEXURE B TO DIRECTORS REPORT****POLICY ON CORPORATE SOCIAL RESPONSIBILITY****Policy Statement**

Aptech Limited and its subsidiary companies recognizes the importance of skill development and realizes that the University education is not sufficient vis-à-vis the Industry's requirement of skilled manpower. In fact there is a huge gap between the aspirations and availability, as the actual growth rate in education has been 11.3% as compared to 37% required by Eleventh five year plan set by Govt. (Planning Commission). A recent report by the Confederation of Indian

Industry (CII) and the Boston Consulting Group (BCG) titled 'India's demographic dilemmas' analyses that there is a large skill gap in the country which needs to be urgently addressed. The report projects that over the next five years, India will experience a paradox of nearly 90 million persons joining the workforce, but most will lack the requisite skills and the mindset for productive employment, or for generating incomes through self-employment. And Government have recognized approximately 500 million persons to be skilled.

### Scope

This policy applies to all of Aptech Limited and its subsidiaries.

### Objective

The objective of the policy is to:

- Provide vocational education to the underprivileged children and youth, including high school and higher education drop-outs which is ranging to almost 57% of school going children, across all pockets of India and help is bridging the gap between the skill required by the industry and skill available.
- Improve the knowledge of students between age group 11-16 and improve the employability of the youth population between age group of 18-35 years at large and hence positively impact the society.

### Implementation

The process for implementation of CSR programmes will involve:-

#### Definition Underprivileged Household:

An individual whose annual household income is Rs 2.5 Lacs or less.

#### Programs

- Providing computer, animation and related literacy to underprivileged children and youth, including high school and higher education drop-outs at Aptech and MAAC Centers (Franchise center or at the facility provided by the NGO).
- In case the training is provided at the NGO's facility then the faculty can be provided by Franchise center or by HR.
- Course Cost will be borne by Aptech Ltd and its subsidiary.

#### Execution

- Engaging NGOs which are working in area of skill development.
- HR will provide course details, fee details and centre location details to the NGOs.
- The student list has to be attested by NGO confirming that the household are the underprivileged household.
- Operations to create separate fee for CSR
- HR to send list to logistics for books issuance and ensures that the book is delivered at franchise centre
- Names of students to be entered in "Aptrack" under CSR fee plan.
- Student will complete the course and attendance to be marked by center in Aptrack.
- Test to be administered and certificates to be issued
- Post completion of the course center to send invoice in NGO's name on center's letter head
- NGO's invoice to be validated by HR with the documents (attendance sheet and course completion record)
- Based on invoice raised by center, Aptech to issue cheque in favour of NGO.
- NGO issues the cheque in favour of center
- The execution of the activity will be responsibility of HR.

#### Monitoring

Monthly reports to be generated which will include the amount spent on individual student and administering post training test to ascertain the proficiency students have acquired.

#### Constitution of CSR Committee

1. Mr. C. Y. Pal, Chairman of the Committee
2. Mr. Ninad Karpe
3. Mr. Rajiv Agarwal

#### Responsibility

HR will be responsible for the execution, implementation and monitoring of the CSR activity.

#### Approval Authority

Approval authority of the CSR policy will be the Board of Directors.

Policy Prepared By: Shourya K Chakravarty, EVP - HR	Policy Approved By: CSR Committee
Version: 2	Date : 1 <sup>st</sup> April 2015

**ANNEXURE C TO DIRECTORS REPORT**

Form No. MR-3  
 Secretarial Audit Report  
 [Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment  
 and Remuneration Personnel) Rules, 2014]  
 Secretarial Audit Report  
 For The Financial Year Ended 31<sup>st</sup> March, 2015

To,  
 The Members,  
 Aptech Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aptech Limited (hereinafter called the company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit period the Company had not gone through any specific events having a major bearing on the Company's affairs in pursuance to the above referred laws, rules, regulations, guidelines, standards, etc.

Place: Mumbai  
 Date: 23<sup>rd</sup> April 2015

For SG and Associates,  
 Suhas Ganpule,  
 Proprietor,  
 Membership No: 12122  
 C. P No: 5722

## ANNEXURE D TO DIRECTORS REPORT

### Remuneration Policy

Human Resource in any organization is considered as one of the invaluable assets. With a view to harmonise the aspirations of human resources consistent with the goals and objectives of the Company and in terms of the provisions of the Companies Act, 2013 and rules made thereunder, the listing agreement as amended from time to time, this policy on remuneration has been formulated by the Nomination and Remuneration Committee ("Committee") and approved by the Board of Directors.

Objectives of the Policy are:

- To determine remuneration based on the Company's size and financial position and trends and practises on remuneration prevailing in the market
- To provide reward linked directly to the effort, performance, dedication and achievement
- To retain, motivate and promote talent and to ensure long term sustainability of talented employees and create competitive advantage.

Managing Director / Whole time Director

1. The remuneration to Managing and Whole-time Directors will be determined by the Committee and recommended to the Board for approval. The remuneration shall be subject to the consent of the shareholders of the Company and Central Government, wherever required.
2. The remuneration to be paid to Managing and Whole-time Directors shall be in accordance with the percentage / slabs / conditions laid down in the Companies Act, 2013, and the rules / schedule made thereunder.
3. Annual increments to the existing remuneration structure shall be determined by the Committee which should be within the limits as prescribed under the Companies Act, 2013 and recommended to the Board for approval.
4. The break-up of the pay scale and quantum of perquisites including, employer's contribution to PF, pension scheme, medical expenses, club fees etc. may be fixed by the Committee.
5. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing and Whole-time Directors in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.
6. If Managing or Whole-time Director draws or receives any sum in excess of the limits prescribed under the Companies Act, 2013, the Company shall not waive recovery of such sum paid in excess unless permitted by the Central Government.

Non- Executive / Independent Director:

1. Non- Executive / Independent Director may receive sitting fees for attending meetings of Board or Committee thereof. Sitting fee for each meeting shall be of such amount as may be approved by the Board within the permissible limit laid down under the Companies Act, 2013 and rules made there under.
2. Commission may be paid to Non-Executive / Independent Directors within the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013 subject to approval of the shareholders.
3. The Board shall approve distribution of Commission amongst the NEDs / IDs.
4. An Independent Director shall not be entitled to any stock option of the Company.

Remuneration of Chief Financial Officer, Company Secretary and other employees

CTC of Chief Financial Officer and Company Secretary will be determined by the Committee and recommended to the Board for approval. Overall annual increment for all employees of the company will be decided by the Committee.

## ANNEXURE E TO DIRECTORS REPORT

Form No. MGT-9  
Extract of Annual Return  
as on the financial year ended on 31<sup>st</sup> March, 2015  
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies  
(Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

CIN	L72900MH2000PLC123841
Registration Date	25 <sup>th</sup> January, 2000
Name of the Company	Aptech Limited
Category / Sub-Category of the Company	Public Limited Company
Address of the Registered Office and contact details	Aptech House, A -65, M.I.D.C., Marol, Andheri(E), Mumbai – 400093
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Name :- M/s. Sharepro Services (India) Private Limited Address :- 13/AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane Saki Naka, Andheri East, Mumbai - 400 072 Contact Person :- Mrs. Indira Karkera Tel. No. :- 91-22-67720300/400

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product services	% to total turnover of the company
1	Other educational services n.e.c.	85499	81.07
2	Educational support services (Testing evaluation services)	85500	14.59

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name of the Company	Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Maya Entertainment Limited	710, 3rd Floor, Anant Chambers, Opposite Modern School, Junglee Maharaj Road, Shivajinagar, Pune – 411 005	U74999PN2006PLC128787	Subsidiary	100%	2(87)(ii)
2	Attest Testing Services Limited	A-65, Aptech House, M.I.D.C, Marol, Andheri (E), Mumbai 400093.	U72200MH2004PLC144003	Subsidiary	100%	2(87)(ii)
3	Aglsm Sdn.bhd., Malaysia	B-9-1, Megan Avenue 1, 189, Jalan Tun Razak 50400 Kuala Lumpur	NA	Subsidiary	100%	2(87)(ii)
4	Aptech Worldwide Corporation, USA	969 G, Edgewater Blvd # 240, San Mateo CA 94404	NA	Subsidiary	100%	2(87)(ii)
5	Aptech Training Limited, FZE, Dubai	RAK Free Trade Zone, P.O Box 16111, Ras Al Khaimah, United Arab Emirates.	NA	Subsidiary	100%	2(87)(ii)
6	Aptech Investment Enhancers Limited, Mauritius	Les Cascades, Edith Cavell Street, Port Louis, Mauritius	NA	Subsidiary	100%	2(87)(ii)
7	Aptech Ventures Limited, Mauritius	Les Cascades, Edith Cavell Street, Port Louis, Mauritius	NA	Subsidiary	100%	2(87)(ii)
8	Aptech Global Investment Limited, Mauritius	Les Cascades, Edith Cavell Street, Port Louis, Mauritius	NA	Subsidiary	100%	2(87)(ii)

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

## (i) Category-wise Shareholding

	Category of Shareholders	No. of Shares held at the beginning of the year 31st March 2014				No. of Shares held at the end of the year 31st March 2015				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	Promoters									
1)	Indian									
a	Individuals/ HUF	8138404	0	8138404	20.40	8130304	0	8130304	20.38	-0.02
b	Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
d	Bodies Corporate	743136	0	743136	1.86	743136	0	743136	1.86	0.00
e	Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
f	Associate Company	9933496	0	9933496	24.90	9933496	0	9933496	24.90	0.00
	Sub-Total (A) (1)	18815036	0	18815036	47.16	18806936	0	18806936	47.14	-0.02
2)	Foreign									
a	NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d	Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
e	Any other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total holding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	18815036	0	18815036	47.16	18806936	0	18806936	47.14	-0.02

	Category of Shareholders	No. of Shares held at the beginning of the year 31st March 2014				No. of Shares held at the end of the year 31st March 2015				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
B	Public Shareholding									
1)	Institutions									
a	Mutual Funds/ UTI	2353	629	2982	0.01	1929	629	2558	0.01	0.00
b	Banks/ FI	70100	669	70769	0.18	118681	669	119350	0.30	0.12
c	Central Govt.	0	0	0	0.00	264	0	264	0.00	0.00
d	State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
e	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g	FIs	3640874	255	3641129	9.13	2162390	255	2162645	5.42	-3.71
h	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i	Trust	4802	0	4802	0.01	4802	0	4802	0.01	0.00
Sub-Total (B) (1)		3718129	1553	3719682	9.32	2288066	1553	2289619	5.74	-3.58
2)	Non-Institutions									
a	Bodies Corporates									
	i. Indian	3053964	5653	3059617	7.67	2874861	5639	2880500	7.22	-0.45
	ii. Overseas	-	-	-	-	-	-	-	-	-
b	Individuals									
	i. Individual Shareholders holding nominal share capital upto ₹ 1 lakh	10411554	757839	11169393	28.00	11908154	744214	12652368	31.72	3.72
	ii. Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	2739018	0	2739018	6.87	2752421	0	2752421	6.90	0.03
c	Others (specify)									
	i. Non-Resident Indian	296304	82288	378592	0.95	418984	80910	499894	1.25	0.30
	ii. Overseas corporate Bodies	1	0	1	0.00	1	0	1	0.00	0.00
	iii. Foreign Nationals	950	0	950	0.00	550	0	550	0.00	0.00
	iv. Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
	v. Trust	0	0	0	0.00	0	0	0	0.00	0.00
	vi. Foreign Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (B) (2)		16501791	845780	17347571	43.48	17954971	830763	18785734	47.09	3.61
Total Public Shareholding (B)= (B)(1) + (B)(2)		20219920	847333	21067253	52.81	20243037	832316	21075353	52.83	0.02
C	Shares held by Custodian for GDRs & ADRs	11271	0	11271	0.03	11271	0	11271	0.03	0
Grand Total (A+B+C)		39046227	847333	39893560	100.00	39061244	832316	39893560	100.00	0.00

## (ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Rare Equity Pvt. Ltd	9933496	24.90		9933496	24.90		0.00
2	Rakesh Jhunjhunwala	4319100	10.83		4319100	10.83		0.00
3	Rekha Jhunjhunwala	2555977	6.41		2555977	6.41		0.00
4	Gopikishan Damani	1255227	3.15		1255227	3.15		0.00
5	Ask Securities Advisory Services Pvt. Ltd.	743136	1.86	87.47	650000	1.63	100.00	-0.23
6	Ask Securities Advisory Services Pvt. Ltd.	0	0.00		93136	0.23		0.23
7	Rajiv Agarwal	8100	0.02		0	0.00		-0.02
	Total	18815036	47.16	87.47	18806936	47.14	100.00	-0.02

## (iii) Change in Promoters' Shareholding ( please specify, if there is no change)

Sr. No.		Shareholding		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	18815036	47.16		
2	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	8100*	0.02	18806936	47.14
3	At the End of the year	18806936	47.14	18806936	47.14

\* Ceased to be in promoter category

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	Premier Investment Fund Ltd.	905000	2.27	01/04/2015				
				16/05/2014	40000	Transfer	945000	2.37
				18/07/2014	50000	Transfer	995000	2.49
				19/09/2014	-150000	Transfer	845000	2.12
				30/09/2014	-100000	Transfer	745000	1.87
				17/10/2014	-80000	Transfer	665000	1.67
				05/12/2014	-60000	Transfer	605000	1.52
		605000	1.52	31/03/2015			605000	1.52
2	Labrador Partners L.P.	714983	1.79	01/04/2015	0	Nil		
		714983	1.79	31/03/2015		movement during the year	714983	1.79

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of shares	% of total shares of the company
3	Macquarie Bank Limited	400213	1.00	01/04/2015				
				13/06/2014	-130000	Transfer	2702013	0.68
		2702013	0.68	31/03/2015			2702013	0.68
4	Neeraj Batra	354000	0.89	01/04/2015				
				10/10/2014	-14000	Transfer	340000	0.85
				23/01/2015	15000	Transfer	355000	0.89
		355000	0.89	31/03/2015			355000	0.89
5	Anoop Jain	307156	0.77	01/04/2015				
				25/07/2014	-6656	Transfer	300500	0.75
				22/08/2014	-5000	Transfer	295500	0.74
				05/09/2014	-200000	Transfer	95500	0.24
				30/09/2014	-94872	Transfer	628	0.00
				31/10/2014	781	Transfer	1409	0.00
				19/12/2014	-680	Transfer	729	0.00
				02/01/2015	-729	Transfer	0	0.00
		0	0.00	31/03/2015			0	0.00
6	Newfoundland Partners L.P.	272724	0.68	01/04/2014	0	Nil movement during the year		
		272724	0.68	31/03/2015			272724	0.68
7	Stichting Pensioenfonds ABP	259063	0.65	01/04/2014				
				16/01/2015	-97869	Transfer	161194	0.40
				23/01/2015	-91810	Transfer	69384	0.17
				30/01/2015	-69384	Transfer	0	0.00
		0	0.00	31/03/2015			0	0.00
8	Alchemy Capital Management Pvt Ltd	200000	0.50	01/04/2014	0	Nil movement during the year		
		200000	0.50	31/03/2015			200000	0.50
9	Priyanka Finance Private Limited	195500	0.49	01/04/2014				
				30/06/2014	-195500	Transfer	0	0.00
		0	0.00	31/03/2015			0	0.00
10	Acadian Emerging Markets Equity II Fund LLC	171482	0.43	01/04/2014	0	Nil movement during the year		
		171482	0.43	31/03/2015			171482	0.43
11	Infinity Knowledge Systems Pvt. Ltd.	130150	0.33	01/04/2014	0	Nil movement during the year		
		130150	0.33	31/03/2015			130150	0.33
12	Neha Lashit Sanghvi	160000	0.40	01/04/2014				
				04/07/2014	-10000	Transfer	150000	0.37
				18/07/2014	-25000	Transfer	125000	0.31
		125000	0.31	31/03/2015			125000	0.31
13	Sanjana Batra	105000	0.26	01/04/2014	0	Nil movement during the year		
		105000	0.26	31/03/2015			105000	0.26

## (v) Shareholding of Directors and Key Managerial Personnel:

Sr.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning (01.04.2014)/ end of the year (31.03.2015)	% of total shares of the company				No. of shares	% of total shares of the company
1	Ramesh Damani Non-Executive Director	25000	0.06	01/04/2014	0	Nil movement during the year		
		25000	0.06	31/03/2015			25000	0.06
2	Ninad Karpe Managing Director & CEO	5001	0.01	01/04/2014	0	Nil movement during the year		
		5001	0.01	31/03/2015			5001	0.01
3	Chugh Yoginder Pal Non-Executive Director	1	0.00	01/04/2014	0	Nil movement during the year		
		1	0.00	31/03/2015			1	0.00
4	Rajiv Agarwal Non-Executive Director	0	0.00	01/04/2014				
				13/05/2014	8100	#	8100	0.02
		8100	0.02	31/03/2015			8100	0.02
5	T. K. Ravishankar Chief Financial Officer	2000	0.01	01/04/2014	0	Nil movement during the year		
		2000	0.01	31/03/2015			2000	0.01

# Ceased to be in promoter category

## V. INDEBTEDNESS - NIL

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Ninad Karpe **	Anuj Kacker	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 \$\$\$ (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	21,837,423	9,207,338	31,044,761
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total (A)	21,837,423	9,207,338	31,044,761
	Ceiling as per the Act	10,769,984	10,769,984	21,539,969

\*\* As directed by the Government of India, Ministry of Corporate Affairs vide its letter dated 19/06/2014 with SRN B86185923 /4/2013 -CL- VII and letter dated 05/02/2015 with SRN C16296337/2014-CL-VII, Managing Director & CEO of the Company refunded an aggregate amount of ₹23,53,240 towards excess remuneration for the Financial Years 2010-11 & 2011-12 which is netted off against the Gross Taxable Salary under Section 17(1) of the Income Tax Act 1961.

\$\$\$ Contribution to approved funds & Other Benefits for performing official duties as per the term of the Employment are not part of the above calculation as per the Income Tax Act'1961

B. Remuneration to other directors:

Sr. No	Particulars of Remuneration	Name of Directors							Total Amount
		C.Y.Pal	Ramesh Damani	Vijay Aggarwal	Madhu Jayakumar	Yash Mahajan	Maheshwer Peri	Walter Saldanha	
1	Independent Directors								
	· Fee for attending board committee meetings	4,20,000	3,00,000	3,60,000	60,000	60,000	60,000	20,000	12,80,000
	· Commission	6,25,000	6,25,000	6,25,000	55,000	1,00,000	1,00,000	-	21,30,000
	· Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	1,045,000	9,25,000	9,85,000	1,15,000	1,60,000	1,60,000	20,000	34,10,000
2	Other Non-Executive Directors	Asit Koticha	Rajiv Agarwal	Utpal Sheth					Total Amount
	· Fee for attending board committee meetings	1,00,000	2,20,000	1,40,000					4,60,000
	· Commission	-	-	-					-
	· Others, please specify	-	-	-					-
	Total (2)	1,00,000	2,20,000	1,40,000					4,60,000
	Total Remuneration(1+2)								38,70,000
	Overall Ceiling as per the Act	1% of the net profits of the Company for payment of Commission.							

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel	
		T.K.Ravishankar (CFO)	Ketan H shah (Company Secretary)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,578,455	2,141,309
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify...	-	-
5	Others, please specify	-	-
	Total	6,578,455	2,141,309

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

**Annexure F to the Directors Report**

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013, read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of

remuneration of each Key Managerial Personnel (KMP) against the performance are as under:

Sr. no.	Name of Director / KMP and designation	Remuneration for the FY 2014-15 (Rs. In lacs)	% increase in remuneration in the FY 2014-15	Ratio of remuneration to median employees remuneration	Comparison of remuneration of the KMP against the performance of the Company
1	Rakesh Jhunjhunwala, Chairman	Nil	*	*	
2	C. Y. Pal, Vice Chairman	10.45	14.83	1.70	
3	Asit Koticha, Director	1.00	Nil	0.16	
4	Madhu Jayakumar Director	1.15	**	**	
5	Maheshwer Peri, Director	1.60	Nil	0.26	
6	Rajiv Agarwal, Director	2.20	120	0.35	
7	Ramesh S. Damani, Director	9.25	Nil	1.51	
8	Utpal Sheth, Director	1.40	Nil	0.22	
9	Vijay Aggarwal, Director	9.85	10.67	1.60	
10	Yash Mahajan, Director	1.60	Nil	0.26	
11	Walter Saldanha, Director	0.20	***	***	
12	Ninad Karpe, Managing Director & CEO	254.01#	28.53	41.50	Profit before tax was 18.92% of Total Income FY 2014-15.
13	Anuj Kacker, Wholetime Director	99.13	11.80	16.19	
14	T. K. Ravishankar, Chief Financial Officer	70.95	1.68	Not applicable	
15	Ketan H. Shah, Company Secretary	23.51	-	Not applicable	

\*Details not given as Rakesh Jhunjhunwala does not draw any remuneration from the Company.

\*\*Details not given as Madhu Jayakumar was a Director only for part of the financial year i.e. from 24<sup>th</sup> September 2014

\*\*\*Details not given as Walter Saldanha was a Director only for part of the financial year i.e. upto 31<sup>st</sup> July 2014

# Includes payment of one-time exgratia during the year 2014-15

- (ii) The median remuneration of employees of the Company during financial year was ₹ 6.12 lacs
- (iii) In the financial year there was an increase of 9.979% in the median remuneration of employees
- (iv) There were 402 permanent employees on the rolls as on 31<sup>st</sup> March 2015
- (v) Relationship between average increase in remuneration and company performance: During FY 2014-15, average increase in remuneration was 5.13%. Profit before tax was 18.92% of Total Income FY 2014-15.
- (vi) Variations in market capitalization of the Company: The market capitalization as on 31<sup>st</sup> March 2015 was ₹ 273.67 crore (₹ 310.37 crore as on 31<sup>st</sup> March 2014)
- (vii) Price earning ratio of the Company was ₹ 16.61 as at 31<sup>st</sup> March 2015 (₹ 14.76 as at 31<sup>st</sup> March 2014)
- (viii) Average percentage increase made in the salaries of employees other than the managerial personnel (i.e. Managing Director & CEO and Wholetime Director) in the FY 2014-15: 3.78%
- (ix) The percentage increase in the managerial remuneration in the FY 2014-15: 23.35%. Exceptional increase in managerial remuneration was on account of payment of one-time exgratia on completion of five-year term to the Managing Director & CEO. Excluding the one-time payment of exgratia, the increase is 12.17%.
- (x) Key parameters of the variable component of remuneration availed by the directors are company performance, business unit performance, development initiative performance.
- (xi) Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not applicable
- (xii) It is affirmed that the remuneration paid is as per the Remuneration Policy.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Aptech in the Education Sector

Aptech's vision is to be 'A Leading Global Career Education Company'. The Career Education space essentially refers to a segment of Education sector, which caters to the high school plus age group and includes following segments: Higher Education – Formal, Vocational Training, Professional Training – Informal, Test – Prep, Certifications, Assessment and Testing and eLearning. In addition to these segments, some of the other segments that also cater to this age group, but not exclusively, are Publishing and Stationery, Teacher Training, Tutoring and Hobby Classes and Life Skills. Also, these segments are not centered on the premise of 'Career Development' only. Aptech is currently present in the non-formal space through its offerings in Professional Training – Informal, Certifications and Assessment and Testing segments. In line with its vision, Aptech will not only grow in these segments on a global scale, but also expand its bouquet of offerings to cover other Career Education and adjacent segments. Through one of its newer initiatives, Aptech has already expanded into the 'Content for Schools' (only International market at present) segment.

### Business Profile

Aptech's portfolio of businesses includes two broad segments, viz. Individual Training and Enterprise Business. The Individual Training segment caters to directly to an individual student/customer typically through Retail formats, whereas the Enterprise Business segment addresses education needs of government, institutional and corporate customers.

Segment	Brands
Individual Training	Aptech Computer Education; Aptech Hardware & Networking Academy; Arena Animation; Maya Academy of Advanced Cinematics; Aptech Aviation & Hospitality Academy; Aptech English Learning Academy; Aptech ITEC; Aptech International Window Program; Aptech Learning Ladder
Enterprise Business	Aptech Assessment & Testing Solutions; Aptech Training Solutions

Aptech works with multiple business models in both the segments. Some of the major models are described below.

### Retail Franchise Format

The largest business model for Aptech is the franchise model and the 6 Individual Training segment brands primarily operate under this model. Aptech is also continuously seeding newer businesses through initiatives under this model. These brands and initiatives cater to the career development needs across following verticals:

Industry Vertical	Brands
Information Technology	Aptech Computer Education; Aptech Hardware & Networking Academy
Animation and Multimedia	Arena Animation; Maya Academy of Advanced Cinematics
Aviation, Hospitality, Travel and Tourism	Aptech Aviation & Hospitality Academy
Language Learning	Aptech English Learning Academy
Banking and Finance	Aptech Banking & Finance Academy – New Initiative

Aptech has also been working in partnership with the TRRAIN trust to address the demand for structured training programs in the Organized Retail vertical.

While this initiative is catering to the institutional segment at present, Aptech plans to launch a franchise format for it in the near future.

### Indian Technical and Economic Cooperation (ITEC) Program

The Indian Technical and Economic Cooperation (ITEC) program and its corollary Special Commonwealth African Assistance Program (SCAAP) are bilateral programs of assistance of the Government of India in which 161 developing countries are invited as partners. Professionals and people from partner countries nominate themselves for short-term, medium-term and long-term training courses, both civilian and defense, in different centers of excellence in India. Aptech is one of the empanelled institutions and has been a leading choice for training courses in IT, Multimedia and Language Training by the students. Aptech conducts its ITEC/SCAAP program in Delhi in a dedicated facility. It has trained more than 3,000 students from 128 countries since being empanelled in 2002.

### Aptech Learning Ladder

Aptech Learning Ladder is a 360-degree program for specialized skill needs of school students that is both, innovative in nature and simple to teach and use. Presently Aptech offers an IT and Multimedia program under Aptech Learning Ladder. Learning Ladder programs are distinguished through the use of thematic approach to make learning fun, use of technology to provide immersive learning and laddered to impart age appropriate skills for school students. The programs are designed to build a strong foundation for a lifetime of learning. Aptech launched the IT and Multimedia program under the Learning Ladder brand first in schools of an African country in the year 2013.

### Aptech International Window Program (IWP)

Aptech also caters to the vibrant and growing segment of students and professionals who want to study overseas through its IWP offering, designed especially for International participants. IWP caters to individual students and also institutions. Individual students are enlisted either through direct inquiry or study abroad consultancies. IWP has enlisted with many such consultancies to reach out to students. Major markets for IWP are East Asia, Africa and Middle East and programs are delivered in major metros of India with a dedicated delivery center in Bangalore. In addition to offering training programs developed by Aptech, IWP also offers short term cultural immersion programs and internship/ volunteering opportunities for participants in India.

### Enterprise Business or Non-retail

Enterprise Business or non-retail format follows project execution model to deliver training and assessment solutions to educational institutes, public and private sector companies and governments. Aptech caters to these needs through the following two divisions:

- Aptech Assessment & Testing Solutions
- Aptech Training Solutions

In its 12 year old existence in the Assessment and Testing space, Aptech has conducted more than 15 lac tests annually for last 4 years. Aptech specializes in conducting high-stake, high-volume exams such as entrance exams or recruitment exams. It also provides solutions for semester-end exams, recruitment screening, promotion assessments, etc. An end-to-end solution right from assessment need analysis to test design to test conduct to post-test analytics is offered to clients.

Aptech Training Solutions division customizes training content and provides training services to customers across automotive, BFSI, retail, telecom,

IT, BPO hospitality, and education spaces. It provides training modules in sales, customer services, soft skills, IT, and various technology products and processes.

### Business Strategy

With 'Profitable Growth' as its focus, the Company has increasingly moved in the direction of asset light franchise model and away from own-center operations. It has also fine-tuned its franchise model and is now at a stage where this model has developed into a 'Platform' on which many new products can now be deployed. The distinct advantage of Aptech's franchise platform is that it is a global and not just local, India specific platform. The Company is working to introduce new products in the Career Education space leveraging this franchise platform and targeting newer verticals. One of the essential criteria for a new product selection is the inherent internationalization potential of the product.

The next element of the Company's strategy going forward is 'Digitization'. Aptech's march on the digital bandwagon began with progressive movement of its marketing budgets to the online medium and also its center management ERP software to a completely online portal called as ApTrack. In the last two years, the Company has moved most of its courseware completely online through OnlineVarsity platform. In FY2014-15 the Company also launched a pilot to extend the OnlineVarsity platform into e-commerce space by offering short courses completely online. With the target segment of Aptech shifting to the digital medium, the Company will also move further to the digital platform, but in step with the times and not too far ahead.

The Company will continue to pursue the other tactical strategies such as:

1. International expansion through Length, Breadth and Depth approach
2. Deepening the Animation and Multimedia market within India since it is a major growth area for the Company
3. Forging of alliances within the broad Education ecosystem with Universities, Technology companies, Accreditation agencies and Government bodies
4. Management focus and investments into the Assessment and Testing division as a major growth area

### FY2014-15 Financial Performance

The Company's Total Operating Revenue on a consolidated basis for the year ended March 31<sup>st</sup> 2015 stood at Rs. 17,048.64 lac. Operating EBITDA stood at Rs. 2,458.28 lac for FY2014-15 as against Rs. 3,500.05 lac for FY2013-14.

Income from Interest declined by Rs. 416.77 lac on account of decline in the amount of deposit amounts on account of utilization of funds towards buyback of shares. Depreciation charge was Rs. 977.39 lac vs. Rs. 798.23 lac in FY2013-14, Rs. 65 lac impact on account of revised Schedule II rates applied under the new Companies Act 2013. Due to these factors, the Profit Before Tax before Exceptional Items was impacted. Average tax rate for the year went up from 16.2% in previous fiscal to 17.9% in FY2014-15. Overall the EPS for the year was Rs. 3.92 vs. Rs. 6.7 in FY2013-14. Debt on the balance sheet continued to be nil and the debtor days stood at an average of 72 days.

### Segment – wise Financial Performance

(₹ in lacs)

	FY2013-14	FY2014-15	FY2013-14	FY2014-15
Segment	Retail		Non Retail	
Operating Revenues	13,418.62	13,281.51	4,315.85	3,436.30
Operating EBITDA	4,122.24	4,011.23	1,209.79	456.72
Capital Employed	3,043.18	3,023.45	1,125.90	1,106.07

### International Individual Training Business (excluding China)

In the FY2013-14, International Individual Training Business achieved its internal target of 50% share of the overall Individual Training business excluding MAAC and China with a share of 51.7%. In FY2014-15 this ratio increased to 54.0%. International Individual Training Business revenue went up by 6.7% in FY2014-15 on a Y-o-Y basis. The Company's focus on aggressive expansion in emerging markets and non-linear growth opportunities has helped it achieve this success in the international market. Income from international projects (including ITEC, IWP and Malaysia) was higher by 15.4% on Y-o-Y basis.

Some of the other major developments in the International division were as follows:

- The Company successfully delivered the Phase 1 order from Ministry of Communications and IT, Afghanistan to deliver skill development training in the Hardware and Networking domain to their nominees. It also completed a pilot project to deliver PMP certification training for the same ministry.
- Aptech signed a contract with Government of India to staff and manage (for 2 years) their Centers of Excellences for IT in Costa Rica, Commonwealth of Dominica and also upgrade their existing center in Panama for 3 months. Execution likely to begin in H2 FY2015-16 and will extend into FY2017-18.
- Revival of IT Training business in Malaysia with significant orders to train overseas participants and to provide content for IT Governance certification course.
- Successfully executed IT and English training order from a leading Japanese IT company in Aptech IWP for the 7th successive year and with ~10% revenue growth.

On the front of improving value proposition for the customer, following initiatives were taken up.

- Aptech Learning Ladder curriculum mapping to UK IT curriculum was done and gap areas were bridged.
- Conducted 1<sup>st</sup> convocation ceremony in Pakistan for Aptech Computer Education to give a more formal experience to students.
- Gaming course developed for launch in Arena for Pakistan and Vietnam markets

Some of the other achievements of the division during the year included:

- Aptech Vietnam won the ICT Gold Medal For Highest Turnover (Category: Training) and Top ICT Training Cup from HCM Computer Association for the 12<sup>th</sup> year in a row (2003 – 2014)
- Celebrated 15 Years of ACE and 10 Years of Arena in Vietnam with an event where all partners were present. Occasion was promoted in local media through a campaign and press meet.
- Aptech Qatar celebrated completion of 20 years. This is the largest and one of the oldest active centers in Aptech's international network.

### Domestic Individual Training

With a consolidated organization structure handling all the Individual Training brands in the domestic market, Aptech has now developed a franchise platform which can deploy any new franchise brand without much difficulty. The Company has over the last year worked on multiple initiatives cutting across brands to further enhance its model. Some of the key strategic initiatives were as follows:

- Development of Events as a major part of the student value proposition and business model has been one of the biggest thrust areas in the

Domestic Individual Training business. In addition to the near term impact of value delivered to the students, these platforms will go a long way in creating the buzz and positive WOM for the brands not only among prospective students, but also within the industry and recruiters as well. Thus securing a longer term advantage for the brands. Many new events were launched in FY2014-15 across brands, such as Evolve in Aptech Computer Education, Kalakari in Arena Animation, Panorama in Aptech Aviation, and MaacKlick, MAAC Creative League, Masterclass and 100 HRS in MAAC. All the events were well received by the students. In FY2014-15, revenue from events was 5.4% vs. 2.3% in FY2013-14 of the overall Domestic Retail revenue

- In the domestic retail brands, at its peak degree enrolments were 23.0% of career enrolments in the domestic market across all brands. In FY2013-14, the Company consciously decided to pull-out of degree courses to de-risk the business from regulatory changes in Distance Education norms. Hence, in FY2014-15 the share of degree courses in career enrolments has come down to 0.5%. Thus the impact on revenue in FY2014-15 was not significant, as it is evident from the fact that Domestic Individual Training revenue excluding accrual income in MAAC, IT and Aviation (impacted by accounting policy change and exit from Own centers) grew by 5.2%.
- In addition to this, the focus on industry engagement and placements was the key parts of the execution plan in FY2014-15.

#### **Animation and Multimedia Training (Arena Animation and Maya Academy of Advanced Cinematics (MAAC))**

Aptech's leadership position in the Animation and Multimedia training market continues with the top two brands in its portfolio. Both Arena Animation and MAAC performed well in FY2014-15 amidst fierce competitive pressure not only from similar informal players, but also from the formal segment where many institutions have launched degree courses for this market.

Events are an important method of student engagement and revenue generation for this segment. 24FPS is the showcase event for MAAC and Orbit Live is the premier event for Arena. Some of the important operational updates about the brands and events, for the segment in FY2014-15 were as follows:

- Student film from a MAAC center in Mumbai won the Best Animation Award in Indian Cine Film Festival 2014
- 'The Resilient Bangalore Traffic Cop', a documentary made by MAAC students won many accolades and also an award.
- First ever MAAC-UNIC Awards were launched as a new category in 24 FPS Awards for films on social message based on millennium goals of United Nations.
- Indian VFX and Animation Council (IVAC) have endorsed MAAC courses. IVAC is a leading body of industry luminaries who aim to successfully promote VFX and Animation in India.
- Annecy International Animated Film Festival, Animex International Festival of Animation and Puchon International Student Animation Festival representatives participated in Orbit Live
- 'Eye Candy' seminars conducted by Shelley Page, Dream Works for MAAC students in Mumbai
- First success with placements into a new industry segment – e-commerce - for Animation and Multimedia students. 14 students placed with Limeroads.com from MAAC, North Zone.

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

Aptech Computer Education is a name that is synonymous with the IT Training industry in India due to its credibility as a pioneer and a leader. Aptech Networking brand is an adjunct to Aptech Computer Education in the hardware and networking training space. Together through both these brands the Company is targeting the demand for skilling in the overall IT sector. Strategic focus for the Company in this space is to maintain its position and grow profitably at a reasonable pace in a mature market. Hence, the Company has rationalized the network by weeding out defunct and non-performing centers. This was in addition to the Company's continued drive to exit from Company owned centers.

The operational highlights for the financial year were as follows:

- Renewed alliances with Oracle/Java, Microsoft and Red Hat
- New Product Launches
  - Dynamic Web Application Development using MySQL and PHP
  - Big Data
- 3 Aptech Trainers/ Faculties were awarded 'Microsoft –Wizard of Technology' award and certificate
- Jumpstart campaign was launched to drive certification enrolments in Aptech Computer Education

#### **Customer Service Training (Aptech Aviation & Hospitality Academy, formerly known as Avalon Academy and Aptech English Learning Academy, formerly known as English Express)**

Customer Service Training segment comprises of brands, which offer customer handling, communication, business process and other such non-technical skill needed in service industries. Aptech Aviation & Hospitality Academy caters to the vertical focused skills, whereas Aptech English Learning Academy addresses horizontal skill of language and communication.

- The new center sign-ups during the year were 10 and 2 respectively.
- Both the brands continued to grow the profits in spite of decline in top line by 1.1%. The growth in revenue, excluding accrual income from own center was 21.6% for the full segment.
- New Aptech Aviation website was launched

#### **BJB Career Education (China)**

The Company's investment in BJB did not generate a dividend income in FY 2014-15.

### **ENTERPRISE BUSINESS**

#### **Aptech Assessment & Testing Solutions (formerly known as ATTEST)**

Aptech Assessment & Testing Solutions remains Aptech's leading segment in the Enterprise market with solutions in online and offline computer-aided testing.

- The Testing Business conducted 17.4 lac tests in FY2014-15 and the Revenue earned was Rs. 2554.84 lacs.

Some of the high-stakes large-scale rollouts executed by the division include Common Management Admission Test (CMAT) and Graduate Pharmacy Aptitude Test (GPAT) entrance exams. In FY2014-15, there were a total of 2 roll-outs for CMAT in September 2014 and February 2015. The number of GPAT roll-outs were also 2. Some of the other key assessment orders executed by the Company included:

- Repeat order received from a fertilizer and chemicals company

- NACTECH tests for NASSCOM
- Successfully executed tests for Union Public Service Commission

### Aptech Training Solutions

Aptech Training Solutions division provides training solutions in the areas of IT, soft skills, product roll-out, best practice roll-out etc. to corporates, government, educational and other institutions. It participates only in projects with a majority component of skill development in the core domains of Aptech.

In FY2014-15, the revenue went up by 8.4% as compared to previous year on account of strategy to focus only on large accounts. Some of the key business updates for the year were:

- Renewal of contracts for two of the existing key accounts in the Telecom and Automotive domain
- New PMP course with PMBOK 5<sup>th</sup> edition launched and batches conducted in Mumbai and Pune
- Won order from leading e-commerce Company for training their merchants.
- Executed training project for nationalized insurance company to train its agents in introductory IT skills (Microsoft Office, etc.)

### Material Developments in Human Resources

Aptech's talent pool is a key ingredient of its success as an Education and Training organization. Their ingenuity and service ethics have been critical for its pioneering efforts in the IT Training, Animation and Multimedia Training and Computer Aided Assessment and Testing space in India. The Company has invested substantial efforts and resources in keeping its employees engaged through cultural programs, employee engagement initiatives, CSR initiatives and addressing skill gaps through training programs.

The employee strength of the Company as on March 31, 2014 was 421, and it came down to 402 as on March 31, 2015. The average attrition rate for the year was 19.77%. This was in comparison with average attrition rate in FY2013-14 of 17.54%.

### Macro Outlook

#### India

In FY2014-15, the Indian economy grew at a rate of 7.4% as compared to 6.9% in FY2013-14 based on the new method adopted by Central Statistical Office of India. GDP growth estimates for FY2015-16 are 8.1% - 8.5% and 7.8% from the Indian government and RBI respectively. GDP growth numbers show that economic momentum is again picking up after slowdown from 2011 to 2014. The inflation indices have also been benign with WPI in March 2015 declining by 2.33% and CPI rose 5.17% at a pace slower than previous 3 months. Inflation indices are expected to decline further and trend in a comfortable range for FY2015-16. However, there are downside risks on account of projected shortfall in rains, pick-up in crude oil prices and parliamentary logjam impacting reform agenda of the Government.

The education sector received an allocation of Rs. 69,075 crore for 2015-16, down from the revised budget estimate of Rs. 70,505 crore in 2014-15. The reduction is on account of greater devolution of tax revenues to state government based on 14<sup>th</sup> finance commission report. There is also a clear change in focus from school sector to higher education from the central government spends perspective. This change is visible in the fact that planned outlay for school sector was cut by around 10% from the last budget and the higher education sector saw an increase of nearly 22%. Major announcements including more institutes of excellence and Pradhan Mantri Vidya Lakshmi Karyakram were centered on the higher education sector. The country adds nearly 120 lac people to its workforce every year, but less than

4 per cent would have received any formal training. Thus leading to one of the lowest workforce readiness is in the world. With job creation as one of the most important focus areas of the new government, this shift in priorities is logical. There was also an announcement of a National Skills Mission to be set up under the Skill Development and Entrepreneurship Ministry. This was aimed at consolidating skill initiatives across several ministries and at increasing the employability of rural youth population.

Some of the other major planned initiatives of the Government of India in the Education & Skilling sector are:

- Integration of skill enhancement and entrepreneurship in the syllabi at the school level
- Setting up of 2,500 multi- skilling institutions in the public-private partnership (PPP) mode
- Set up institutes of entrepreneurship development in various centers including upcoming smart cities among others
- Formulation of national policy on skill development and entrepreneurship
- Plans to open a first-of-its-kind national vocational university that will subsume all Industrial Training Institutes (ITIs), a move to improve standards and bring uniformity among the schools that supply workers to the manufacturing sector
- Restructuring of its teacher training system, doubling its duration to two years and mandating a six-month internship as part of it, in an effort to improve the quality of teachers and, by extension, education

### Education Sector

The private sector continued to face headwinds in FY2014-15 when many of the larger companies again reported losses, especially traditional behemoths. Market was very volatile with many small players in some of the vocational training segments being forced to exit due to tough market conditions. At the same time, there is intense competition from the non-formal as well as formal sector in the career education segment. Some of the major developments in the Education sector and industry verticals relevant to Aptech's business are as follows:

- Jobs in Animation and Special Effects industry are again looking up with studios hiring students in all genres. Impressive box-office performance of the animation movies including the locally produced *Chaar Sahibzaade* has positively impacted sentiments around the sector as a career option.
- Indian Animation VFX and post-production segment of the Media and Entertainment sector grew at a pace of 13% in 2014 to a size of Rs. 44.9 billion. The sector is expected to grow at a pace of 16% for the next 5 years and cross Rs. 95.5 billion in revenue as per KPMG – FICCI Frames Report 2015.
- Trend of offering instructor lead online training including IT courses is on a rise, especially targeting professionals for short term courses.
- Cloud, data security, big data, virtualization, e-commerce and digital media are the major trends in terms of skill requirements of the IT industry and most of the training providers have launched products addressing these needs. However, market offtake has been slow to scale though expected to pick-up.
- Year 2014-15 saw launch of two new airlines (both partially owned by the Tata group) Air Asia and Vistara in India.
- Air passenger traffic up to March 2015 for the financial year indicated growth of 12.5% on a Y-o-Y basis to 1901 lac. The volumes are expected to go up by 8.9% in the year 2015-16 as per Center for

Monitoring of Indian Economy (CMIE). In addition to this, expected lower Aviation Turbine Fuel (ATF) prices will also help airlines perform better.

## International

Economic recovery after the twin crisis in 2008-09 and 2011-12 has been very slow. While the world economic growth was a modest 3.4% in 2014 and is expected to go-up only marginally in 2015 to 3.5%, picture at individual country level is mixed. With the cooling-off of oil and commodity prices, many of the commodity exporting countries are negatively impacted. However, it is a net positive for the world economy with other nations staging a recovery.

Similarly, economic growth prospects of Aptech's major markets are also mixed with some countries expected to do quite well and some showing negative trends for the years 2015 and 2016. Of the major markets, Vietnam, Pakistan and Qatar have shown much improved performance in 2014 as compared to expectations and are expected to show a positive trend. While Nigeria and Russia are likely to witness a slowdown due to adverse political environment on account of terrorism and global economic sanctions respectively. GDP growth estimates from International Monetary Fund (IMF) for Aptech's major international markets are provided below.

Country	% GDP Growth in 2014	% GDP Growth in 2015 (E)
Vietnam	6.0%	6.0%
Pakistan	4.1%	4.3%
Nigeria	6.3%	4.8%
Russia	0.6%	-3.8%
Qatar	6.1%	7.1%

Geopolitical situation in Africa with continued violence in Nigeria, Kenya, Sudan, Mali and Libya is a major concern going forward. Boko Haram and other armed insurgencies have seriously impacted the business environment in Africa. While the Ebola epidemic outbreak has been brought under control, possibilities of recurrence of such health epidemics can hit the business plans hard in the International market. These factors have also impacted the currency markets significantly, for e.g. Nigerian Naira depreciated by 14.4% against USD in the year 2014.

## Business Outlook

Resilience of our strategies and business model has enabled us to withstand adverse impact of macro factors in FY2014-15 on certain parts of our business. In the domestic market, the individual training business has shown momentum across all segments. Excluding the impact of accounting change and own center exits, the business has shown growth in FY2014-15 and the Company expects this momentum to persist in the next financial year as well. This has been accomplished in the face of high competition and a lack of degree program in the product basket (vis-à-vis competition who continue to offer such programs).

While the political environment in some of Aptech's key international markets continues to remain challenging, companies focus on non-linear business opportunities and models is expected to continue to deliver growth in the International market. Sentiment around the traditional franchise business is also positive in our largest markets. The Company will continue to push newer products in the International market with Aptech Learning Ladder and Assessment and Testing being a key focus.

Assessment and Testing business continues to face challenges such as regulatory factors, increased competition and evolving value proposition. However, there are many opportunities in the market with increasing adoption of online mode, which is also reflected in the division's prospect pipeline. The Company hence, expects to regain the growth momentum impacted by drop

in revenue from its largest customer. With the economy on an upswing and major orders in the bag, the Training Solutions division is expected to continue to grow in the new financial year.

## Risks, Challenges and Concerns

Macro risks such as political risk, economic risk, regulatory risk and currency risk are the major challenge faced by Aptech. While the company has been conscious of the risks it faces and hence, in the mainstream business of franchise based education the risk has been reduced through a conscious policy of diversification. But on account of the emerging nature of its Assessment and Testing and Learning Ladder business, macro challenges had a severe impact on the business. In case of these macro risks, the focus of the Company is on mitigation, which becomes much more effective when the underlying businesses acquire scale.

Some of the micro risks and challenges faced by Aptech specifically as an Education service provider are the latency and quality of its content, execution risks in both the retail and non-retail businesses, network risk due to dependence on franchisees and demand risk for new products/methods. These are in addition to the generic technology obsolescence and human resource management risks. The Company has adopted various control measures for both these categories of risks in order to ensure effective monitoring and resolution.

The planning and management processes of the Company factor risk management and mitigation principles. For e.g. portfolio risk (combination of macro and micro risks) has been managed through diversification of its geographical presence and brand portfolio into multiple verticals. Currency risk is tackled through a prudential hedging policy with use of currency futures (maturity not more than 3 months). Compliance with the changing regulatory and industry best practices are a priority.

## 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.

## Cautionary Statement

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

## CORPORATE GOVERNANCE

### PHILOSOPHY:

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

### BOARD OF DIRECTORS:

#### Composition:

The Board of Directors provide strategic direction and thrust to the operations of the Company. The Board has a Non-Executive Chairman who is the promoter of the Company and the number of Independent Directors are one-half of the total number of Directors. 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 31<sup>st</sup> March 2015 under review, the Board of Directors met 5 times on 13<sup>th</sup> May, 2014, 4<sup>th</sup> August, 2014, 24<sup>th</sup> September, 2014, 14<sup>th</sup> November, 2014 and 09<sup>th</sup> February, 2015. 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 14<sup>th</sup> November, 2014, and also the number of Directorships and Committee Memberships held by them in other companies are given below:

Name of the Directors	Category	No. of Board Meetings attended during the year ended 31 <sup>st</sup> March 2015	Whether attended AGM held on 14 <sup>th</sup> November, 2014	No. of Directorships in other public companies incorporated in India as on 31 <sup>st</sup> March 2015	No. of Committee positions held in other public companies incorporated in India as on 31 <sup>st</sup> March 2015	
					Chairman	Member
Mr. Rakesh Jhunjunwala Chairman	Promoter Non- Independent Non-Executive	4	Yes	3	Nil	Nil
Mr. C. Y. Pal Vice Chairman	Independent Non-Executive	5	Yes	2	1	3
Mr. Ninad Karpe Managing Director & CEO.	Non Independent Executive	5	Yes	3	1	1
Mr. Asit Koticha	Promoter Non Independent Non-Executive	4	No	Nil	Nil	Nil
Mr. Rajiv Agarwal	Non Independent Non-Executive	5	Yes	2	Nil	Nil
Mr. Ramesh. S Damani	Independent Non Executive	5	Yes	1	Nil	Nil
Mr. Utpal Sheth	Promoter Non Independent Non-Executive	5	No	5	Nil	2
Mr. Vijay Aggarwal	Independent Non-Executive	5	Yes	4	6	3
Ms. Madhu Jayakumar (Appointed w.e.f 24 <sup>th</sup> September, 2014)	Independent Non-Executive	2	No	1	Nil	Nil
Mr. Yash Mahajan	Independent Non – Executive	2	No	Nil	Nil	Nil
Mr. Anuj Kacker Wholetime Director	Non Independent Executive	5	No	1	Nil	Nil
Mr. Maheshwer Peri	Independent Non- Executive	3	No	Nil	Nil	Nil
Mr. Walter Saldanha (Resigned w.e.f 31 <sup>st</sup> July, 2014)	Independent Non-Executive	1	NA	NA	NA	NA

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

- a) they are not promoter of the Company or its holding, subsidiary or associate company;
- b) they are not related to promoters or directors in the Company, its holding, subsidiary or associate company;
- c) apart from receiving sitting fees/ commission, they have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d) none of their relatives has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to 2% or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e) neither they, nor any of their relatives –
  - i) hold or has held the position of a key managerial personnel or is or has been employee of the Company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which they are holding office as Director or proposed to be appointed as such;
  - ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which they are proposed to be appointed, of –
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the Company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate company amounting to ten percent or more of the gross turnover of such firm;
  - iii) hold together with their relatives, two percent. or more of the total voting power of the Company; or
  - iv) is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five percent or more of its receipts from the Company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two percent or more of the total voting power of the Company ; or
  - v) is not a material supplier, service provider or customer or a lessor or a lessee of the Company.
- f) they possess requisite qualifications as prescribed under Rule 5 of Companies (Appointment and Qualification of Directors) Rules, 2014.
- g) they are not less than 21 years of age.
- h) they meet the criteria of independence as provided in sub - section (6) of Section 149 of Companies Act, 2013, rules made thereunder and Clause 49(II)(B) of the Listing Agreement.

#### 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 31<sup>st</sup> March 2015, 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 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 31<sup>st</sup> March, 2015 . Necessary declaration to this effect signed by the Managing Director forms a part of the Annual Report of the Company for the year ended 31<sup>st</sup> March, 2015 .

#### AUDIT COMMITTEE:

The Composition of the Audit Committee as on 31<sup>st</sup> March, 2015 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 (III) (A) as regards composition of Audit Committee.

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

- (1) 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;
- (2) Recommendation for appointment, remuneration and terms of appointment of the auditors of the company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon 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 (c) of sub - section 3 of section 134 of Companies Act, 2013.
  - 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.
- (5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

- (6) 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;
- (7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (8) Approval or any subsequent modification of transactions of the company with related parties;
- (9) Scrutiny of inter-corporate loans and investment;
- (10) Valuation of undertakings or assets of the company, wherever it is necessary ;
- (11) Evaluation of internal financial controls and risk management systems;
- (12) Reviewing , with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) 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;
- (14) Discussion with internal auditors of any significant findings and follow up there on;
- (15) 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;
- (16) 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;
- (17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (incase of non-payment of declared dividends) and creditors;
- (18) To review the functioning of the Whistle Blower Mechanism;
- (19) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee

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

Further as per the requirements of Clause 49 (III) (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, Audit Committee met 5 times on 13<sup>th</sup> May,

2014 , 4<sup>th</sup> August, 2014 , 24<sup>th</sup> September, 2014, 14<sup>th</sup> November, 2014 and 9<sup>th</sup> February, 2015 , with a gap of not more than four months. The details of the meetings attended by the Directors are given below:

Name of Members	Category	No. of Meetings attended during the year ended 31 <sup>st</sup> March 2015
Mr. C. Y. Pal – Chairman	Independent, Non-Executive	5
Mr. Ramesh S. Damani	Independent, Non-Executive	5
Mr. Vijay Aggarwal	Independent, Non-Executive	5

#### Vigil mechanism

With a view to provide for adequate safeguards against victimization of persons, the Company has established vigil mechanism (Whistle Blowing).

It is the policy of the Company to provide adequate safeguards against victimisation of employees and not to allow retaliation against the employee who makes a good faith report about possible violation of Company's Code of Conduct. Suspected violation of this Code, evidence of illegal or unethical behaviour may be reported to the Managing Director & CEO on designated email id [whistleblower@aptech.ac.in](mailto:whistleblower@aptech.ac.in). All reported violations are appropriately investigated.

Employees are expected to fully cooperate in internal investigations of misconduct. Their identity shall be kept strictly confidential by the Company. In exceptional cases, employees can have direct access to Mr. C. Y. Pal, Chairman of the Audit Committee on the designated email id: [chairmanauditcommittee@aptech.ac.in](mailto:chairmanauditcommittee@aptech.ac.in) for the purpose of bringing to the attention of the Audit Committee any issues, questions, concerns or complaints they may have regarding accounting, internal accounting controls, auditing matters or other genuine concerns.

Details of the above mechanism are posted on Company's website <http://www.aptech-worldwide.com/downloads/code-of-conduct/Vigil-Mechanism.pdf>

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE :

During the year under review, the Committee met once on 09<sup>th</sup> February, 2015

The Composition of the Stakeholders' Relationship Committee along with the details of the meetings attended by the Directors are given below:

Name of Members	Category	No. of Meetings attended during the year ended 31 <sup>st</sup> March 2015
Mr. Ramesh S. Damani – Chairman	Independent, Non Executive	1
Mr. Asit Koticha	Promoter, Non Independent, Non Executive	1
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.

## INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 9<sup>th</sup> February 2015, interalia to discuss:

- Evaluation of the performance of Non-Independent Directors and the Board as a whole
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably to perform its duties.

All Independent Directors were present at the Meeting, except Mr. Maheshwer Peri who could not attend the meeting and was granted leave of absence.

## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to Section 135 of the Companies Act, 2013, a Corporate Social Responsibility Committee was formed by the Board of Directors on 13<sup>th</sup> May, 2014 and consists of three Directors.

Terms of reference of the Corporate Social Responsibility Committee include formulating and recommending to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company, recommending the amount of expenditure to be incurred on the activities referred to in CSR Policy and monitoring the CSR Policy of the Company from time to time.

During the year under review, the Committee met 2 times on 4<sup>th</sup> August, 2014 and 9<sup>th</sup> February, 2015.

The Composition of the CSR Committee along with the details of the meetings attended by the Directors are given below:

Name of Members	Category	No. of Meetings attended during the year ended 31 <sup>st</sup> March 2015
Mr. C. Y. Pal, Chairman of the Committee	Independent, Non Executive	2
Mr. Rajiv Agarwal, Director	Non Independent, Non Executive	2
Mr. Ninad Karpe, Managing Director & CEO	Non-Independent, Executive	2

## STRATEGY COMMITTEE:

During the year under review, the Strategy Committee met 4 times on 22<sup>nd</sup> April, 2014, 4<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 9<sup>th</sup> February, 2015. The composition of the Strategy Committee along with the details of the meeting attended by the Directors is given below:

Name of Members	Category	No of Meetings attended during the year ended 31 <sup>st</sup> March 2015
Mr. Vijay Aggarwal – Chairman	Independent, Non-Executive	4
Mr. C. Y. Pal	Independent, Non-Executive	4
Mr. Utpal Sheth	Promoter, Non Independent, Non-Executive	0
Mr. Rajiv Agarwal	Non Independent, Non-Executive	4
Mr. Ninad Karpe	Non Independent, Executive	4

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

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

**Status of Complaints received during the year ended March 31, 2015 :**

Nature of Complaints	Received	Resolved	Pending
Relating to Transfer, Transmission etc.	0	0	NIL
Other / Miscellaneous	5	5	NIL
TOTAL	5	5	NIL

## Pending Transfers:

There were no pending transfers as on 31<sup>st</sup> March 2015.

## NOMINATION & REMUNERATION COMMITTEE:

During the year under review, the Nomination & Remuneration Committee met 3 times on 13<sup>th</sup> May 2014, 24<sup>th</sup> September, 2014 and 9<sup>th</sup> February, 2015. The composition of the Committee along with the details of the meeting attended by the Directors is given below:

Name of Members	Category	No of Meetings attended during the year ended 31 <sup>st</sup> March 2015
Mr. Vijay Aggarwal – Chairman	Independent, Non-Executive	3
Mr. Utpal Sheth	Promoter, Non Independent, Non-Executive	2
Mr. C. Y. Pal	Independent, Non-Executive	3
Mr. Ramesh.S.Damani	Independent, Non-Executive	3

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

- To determine the Company's policy on specific remuneration packages for Managing Director/Whole-time Director including pension rights and any compensation payment.
- 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 Committee has approved Remuneration Policy at its meeting held on 9<sup>th</sup> February, 2015. The remuneration paid during the year is as per the remuneration policy. The matters relating to remuneration of Managing Director/Whole time Director is decided by the Board of Directors based on the recommendations of the Nomination & Remuneration 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 25<sup>th</sup> September 2009 had approved appointment of Mr. Ninad Karpe as the Managing Director & CEO for the period from 1<sup>st</sup> April 2009 upto 31<sup>st</sup> January 2014. He has been reappointed for a further term of 5 years upto 31<sup>st</sup> January 2019 by the Board of Directors at its meeting held on 20<sup>th</sup> January, 2014. Consent of the Shareholders at the Annual General Meeting held on 14<sup>th</sup> November 2014 in respect of his re-appointment and remuneration was obtained.

The details of remuneration paid to Mr. Ninad Karpe during the year ended 31<sup>st</sup> March 2015 are as follows:

Particulars of remuneration	(Period: 1st April 2014 to 31st March 2015 ) Amount (in ₹lacs)
Salary & Allowances	241.91
Perquisites (Club Fees)	1.74
Contribution to Provident Fund, Superannuation Fund	10.36
<b>TOTAL</b>	<b>254.01</b>

During the year ended 31<sup>st</sup> March 2015, the remuneration paid to Mr. Ninad Karpe has exceeded the limits specified under the Section I of the Part II of Schedule V of the Companies Act, 2013 by ₹ 1,46,31,125/- 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 31<sup>st</sup> October 2012 appointed Mr. Anuj Kacker as Wholetime Director of the Company for the period from 1<sup>st</sup> November 2012 to 31<sup>st</sup> October 2017. Approval of shareholders at the Annual General Meeting held on 30<sup>th</sup> September, 2013 in respect of his appointment has been obtained.

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

Particulars of remuneration	(Period: 1st April 2014 to 31st March 2015 ) Amount (in ₹lacs)
Salary & Allowances	92.07
Perquisites (Club Fees)	1.74
Contribution to Provident Fund, Superannuation Fund	5.32
<b>TOTAL</b>	<b>99.13</b>

Details of shareholding of non-executive directors other than promoter directors in the Company as on 31<sup>st</sup> March 2015 are as follows:

Name of Director	Category	No. of shares
Mr. Ramesh Damani	Independent Non-Executive	25,000

The Shareholders at the Annual General Meeting held on 14<sup>th</sup> November 2014 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. In accordance with the said approval, considering the contributions made by the Independent Directors, ₹21.30 lacs as commission was paid to Independent Directors for the financial year 2014 -15 being 1% of net profits computed in accordance with Section 198 of the Companies Act, 2013 as under:

Name of Directors	Commission for the year 2014-15
C.Y.Pal	6,25,000.00
Ramesh S. Damani	6,25,000.00
Vijay Aggarwal	6,25,000.00
Madhu Jayakumar	55,000.00
Yash Mahajan	1,00,000.00
Maheshwer Peri	1,00,000.00
<b>Total:</b>	<b>21,30,000.00</b>

The Non-Executive Directors (NEDs) did not draw any remuneration from the Company except the Sitting Fees and Commission 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 31<sup>st</sup> March 2015 are as follows:

Name of Directors	Sitting Fees
Rakesh JhunJhunwala	Nil
C.Y.Pal	4,20,000.00
Asit Koticha	1,00,000.00
Rajiv Agarwal	2,20,000.00
Ramesh S. Damani	3,00,000.00
Utpal Sheth	1,40,000.00
Vijay Aggarwal	3,60,000.00
Madhu Jayakumar	60,000.00
Yash Mahajan	60,000.00
Maheshwer Peri	60,000.00
Walter Saldanha	20,000.00
<b>Total:</b>	<b>17,40,000.00</b>

#### Subsidiary Companies:

Scheme of merger of Maya Entertainment Limited, wholly owned subsidiary with Avalon Aviation Academy Private Limited, another wholly owned subsidiary from appointed date 1<sup>st</sup> April 2013 was sanctioned by the Hon'ble Bombay High Court on 5<sup>th</sup> September, 2014 and the same became effective from 23<sup>rd</sup> September 2014 on filing of the Scheme with the Registrar of Companies. On and from effective date of the scheme, Maya Entertainment Limited ceased to exist. Name of the Avalon Aviation Academy Private Limited, thereupon was changed to Maya Entertainment Limited effective 21<sup>st</sup> October 2014.

As on the close of the accounting year ended 31<sup>st</sup> March 2015, turnover of Maya Entertainment Limited (earlier known as Avalon Aviation Academy Private Limited) which is a subsidiary of Aptech Limited exceeded 20% of the consolidated turnover of Aptech Limited and its subsidiaries. In view of the same, Maya Entertainment Limited became a Material Unlisted Subsidiary Company of Aptech Limited.

The Audit Committee has approved a policy on Material Subsidiary which has been uploaded on the Company's website <http://www.aptech-worldwide.com/downloads/aptech-policy/Policy-on-Material-Subsidiaries.pdf>

#### 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:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Clause 49 of the Listing Agreement during the financial year were in the ordinary course of business and on an arms length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. 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.

The Audit Committee has approved a policy for Related Party Transactions which has been uploaded on the Company's website <http://www.aptech-worldwide.com/downloads/aptech-policy/Policy-Aptech-RPT.pdf>.

- (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, interlia 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) Nomination and Remuneration Committee;
- (v) Stakeholders' Relationship Committee;
- (vi) General Body Meetings;
- (vii) Disclosures;
- (viii) Means of Communication;
- (ix) General Shareholder Information.

#### 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 (IX), Mr. Niand Karpe, Managing Director & CEO and Mr. T. K. Ravishankar, CFO and Executive Vice President have issued certificates to the Board of Directors which forms a part of the Annual Report of the Company for the year ended March 31<sup>st</sup>, 2015 .

#### GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings held from the year 2012-13 to 2014-15 are given below, in the ascending order:

- 2012-13 : (i) The Twelfth Annual General Meeting of the company was held on 20<sup>th</sup> 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 4.30 p.m

- 2013-14 : (i) The Thirteenth Annual General Meeting of the company was held on 30<sup>th</sup> day of September, 2013 at "Rangaswar Hall", 4<sup>th</sup> floor, Chavan Centre, General Jagannth Bhosale Marg, Chavanhall next to sachivalaya gymkhana, Mumbai-400 021 at 4.00p.m.

- 2014-15 : (i) The Fourteenth Annual General Meeting of the company was held on 14<sup>th</sup> day of November, 2014 at "Walchand Hirachand Hall", Indian Merchants Chamber, 4<sup>th</sup> Floor, IMC Marg, Churchgate, Mumbai 400 020 at 04:00 P.M and in compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and SEBI circular dated 17<sup>th</sup> April 2014, the Company had offered e-voting facility as an alternative mode of voting to enable the Members to cast their votes electronically. Necessary arrangements were made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

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

At the Thirteenth Annual General Meeting held on 30<sup>th</sup> September, 2013, Special Resolution was passed pertaining to :

- (i) the appointment of Mr. Anuj Kacker as the Whole-time Director for the period 1<sup>st</sup> November, 2012 to 31<sup>st</sup> October, 2017 and the remuneration.
- (ii) waiver of Excess Remuneration paid to Mr. Ninad Karpe, Managing Director & CEO for ₹ 25,03,601/- for the financial year 31<sup>st</sup> March 2011, ₹ 67,46,296/- for the financial year 31<sup>st</sup> March 2012 and ₹ 54,90,522/- for the financial year 31<sup>st</sup> March 2013."

During the year 2013-14, Special resolution was passed by shareholders of Aptech Limited by way of Postal Ballot on 6<sup>th</sup> July, 2013 approving buyback by the Company of its fully paid up equity shares of ₹ 10/- each at a price not exceeding ₹ 82 per share upto an aggregate amount not exceeding ₹ 64,65,60,816/-.

At the fourteenth Annual General Meeting held on 14<sup>th</sup> November, 2014, Special Resoluion was passed pertaining to :

- (i) re-appointment of Mr. Ninad Karpe as Managing Director & CEO upto 31<sup>st</sup> January 2019.
- (ii) waiver of excess remuneration paid to Mr. Ninad Karpe, Managing Director & CEO of the Company of ₹1,97,62,492/- for the financial year ended 31<sup>st</sup> March 2014 and to waive recovery of remuneration paid to Mr. Karpe in excess of the limits prescribed under the applicable provisions for ₹ 48,60,855/- for the financial year 31<sup>st</sup> March 2014
- (iii) payment of commission to Non-executive directors by way of commission (over and above the payment of sitting fees) to the Directors of the Company other than the Managing and Whole-time Directors 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 198 of the Companies Act, 2013 during the financial year 2014-15."

**Means of Communication:**

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

**General Shareholder Information:**

- AGM: Date, Time and Venue : Friday, 07<sup>th</sup> August, 2015 at 04:00 p.m at "Kamalnayan Bajaj Hall" Bajaj Bhawan, Ground Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai-400 021

As required under Clause 49 (VIII) (E) , 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 07<sup>th</sup> August, 2015 .

**Financial Calendar:**

- A. Next Financial Year : 1st April 2015 to 31st March 2016
- B. First Quarter results : to be published by 14<sup>th</sup> August 2015
- C. Second Quarter results : to be published by 13<sup>th</sup> November 2015
- D. Third Quarter results : to be published by 12<sup>th</sup> February 2016
- E. Results for the year ending 31<sup>st</sup> March, 2016 : to be published by 30<sup>th</sup> May 2016
- F. Date of Book Closure : 5<sup>th</sup> August, 2015 to 7<sup>th</sup> August, 2015 (Both days inclusive)

**Dividend Payment Date****Listing of Equity Shares**

- : N.A.
- : The Company's equity shares are listed on the Following Stock Exchanges in India
  - (i) Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
  - (ii) The National Stock Exchange of India Limited, Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051

The Company has paid the annual listing fees to the above Stock Exchanges for the financial year 2014-15.

**Stock Code**

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

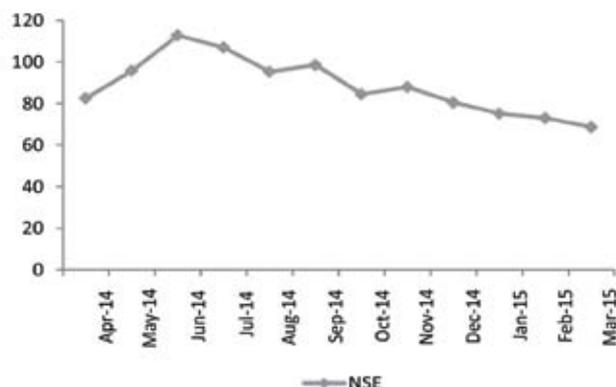
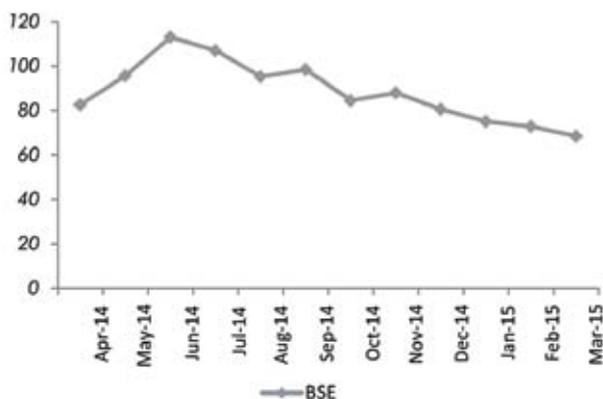
- Bombay Stock Exchange Limited : 532475
- The National Stock Exchange of India Limited : APTECHT
- ISIN No. for Shares in Dematerialized Mode : INE266F01018

**Market Information:****Aptech Share Price Data:**

Month and Year	BSE Limited		The National Stock Exchange of India Limited	
	(₹)		(₹)	
	High	Low	High	Low
Apr-14	82.50	72.75	82.45	72.40
May-14	95.60	69.75	95.70	69.70
Jun-14	112.90	87.05	112.70	86.90
Jul-14	106.90	84.90	106.85	84.70
Aug-14	95.20	83.00	95.20	82.80
Sep-14	98.40	80.90	98.50	80.50
Oct-14	84.40	76.00	84.40	76.20
Nov-14	87.90	78.40	87.90	78.40
Dec-14	80.50	64.50	80.45	64.25
Jan-15	75.00	67.05	75.10	67.00
Feb-15	72.75	64.60	72.90	64.50
Mar-15	68.40	52.00	68.60	52.00

(Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) )

### Stock Performance: (Indexed)



### Registrar and Share Transfer Agents

: M/s. Sharepro Services (India) Private Limited  
 13/AB Samhita 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](mailto:sharepro@shareproservices.com)  
 Business Hours: Monday to Friday  
 (10.00 a.m. to 5.00 p.m.)

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

### Share Transfer System:

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

Such transfers are normally processed within 30 days from the date of receipt; the documents are in order in all respects. The Stakeholders' Relationship Committee usually approves the transfer of shares once in every 15 days.

### Unclaimed Dividends:

The Company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education and Protection Fund established by the Government of India.

The dates by which the unclaimed dividend amounts will be transferred to IEPF are as under:

Financial Year	Date of declaration	Rate of dividend per share (Rs)	Due date for transfer to IEPF
2009-10 (Final Dividend)	27/09/2010	1.00	26/09/2017
2010-11 (Final Dividend)	29/07/2011	2.50	28/07/2018
2011-12 (Interim Dividend)	20/01/2012	1.50	19/01/2019
2011-12 (Final Dividend)	20/07/2012	1.50	19/07/2019
2012-13 (Interim Dividend)	22/01/2013	1.50	21/01/2020
2012-13 (Final Dividend)	30/09/2013	2.50	29/09/2020
2013-14 (Interim Dividend)	20/01/2014	2.00	19/01/2021
2013-14 (Interim Dividend)	13/05/2014	2.50	12/05/2021
2014-15 (Interim Dividend)	09/02/2015	1.50	08/02/2022

**Distribution of Shareholding :**

No. of Equity shares held	As on March 31, 2015				As on March 31, 2014			
	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	84043	94.56	6250743	15.67	86746	95.54	6115801	15.33
501-1000	2592	2.92	2098782	5.26	2146	2.37	1737522	4.35
1001-2000	1129	1.27	1715482	4.30	962	1.06	1481443	3.71
2001-3000	383	0.43	987893	2.48	302	0.33	778748	1.95
3001-4000	172	0.20	625523	1.57	147	0.16	535970	1.34
4001-5000	146	0.16	697840	1.75	134	0.15	636129	1.60
5001-10000	241	0.27	1792289	4.49	188	0.21	1362411	3.42
10001 and above	169	0.19	25725008	64.48	164	0.18	27245536	68.30
TOTAL	88875	100.00	39893560	100.00	90792	100.00	39893560	100.00

**Categories of shareholding :**

Sr. No.	As on March 31, 2015				As on March 31, 2014		
	Category	No. Of Shareholders	No. Of Shares	Voting Strength	No. Of Shareholders	No. Of Shares	Voting Strength
1	Promoter & Promoter Group	6	18806936	47.14	6	18815036	47.16
2	Mutual Funds	7	2558	0.01	8	2982	0.01
3	Banks / Financial Institutions / Insurance Companies (Central / State Government Institutions / Non Government Institutions)	34	119614	0.30	33	70769	0.18
4	FII's	16	2162645	5.42	25	3641129	9.13
5	NRI's	2505	499894	1.25	2532	378592	0.95
6	OCBs	1	1	0.00	1	1	0.00
7	Foreign National /Financial Banks	3	550	0.00	3	950	0.00
8	Domestic Companies	1181	2880500	7.22	1379	3059617	7.67
9	GDR	1	11271	0.03	1	11271	0.03
10	Trust	1	4802	0.01	1	4802	0.01
11	Indian Public	85120	15404789	38.62	86803	13908411	34.86
	TOTAL	88875	39893560	100.00	90792	39893560	100.00

**Dematerialization of Shares and liquidity:**

Trading in the Equity Shares of the Company is permitted only in dematerialized form. Over 97.91% of the Company's Share Capital was dematerialized as on 31<sup>st</sup> March, 2015 .

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

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

22,542 Global Depository Receipts of erstwhile Aptech Limited (hereinafter "Old GDRs") (P.Y. 11,271) representing 11,271 underlying equity shares (2 GDR equals 1 Equity Share) of face value ₹ 10/- each are outstanding as on 31<sup>st</sup> March, 2015 .

**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](mailto:investor_relations@aptech.ac.in)

Website: [www.aptech-worldwide.com](http://www.aptech-worldwide.com)

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Members of Aptech Limited

We have examined the compliance of conditions of Corporate Governance by Aptech Limited (" the Company") for the year ended 31st March, 2015, 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 examinations 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: 29<sup>th</sup> April 2015

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) IN ACCORDANCE WITH CLAUSE 49(IX) 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, 2015 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, 2015, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies, if any.
- d) We have indicated to the Auditors and the Audit Committee :
  - (i) significant changes in internal control during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

**Ninad Karpe**  
Managing Director  
and Chief Executive Officer

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

Place : Mumbai  
Date : 29<sup>th</sup> April 2015

**DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO) AS PER CLAUSE 49 (II) (E) (2) 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 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, 2015 over financial reporting..

**Ninad Karpe**  
Managing Director  
and Chief Executive Officer

Place : Mumbai  
Date : 29<sup>th</sup> April 2015

# INDEPENDENT AUDITOR'S REPORT

## To the Members of APTECH LIMITED

### Report on Consolidated Financial Statements

1 We have audited the accompanying Consolidated financial statements ('CFS') of APTECH LIMITED ("the Company") and its Subsidiaries, Joint Venture and an Associate (Collectively referred to as the 'Group') which comprises of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss and the 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 The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to 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 Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 this CFS based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 CFS, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the CFS, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, 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.

### Basis for Modified Opinion

6 Attention is drawn to Note 13.3 regarding the payment of managerial remuneration in excess of amount payable as per the provisions of the Act to the Managing Director aggregating to ₹ 146.31 lakhs in F.Y. 2014-15 for which application for approval of Central Government is being made and for such excess remuneration paid to the Managing director amounting to ₹ 54.91 lakhs in F.Y. 2012-13 and ₹ 48.61 lakhs, in F.Y. 2013-14 the approvals whereof from Central Government are awaited.

### Opinion

- 7 In our opinion and to the best of our information and according to the explanations given to us, the CFS subject to Para 6 above give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) In the case of the Consolidated Balance sheet, of the state of affairs of the Group as at 31st March 2015,
  - (b) In case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
  - (c) In case of the Consolidated Cash Flows Statement, of the cash flows for the year ended on that date

### Report on Other Legal and Regulatory Requirements

- 8 As per information and explanation furnished and as required by Section 143(3) of the Act, based on the comments in the auditors' reports of the Company, subsidiary companies and a Joint Venture which are incorporated in India (hereinafter referred to as the "Covered Entities"), we report, to the extent applicable, that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the CFS;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the CFS have been kept so far as it appears from our examination of those books and the reports of the other auditors;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the CFS;
  - (d) In our opinion, the CFS comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) on the basis of written representations received from the directors of the Company as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The impact of pending litigations has been duly disclosed in the CFS- Refer point no. 14 of Note 16B
    - ii. The Covered entities did not have any long-term contracts including derivative contracts for which there existed any foreseeable losses

iii. There has not been any occasion in case of the Covered entities during the year under report to transfer any sums to the Investor Education and Protection Fund; hence, the question of delay in transferring such sums does not arise

**Other Matter**

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

(₹ in Lakhs)

Entities	No. of Cos.	Assets	Revenue	Net Cash Flows
Subsidiaries	4	13,036.03	185.66	(0.23)
Associate	1	13.35	0	0.03
Joint Venture (JV)	1	3.65	0	(0.11)
<b>Total</b>	<b>6</b>	<b>13,053.03</b>	<b>185.66</b>	<b>(0.30)</b>

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/Joint Venture, are based solely on the reports of those respective auditors. Our opinion is not qualified in respect of this matter.

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

Place: Mumbai  
Date: April 29, 2015

**Shivji K Vikamsey**  
Partner (F - 2242)

## CONSOLIDATED BALANCE SHEET as at March 31, 2015

₹ in lakhs

Particulars	Note No.	AS AT March 31, 2015	AS AT March 31, 2014
<b>(I) EQUITY AND LIABILITIES</b>			
<b>1 SHARE HOLDERS' FUNDS</b>			
(a) Share capital	1	3,989.36	3,989.36
(b) Reserves and surplus	2	18,310.98	18,505.32
		22,300.34	22,494.68
<b>2 NON CURRENT LIABILITIES</b>			
(a) Long term borrowings	3	-	-
(b) Long term provisions		212.15	228.21
		212.15	228.21
<b>3 CURRENT LIABILITIES</b>			
(a) Trade payables	4	974.17	822.64
(b) Other current liabilities		1,672.22	2,039.87
(c) Short term provisions		912.50	1,187.14
		3,558.89	4,049.65
TOTAL		26,071.38	26,772.54
<b>(II) ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(A) Fixed assets	5		
(i) Tangible assets		1,928.59	2,171.03
(ii) Intangible assets		1,238.51	1,077.83
(iii) Capital work-in-progress		0.35	0.35
(iv) Intangible assets under development		210.75	142.99
		3,378.20	3,392.20
(B) Non current investments	6	11,082.92	11,084.05
(C) Long term loans and advances	7	3,417.41	2,972.49
<b>2 CURRENT ASSETS</b>			
(a) Inventories	8	414.87	514.37
(b) Trade receivables		3,364.53	3,291.70
(c) Cash and bank balances		3,788.53	4,709.96
(d) Short term loans and advances		624.92	807.77
		8,192.85	9,323.80
TOTAL		26,071.38	26,772.54
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 : April 29, 2015

For and on behalf of the Board of Directors

**APTECH LIMITED**

**NINAD KARPE**

Managing Director & CEO

(DIN: 00030971)

**T. K. RAVISHANKAR**

Executive Vice President & CFO

**C. Y. PAL**

Vice Chairman

(DIN: 00106536)

**KETAN SHAH**

Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2015

₹ in Lakhs

Particulars	Note No.	For the year ended March 31,2015	For the year ended March 31,2014
<b>INCOME</b>			
Income from operations	9	16,755.51	17,734.47
Other Operating income	9	293.14	436.18
Other income	10	467.08	885.09
		17,515.73	19,055.74
<b>EXPENDITURE</b>			
Training and education expenses	11	6,176.31	6,150.29
Marketing and advertisement expenses	12	1,330.89	1,357.13
Payments to and provision for employees	13	4,240.14	4,058.89
Administration and other expenses	14	2,843.03	3,104.29
Interest and finance expenses	15	37.18	28.23
Depreciation and amortisation (Refer point no. B-15 of note 16)	5	977.39	798.23
		15,604.94	15,497.06
<b>PROFIT BEFORE TAX</b>		1,910.79	3,558.68
<b>PROVISION FOR TAXATION</b>			
Income tax		342.49	577.30
Deferred Tax (Refer point no. B-9 of note 16)		-	-
		342.49	577.30
<b>PROFIT AFTER TAX</b>		1,568.30	2,981.38
Add / (Less): Share of profit / (loss) of Associate		(3.57)	(5.44)
<b>PROFIT AFTER TAX AND MINORITY INTEREST</b>		1,564.73	2,975.94
Earning Per Share (in ₹) (Refer point no. B-7 of note 16)			
- Basic (in ₹) (face value of ₹ 10 each)		3.92	6.70
- Diluted (in ₹)		3.92	6.70
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 : April 29, 2015

For and on behalf of the Board of Directors  
**APTECH LIMITED**

**NINAD KARPE**  
Managing Director & CEO  
(DIN: 00030971)

**T. K. RAVISHANKAR**  
Executive Vice President & CFO

**C. Y. PAL**  
Vice Chairman  
(DIN: 00106536)

**KETAN SHAH**  
Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31,2015

₹ in lakhs

Particulars	For the year ended March 2015		For the year ended March 2014	
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>NET PROFIT BEFORE TAX</b>		1,910.79		3,558.68
<b>Adjustments For :</b>				
Depreciation Write back (Adjustment on Transitional provision in Note 7(b) of schedule II of Companies Act, 2013 (Refer point no. B-15 of note 16)	(192.74)		-	
Depreciation and Amortisation	1,170.13		798.23	
Provision for doubtful debts	214.58		361.97	
Bad debts written off	7.16		0.43	
Dividend Income	(0.81)		(1.09)	
Interest and Finance costs	37.18		28.23	
Interest income	(405.42)		(822.19)	
Liability no longer required written back	(293.14)		(436.18)	
Unrealised forex loss/(Gain) (Net)	(145.08)		(203.72)	
(Profit) / Loss on Sale of Fixed Assets (Net)	(1.52)	390.36	17.86	(256.47)
Operating Profit Before Working Capital Changes		2,301.14		3,302.22
<b>Adjustments for Working Capital Changes</b>				
Decrease/(Increase) in Inventory	99.51		(51.09)	
Decrease/(Increase) in Trade Receivables	(119.57)		(888.46)	
Decrease/(Increase) in Loans and Advances	(344.48)		(619.89)	
Increase/(Decrease) in Current Liabilities and Provisions	99.43		(428.23)	
Increase/(Decrease) of Foreign Currency Translation Reserve	0.58	(264.53)	(0.21)	(1,987.88)
Cash From / (used) in Operating Activities		2,036.62		1,314.34
Wealth Tax (Paid) / Received	-		(0.04)	
Income Tax (Paid) / Received (Net)	(306.49)	(306.49)	(241.49)	(241.53)
<b>Net Cash From / (used) in Operating Activities (I)</b>		<u>1,730.13</u>		<u>1,072.81</u>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Amount received from erstwhile promoters of Maya Entertainment Limited	-		55.91	
Purchase of fixed assets	(1,186.64)		(1,083.48)	
Sale of fixed assets	31.98		75.73	
Dividend received	0.81		1.09	
Dividend paid (Including DDT)	(1,884.89)		(2,259.53)	
Interest and finance received	416.26		1,231.37	
Proceeds from/(Investing in) Bank Deposits (original maturity more than three months)	543.08		6,571.16	
<b>Net Cash used in Investing Activities (II)</b>		<u>(2,079.39)</u>		<u>4,592.25</u>

₹ in lakhs

Particulars	For the year ended March 2015		For the year ended March 2014	
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Buy back of shares	-		(6,005.95)	
Financing of hedging contract	(13.45)		(3.19)	
Interest and finance costs	(37.18)		(29.98)	
<b>Net Cash from Financing Activities (III)</b>		(50.63)		(6,039.12)
<b>Net (Decrease) / Increase in Cash &amp; Cash equivalents (I+ II+ III)</b>		(399.89)		(374.26)
Cash & Cash equivalents at the beginning of the year		1,278.91		1,653.17
Cash & Cash equivalents at the end of the year		879.03		1,278.91
<b>Net (Decrease) / Increase in Cash &amp; Cash equivalents</b>		(399.89)		(374.26)

Notes :

- 1) Cash and Cash equivalents include cash and bank balances in current accounts and deposit accounts. ( Refer Schedule no. 8(c) )
- 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 /rearranged wherever necessary to correspond with the figures of the current year.

**As per our attached report of even date.**

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

**SHIVJI K VIKAMSEY**  
Partner (M. No. 2242)

Place : Mumbai  
Date : April 29, 2015

For and on behalf of the Board of Directors  
**APTECH LIMITED**

**NINAD KARPE**  
Managing Director & CEO  
(DIN: 00030971)

**T. K. RAVISHANKAR**  
Executive Vice President & CFO

**C. Y. PAL**  
Vice Chairman  
(DIN: 00106536)

**KETAN SHAH**  
Company Secretary

## NOTES TO FINANCIAL STATEMENTS as at March 31, 2015

### NOTE 1 SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<u>Authorised</u>				
Equity Shares of ₹10 each	60,000,000	6,000.00	60,000,000	6,000.00
<u>Issued, Subscribed &amp; Paid up</u>				
Equity Shares of ₹ 10 each fully paid up	39,893,560	3,989.36	39,893,560	3,989.36
Total	39,893,560	3,989.36	39,893,560	3,989.36

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

**Note 1.1** "Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period;"

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	39,893,560	3,989.36	48,791,421	4,879.14
Add :- Shares Issued during the year	-	-	-	-
Less :- Shares cancelled on buy back of Equity Shares	-	-	8,897,861	889.79
Shares outstanding at the end of the year	39,893,560	3,989.36	39,893,560	3,989.36

In previous Year 2013-14 in accordance with the Buyback proposal approved by shareholders vide postal ballot dated 06th July, 2013, the Company has bought back 8,897,861 shares for ₹ 6,006 lakhs during the buyback period of 24th July 2013 till 23rd January 2014. All the shares which were bought back have been extinguished.

**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 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RARE EQUITY PVT. LTD.	9,933,496	24.90%	9,933,496	24.90%
RAKESH JHUNJHUNWALA	4,319,100	10.83%	4,319,100	10.83%
REKHA JHUNJHUNWALA	2,555,977	6.41%	2,555,977	6.41%

**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)				
	2014-15	2013-14	2012-13	2011-12	2010-11
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	2,196,773
Shares were bought back and extinguished	-	8,897,861	-	-	-

**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.

₹ in Lakhs

## NOTE 2 RESERVES AND SURPLUS

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>a. Capital Redemption Reserve</b>		
As per last balance sheet	1,774.59	884.80
Add : Transferred from Profit and Loss Account on buy back of Shares		889.79
Closing Balance	1,774.59	1,774.59
<b>b. Securities Premium Account</b>		
As per last balance sheet	8,977.20	14,093.36
Less : On buy back of Equity Shares	-	5,116.16
Closing Balance	8,977.20	8,977.20
<b>c. Cash Flow Hedging Reserve</b>		
As per last balance sheet	-	3.19
Add : Current Year Transfer	(13.45)	-
Less : Written Back in Current Year	-	3.19
Closing Balance	(13.45)	-
<b>d. General Reserve</b>		
As per last balance sheet	748.93	513.93
Add : Transferred from Profit and Loss Account	-	235.00
Less : Adjustment on Transitional provision in Note 7(b) of schedule II of Companies Act 2013 (Refer point no. B-15 of note 16)	68.79	-
Closing Balance	680.14	748.93
<b>e. Foreign Currency Translation Reserve</b>		
As per last balance sheet	(4.82)	(4.61)
Add : Addition during the year (Net)	2.90	(0.21)
Closing Balance	(1.92)	(4.82)
<b>f. Surplus in Profit and loss account</b>		
As per last balance sheet	7,009.43	13,720.12
Add : Net Profit for the current year	1,564.73	2,975.94
Add: Reversal of excess provision of Proposed Dividend and DDT	-	101.03
Less : 2nd Interim Dividends ***	698.14	997.34
Less : Corporate Tax on 2nd Interim Dividend	139.59	169.50
Less : 1st Interim Dividends ***	598.40	797.87
Less : Corporate Tax on 1st Interim Dividend	119.65	135.60
Less : Transferred to Capital Redemption Reserve on buy back of shares	-	889.79
Less : Transferred to General Reserve	-	235.00
Less : Goodwill Adjustment	-	6,562.58
Less : Adjustment on Transitional provision in Note 7(b) of schedule II of Companies Act 2013 (Refer point no. B-15 of note 16)	123.95	-
Closing Balance	6,894.42	7,009.43
<b>Total</b>	<b>18,310.98</b>	<b>18,505.32</b>

\*\*\* The Board of Directors have declared a second interim dividend of ₹ 1.75 per equity share (aggregating to a total dividend of ₹ 3.25 per share for the financial year 2014-15 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 ₹ 4.50 per share).

**NOTE 3 NON CURRENT LIABILITIES****Note 3 (a) Long Term Borrowings**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Secured Loans</b>		
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 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Provision for employee benefits :-		
Gratuity	-	10.94
Leave encashment	212.15	217.27
(Refer point no. B-8 of note 16)		
Total	212.15	228.21

**NOTE 4 CURRENT LIABILITIES****Note 4 (a) Trade Paybles**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Unsecured</b>		
<b>Trade Payable</b>		
Sundry creditors * (Refer Point no. B-11 of note 16)	974.17	822.64
* There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 <sup>st</sup> March, 2015, and no interest payment made during the year to any Micro, Small and Medium Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.		
Total	974.17	822.64

**Note 4 (b) Other Current Liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
(a) Advance received from Students	103.38	352.67
(b) Unpaid dividends	143.96	111.59
(c) Sundry creditors for capital assets (Refer Point no. B-11 of note 16)	38.80	121.85
(d) Provision for expenses	782.98	812.55
(e) Other payables :-		
Statutory Dues	276.91	293.66
Others liabilities	177.56	161.70
Franchisee/Caution deposits	148.63	185.85
<b>Total</b>	<b>1,672.22</b>	<b>2,039.87</b>

**Note 4 (c) Short Term Provisions**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
(a) Provision for employee benefits :-		
Gratuity	34.27	-
Leave encashment	40.50	20.30
(Refer point no. B-8 of note 16)		
(b) Others :-		
Proposed/ 2nd Interim Dividend on Equity Shares	698.14	997.34
Provision for tax on Proposed/ 2nd Interim Dividend	139.59	169.50
The Board of Directors have declared a second interim dividend of ₹ 1.75 per equity share (aggregating to a total dividend of ₹ 3.25 per share for the financial year 2014-15 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 ₹ 4.50 per share).		
<b>Total</b>	<b>912.50</b>	<b>1,187.14</b>

## NOTE 5 FIXED ASSETS

₹ in Lakhs

Particulars	Tangible Assets								Intangible Assets				Total
	Freehold land	Buildings	Leasehold Improve-ments	Computer Hardware	Furniture and Fixtures	Vehicles	Office equipment	Electrical fittings	Goodwill	Computer Software	Courseware		
<b>a</b>													
<b>Gross Block</b>													
<b>As at 01st April 2013</b>	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	
Additions	-	-	-	273.73	133.24	-	21.72	66.99	-	43.07	712.86	1,251.61	
Deletions	-	-	-	220.51	50.67	-	21.64	27.84	-	1.73	0.72	323.11	
<b>As at 31st March 2014</b>	262.15	1,170.56	182.68	1,547.10	728.29	74.41	445.75	235.74	1,054.41	2,395.07	6,073.88	14,170.04	
Additions	-	14.49	-	154.33	82.04	89.97	22.26	11.17	-	155.17	590.92	1,120.35	
Deletions	-	-	29.67	60.08	105.86	20.79	84.17	59.69	-	6.93	-	367.19	
<b>As at 31st March 2015</b>	262.15	1,185.05	153.01	1,641.35	704.47	143.59	383.84	187.22	1,054.41	2,543.31	6,664.80	14,923.20	
<b>b</b>													
<b>Accumulated Depreciation</b>													
<b>As at 01st April 2013</b>	-	202.62	160.40	1,239.71	464.35	46.00	157.29	105.07	1,020.83	2,109.01	4,817.44	10,322.72	
For the year	-	23.89	15.00	146.84	71.74	9.61	22.20	8.23	10.17	113.95	376.59	798.22	
Deletions	-	-	-	132.85	49.29	-	8.08	7.08	-	1.73	0.72	199.75	
<b>As at 31st March 2014</b>	-	226.51	175.40	1,253.70	486.81	55.61	171.41	106.22	1,031.00	2,221.23	5,193.31	10,921.19	
For the year	-	23.93	6.19	195.05	79.99	14.12	51.13	26.94	10.17	125.67	444.20	977.39	
Deletions	-	-	29.67	49.15	105.30	12.53	80.11	56.88	-	1.55	-	335.21	
(Adjustment on Transitional provision in Note 7(b) of schedule II of Companies Act 2013 (Refer point no. B-15 of note 16)	-	-	-	-	14.32	-	171.53	6.89	-	-	-	192.74	
<b>As at 31st March 2015</b>	-	250.44	151.92	1,399.60	475.81	57.20	313.96	83.17	1,041.17	2,345.35	5,637.51	11,756.11	
<b>CWIP</b>													
Capital work-in-progress													0.35
Intangible assets under development													210.75
<b>Net Block as at 31st March 2015</b>	262.15	934.61	1.09	241.75	228.66	86.39	69.88	104.05	13.24	197.96	1,027.29	3,378.20	
<b>CWIP</b>													
Capital work-in-progress													0.35
Intangible assets under development													142.99
<b>Net Block as at 31st March 2014</b>	262.15	944.04	7.28	293.40	241.48	18.80	274.35	129.52	23.41	173.84	880.58	3,392.20	

Note: 1 The transfer of asset from one Company to another within Group is effected to Gross Block & accumulated depreciation .  
2 Opening depreciation includes impairment on the above assets for the earlier year .

**NOTE 6 NON - CURRENT INVESTMENTS**

Trade Investments valued at cost, except otherwise stated

	Face Value of share	As at March 2015		As at March 2014	
		No. of Shares/ units	Amount ₹ in Lakhs	No. of Shares/ units	Amount ₹ in Lakhs
<b>A. Investments in Equity Instruments (Unquoted) :-</b>					
<b>Associate</b>					
Aptech Philippines Inc, Philippines	1 Peso	3,420,800	3.11	3,420,800	8.55
Less:- Share of loss of associate (Net)			1.25		5.44
<b>Net share in equity</b>			1.86		3.11
<b>Others</b>					
Syntea S.A. Polland JV	0.20 PLN	350,000	265.24	350,000	265.24
Beijing Jadebird IT education Company (BJBC) (refer note below)	0.000125 US\$	55,684,931	10,813.21	55,684,931	10,813.21
<b>Sub total (A)</b>			11,080.31		11,081.56
<b>B. Investments in Mutual Funds (Quoted)</b>					
LIC Nomura MF Income Plus Fund	₹10	21,735	2.20	20,731	2.08
<b>Sub total (B)</b>			2.20		2.08
<b>C. Other Investments in Equity Share-Quoted, fully paid up</b>					
New India Co-operative Bank Limited	₹10	4,100	0.41	4,100	0.41
<b>Sub total (C)</b>			0.41		0.41
Total Non Current Investment (A+ B +C)			11,082.92		11,084.05

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 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
<b>a. Capital Advances</b>				
Unsecured, considered good	1.18		5.22	
		1.18		5.22
<b>b. Security Deposits</b>				
Unsecured, considered good	439.52		411.88	
		439.52		411.88
<b>c. Loans and advances to related parties</b>				
Unsecured, considered good *	1,138.35		945.00	
		1,138.35		945.00
<b>d. Other loans and advances</b>				
Advance Tax (Net of Provision for Tax ₹ 3,538.35/- (PY ₹3,195.86/-) [inclusive of MAT credit ₹ 1,354.83/- (PY ₹ 1,354.83/-)])	1,802.48		1,581.59	
Prepaid expenses	12.38		7.86	
Loans and Advances to Employees	23.50		20.94	
		1,838.36		1,610.39
<b>Total</b>		<b>3,417.41</b>		<b>2,972.49</b>

\* 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 Amount due by AICAR to the Company as at March 31, 2015 is ₹ 1,138.35 lakhs ( Previous Year ₹ 944.90 lakhs) which includes interest on such advances.

## NOTE 8 CURRENT ASSETS

### Note 8 (a) Inventories

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
(Valued at lower of cost or net realisable value)				
<b>a. Work-in-progress</b>				
Film under production		280.26		280.26
<b>b. Finished goods</b>				
Education and Training course materials		134.61		234.11
<b>Total</b>		<b>414.87</b>		<b>514.37</b>

**Note 8 (b) Trade Receivables**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Due for period less than six months from the due date of payment*</b>		
Unsecured, considered good	2,533.93	2,373.47
	2,533.93	2,373.47
<b>Due for period exceeding Six months from the due date of payment*</b>		
Unsecured, considered good	830.60	918.23
Unsecured, considered doubtful	187.81	348.29
Less: Provision for doubtful debts	187.81	348.29
	830.60	918.23
Total	3,364.53	3,291.70

\*Refer point no. B-11 of Note 16

**Note 8 (c) Cash and bank balance**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
<b>a. Cash and cash equivalents :-</b>				
<b>i. Cash on hand</b>		3.47		5.47
<b>ii. Balance with banks :-</b>				
EEFC Accounts	121.41		62.49	
Bank deposits (with original maturity less than three months)	419.00		544.94	
Current Accounts	335.15	875.56	666.01	1,273.44
		879.03		1,278.91
<b>b. Other Bank balances :-</b>				
Bank deposits *(with original maturity more than three months but within twelve months)	2,713.68		3,256.77	
Interest accrued but not received	51.86		62.70	
Earmarked Balances (eg. unpaid dividend accounts)	143.96	2,909.50	111.59	3,431.05
		3,788.53		4,709.96

\*Bank deposits as of March 31,2015 and March 31,2014 include restricted balances of ₹ 133.20 lakhs and ₹ 701.22 lakhs respectively. The restriction are primarily on account of cash and bank balances held as margin money deposits against guarantees.

**Note 8 (d) Short-term loans and advances**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
Prepaid expenses	99.40	96.06
Advances to Gratuity fund	-	45.93
Other current assets	525.52	665.78
Total	624.92	807.77

**Note 9 Income from operation**

₹ in Lakhs

Particulars	2014-15	2013-14
Training and Education Income	14,200.67	14,200.87
Income from Testing Services Operations	2,554.84	3,533.60
Total	16,755.51	17,734.47

**Other Operating Income**

₹ in Lakhs

Particulars	2014-15	2013-14
Liabilities No Longer Required Written Back	293.14	436.18
Total	293.14	436.18

**Note 10 Other Income**

₹ in Lakhs

Particulars	2014-15	2013-14
Interest Income	405.42	822.19
Exchange Rate Gain (Net)	53.44	60.45
Net gain/loss on sale of assets	1.52	-
Other non-operating income	6.70	2.45
Total	467.08	885.09

**Note 11 Training and education expenses**

₹ in Lakhs

Particulars	2014-15	2013-14
Education, Training Expenses and Course Materials	844.41	871.77
Course Execution Charges	5,331.90	5,278.52
Total	6,176.31	6,150.29

**Note 12 Marketing and advertisement expenses**

₹ in Lakhs

Particulars	2014-15	2013-14
Advertisement expenses	1,309.68	1,351.54
Other marketing expenses	21.21	5.59
Total	1,330.89	1,357.13

**Note 13 Payments to and provision for employees**

₹ in Lakhs

Particulars	2014-15	2013-14
(a) Salaries and other allowances (Refer note 13.1 below)	3,810.41	3,689.26
(b) Contribution to Provident and other Funds (Refer note 13.1 below)	247.36	237.37
(c) Gratuity fund contributions (Refer point no. B-8 of note 16)	89.26	45.47
(d) Staff welfare expenses	93.11	86.79
Total	4,240.14	4,058.89

**Note 13.1 Managerial Remuneration:**

Managerial remuneration to Managing Director ('MD') and Whole Time Director ('WTD') under Section 198 of the Companies Act 2013:

₹ in Lakhs

Particulars	2014-15	2013-14
Salaries and Allowances & perquisites	337.47	272.04
Contribution to Provident and other funds	15.68	14.24
Total	353.15	286.28

**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 their approval to waive excess remuneration paid to the Managing Director & CEO for ₹ 54.91 lakhs for the year ended 31st March, 2013 and ₹ 48.61 lakhs for the year ended 31st March 2014, approvals for which are awaited. Application to Central Government seeking waiver of excess remuneration of ₹ 146.31 lakhs paid to the Managing Director & CEO for the year ended 31st March, 2015 is being made.

**Note 14 Administrative and other expenses**

₹ in Lakhs

Particulars	2014-15	2013-14
Rent	721.53	791.01
Rates and Taxes	41.52	41.06
Travelling and Conveyance Expenses	550.84	591.42
Electricity Charges	161.48	175.93
Communication Expenses	175.16	191.60
Repairs and Maintenance :-		
Buildings	7.82	0.55
Plant & Machinery	44.49	43.59
Others	107.20	84.30
Insurance Premium	5.44	11.24
Legal and Professional Charges	153.64	186.02
Provision For Doubtful Debts	214.58	361.97
Bad Debts/Advances written Off	7.16	0.43
Audit Fees (Refer note 14.1 below)	46.22	48.18
Safety and Security	167.54	159.67
Printing and Stationery	57.30	69.17
Loss On Sale / Disposal Of Fixed Assets	-	17.86
Bank Charges	48.18	35.24
Director's Commission provided (Refer note 14.2 below)	21.30	29.00
Director's Sitting Fees	18.60	14.60
Service Tax Expenses	66.69	24.79
Miscellaneous Expenses	226.34	226.66
Total	2,843.03	3,104.29

**14.1 Payments to the auditor as**

₹ in Lakhs

Particulars	2014-15	2013-14
Audit Fees	24.10	24.10
Tax Audit Fees	7.50	7.50
Limited Review	10.65	10.65
Certification/ Other Fees:		
Tax advisory	1.20	0.45
Company Law Matters	1.15	2.08
Others Services	-	2.26
Reimbursement of expenses	1.62	1.14
Total	46.22	48.18

**14.2 Directors' commission provided**

₹ in Lakhs

Particulars	2014-15	2013-14
Directors' commission calculated @ 1%	21.54	29.80
Directors' commission proposed by the Board and provided for	21.30	29.00
* Commission payable to non-whole-time director for financial year 2014-15 up to 1% of net profit computed in accordance with section 198 of the Companies Act, 2013.		

14.3 Administration and other expenses are net of recoveries.

**Note 15 Finance Cost**

₹ in Lakhs

Particulars	2014-15	2013-14
Interest expense:-		
Cash credit and others	37.07	28.18
Commitment & Finance Charges	0.11	0.05
Total	37.18	28.23

**NOTE "16"****SIGNIFICANT ACCOUNTING POLICIES AND OTHER NOTES ON ACCOUNTS****A) Significant Accounting Policies:****(a) Accounting Convention**

The Consolidated Financial Statements ('CFS') comprises the financial statement of Aptech Limited, ("the Company") and its Subsidiaries, Joint Ventures and Associate (hereinafter collectively referred to as the "Aptech Group". 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 under section 133 of The Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Based on the nature of products/ services and their realization in cash and cash equivalents, the Aptech Group has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities, in terms of Revised Schedule III to the Act.

**(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 useful life of the Assets in the manner specified in the Schedule II of the Act, 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 Fixed Assest are provided at the following rates based on estimated useful life as per Schedule II of the Act.
- |   |          |
|---|----------|
| Buildings/Premises                        | 30 Years |
| Furniture & fixtures                      | 5 Years  |
| Computers Hardware, Software & Courseware | 3 Years  |
| Office Equipment                          | 5 Years  |
| Electrical Equipments                     | 10 Years |
- 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.

**(i) 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 & loss account as income or expenses. Obligation is measured at the present value of estimated future cash flows using the discounted rate that is determined by reference to market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

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

In respect of the stock option granted to employees pursuant to the Company's stock option schemes, accounting is done as per the intrinsic value method permitting by the SEBI guideline, 1999 and the Guidance Note on Share Based Payment issued by the ICAI, whereby the intrinsic value of the option is recognized as deferred employee compensation. The deferred employee compensation is charged to Statement of profit & loss account on straight line basis over the vesting period of the option. The options that lapse are reversed by a credit to employee compensation expense, to the extent of the amortised portion of value of lapsed portion. The costs incurred on account of ESOP granted to employees of subsidiary companies are recovered from the subsidiaries.

**(p) Income Tax**

- i) Tax expense comprises of current, 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.

**NOTE "16"****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 31 <sup>st</sup> March, 2015	Ownership Interest as on 31 <sup>st</sup> March, 2014
<b>Subsidiaries</b>			
Aptech Training Limited FZE	UAE	100%	100%
Aptech Worldwide Corporation, USA	USA	100%	100%
Attest Testing Services Limited	India	100%	100%
AGLSM SDN.BHD	Malaysia	100%	100%
Maya Entertainment Limited (Merged with Avalon Aviation Academy Private Limited w.e.f 1st April'13 Refer Point no. B-2 of Note 16 )	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%
<b>Associate / Joint Venture / Others</b>			
Aptech Hungama Digital Learning LLP	India	50%	50%
Aptech Philippines Incorporation	Philippines	40%	40%

2. In accordance with the the Scheme of Amalgamation ('the Scheme') of Maya Entertainment limited ('MEL') (a wholly owned subsidiary ) with Avalon Aviation Academy Private Limited ('AAA') (Another Wholly Owned Subsidiary ) which has been approved by Hon'ble High Court of Mumbai on 5th September, 2014. The Scheme has become operational on 23rd September, 2014 on filling of requisite forms with the Register of Companies with effect from appointed date .On and from effective date of the Scheme, Maya Entertainment Limited ceases to exist. Name of Avalon Aviation Academy private limited, thereupon was changed to Maya Entertainment limited effective from 21st October, 2014.
3. **Contingent Liabilities and capital Commitment:**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt	142.80	607.81
(b) In respect of tax matters	854.58	28.46
	997.38	636.27
<b>(ii) Capital Commitments and Guarantees</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	276.06	303.11
(b) Counter guarantees to bank for projects	196.33	286.72
	472.39	589.83
<b>Total</b>	<b>1,469.78</b>	<b>1,226.10</b>

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) is considered as integral operation.
5. The Company does not recognise MAT credit entitlement, on account of prudence from financial year 2012-13.
6. **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 (Whole Time Director)

b) Transactions with related parties:

₹ in Lakhs		
Nature of Transactions	Key Management Personnel	Total
Expenses (Remuneration)	353.15	353.15
(Previous year)	(286.28)	(286.28)

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	2014-15	2013-14
Expenditure: Remuneration			
Mr.Ninad Karpe	Key Management	254.01	197.62
Mr. Anuj Kacker	Personnel	99.14	88.66

**7. Earnings per Share:**

Particulars	2014-15	2013-14
Profit/ (loss) after tax attributable to Shareholders (₹ in lakhs) (A)	1,564.73	2,975.94
Weighted average number of equity shares outstanding during the year :-		
Basic and diluted (No. of Shares) (B)	39,893,560	4,43,93,926
Nominal value of equity shares (₹)	10/-	10/-
Basic / diluted EPS (₹) (A/B)	3.92	6.70

**8. Retirement Benefits**

a) **Defined benefit plan**

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

₹ in Lakhs		
Particulars	2014-15	2013-14
Present value of the defined benefit obligation at the end of the year	501.98	437.03
Fair value of the plan assets	467.71	472.02
Net Liability / (Assets)	34.27	(34.99)

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

₹ in Lakhs		
Particulars	2014-15	2013-14
Current Service Cost	47.11	51.02
Interest on defined benefit obligation	39.33	34.33
Expected return on plan assets	(38.99)	(30.67)
Net actuarial (Gain)/ Loss on plan Assets	41.80	(9.21)
Net Gratuity Cost	89.26	45.47

**Actual Return on plan assets:**

₹ in Lakhs		
Particulars	2014-15	2013-14
Expected Return on plan assets	38.99	30.67
Acturial Gain / ( Loss ) on plan assets	5.69	0.00
Actual return on plan assets	44.68	30.67

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

₹ in Lakhs

Particulars	2014-15	2013-14
Opening defined benefit obligation	437.03	416.14
Current Service Cost	47.11	51.02
Interest cost	39.33	34.33
Actuarial (Gain)/ Loss	47.49	(9.21)
Benefit Paid	(68.99)	(55.24)
Closing defined benefit obligation	501.98	437.03

**Change in fair value plan assets:**

₹ in Lakhs

Particulars	2014-15	2013-14
Fair value of the plan assets at the beginning of the year	472.02	301.60
Expected return on plan assets for the period	38.99	30.67
Contributions during the period	20.00	195.00
Benefits paid during the period	(68.99)	(55.24)
Actuarial Gain / ( Loss ) on plan assets	5.69	-
Fair value of the plan assets at the end of the year	467.71	472.02

**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	2014-15	2013-14
Present value of the defined benefit obligation at the end of the period	252.66	208.22
Fair value of the plan assets	-	-
Net Liability / (Assets )	252.66	208.22
Current Liability	40.50	20.30
Non- Current Liability	212.15	217.27

**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	2014-15	2013-14
Current Service Cost	20.06	26.17
Interest on defined benefit obligation	21.38	16.36
Expected return on plan assets	-	-
Net actuarial (Gain)/ Loss on plan Assets	19.58	8.73
Net Compensated absences / Leave encashment Cost	61.02	51.26

**Reconciliation of present value of the obligation:**

₹ in Lakhs

Particulars	2014-15	2013-14
Opening defined benefit obligation	237.56	198.25
Current Service Cost	20.06	26.17
Interest cost	21.38	16.36
Actuarial (Gain)/ Loss	19.58	8.73
Benefit Paid	(45.93)	(41.29)
Closing defined benefit obligation	252.66	208.22

**Principal Actuarial Assumptions at the balance sheet date 31.03.2015 for Gratuity & Leave Encashment:**

Particulars	2014-15	2013-14
Discount Rate	7.90%	9.00%
Estimated rate of return on plan assets	7.90%	8.26%
Rate of Salary Growth	5.75%	6.00%

**b) Defined Contribution Plan –**

Amount recognized as an expense and included in the Note 13 - "Contribution to Provident & Other Funds – ₹ 247.36 lakhs (Previous Year ₹ 237.37 lakhs).

**9. Deferred Tax**

Deferred Tax Asset on carry forward business losses / depreciation and other reversible timing differences has not been recognized as a matter of prudence. Deferred Tax (Asset)/Liability at the period end comprise timing difference on account of

₹ in Lakhs

Particulars	2014-15	2013-14
Carried forward Unabsorbed Depreciation	1,847.86	2,323.25
Carried forward Business Loss	566.83	751.43
Carry Forward Capital Loss	693.25	661.74
Provision For Bad Debts	50.84	86.99
Expenditure/provisions(Gratuity & Leave encashment)	95.90	65.73
Related to Fixed Assets	6.11	108.91
<b>Total Deferred Tax Asset (A)</b>	<b>3,260.78</b>	<b>3,998.05</b>
Related to Fixed Assets	-	164.47
Expenditure/provisions	-	-
<b>Total Deferred Tax Liability (B)</b>	<b>-</b>	<b>164.47</b>
<b>Net Deferred Tax Asset (A-B) *</b>	<b>3,260.78</b>	<b>3,833.58</b>

\*Not recognised in financial statement in terms of provisions of AS-22 "Accounting for Taxes on Income"

10. Segmental Report for the year of the group is annexed.
11. Balances of sundry debtors and sundry creditors are subject to confirmation and reconciliation.

12. The Company has constituted a CSR committee as required under Section 135 of the Act, together with relevant rules as prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR rules'). The Company has formulated the CSR policy and has identified the CSR initiatives as also methodology for spending the same to ensure appropriate end use of funds so spent. The Company is in process of tying up with some more NGO's operating in the similar field as that of company's identified CSR initiatives. Accordingly, till end of the financial year 2014-15, a sum of ₹ 6.15 Lakhs has been spent on the said initiatives. The focused spending on this would happen from next financial year.
13. The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. The Company did not have any derivative contracts as at balance sheet date.
14. The Company's pending litigations comprise of claims against the Company primarily by the Civil & Consumer case pending with Courts & Tax Authorities. The Company has reviewed all its pending litigations and proceedings and has adequately provided for, where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer point no. B-3 of Note 16 for details on contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has shown a Contingent liability of ₹ 1,469.78 lakhs as at 31 March 2015.
15. Effective April, 2014 the Company has charged Depreciation with reference to the estimated useful life of fixed assets prescribed by Schedule II of Companies Act, 2013 or based on Management assessment of useful life, if lower than what is prescribed under schedule II. Consequently, depreciation charge for the Year ended March 31, 2015 is higher by ₹ 65 lakhs. Further Based on the transitional Provision in note 7(b) of schedule II, an amount of ₹ 123.95 lakhs has been adjusted against retained earning & ₹ 68.79 lakhs has been adjusted against General reserve of the Company.
16. Additional information as required under Schedule III to Companies Act, 2013 of enterprises consolidated is given in the annexure attached.
17. The figures for the previous year have been regrouped / rearranged wherever necessary to correspond with current year presentations.

For and on behalf of

For and on behalf of the Board of Directors

**KHIMJI KUNVERJI & CO.**

**APTECH LIMITED**

**Firm Registration Number 105146W**

Chartered Accountants

**Shivji K. Vikamsey**

Partner (M. no.2242)

**Ninad Karpe**

(CEO & Managing Director)

(DIN: 00030971)

**C.Y Pal**

(Vice Chairman)

(DIN: 00106536)

Place: Mumbai

Date: 29th April 2015

**T.K. Ravishankar**

(Executive Vice President & CFO)

**Ketan Shah**

(Company Secretary)

**Schedule 16 B**  
**10. Segmental report for the Year ended 31st March, 2015**  
**Primary Segment information : Business Segment**

₹ in Lakhs

Particulars	YTD March, 2015 Business Segments			YTD March, 2014 Business Segments				
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
<b>Revenue</b>								
Income from Segment	13,281.51	3,436.30	392.50	17,110.31	13,418.62	4,315.85	499.08	18,233.55
<b>Results before Interest and tax and exceptional items</b>	3,373.16	289.05	(2,119.65)	1,542.56	3,602.60	1,073.95	(1,911.83)	2,764.73
Add: Interest / Dividend Incomes	-	-	405.42	405.42	-	-	822.19	822.19
Less: Interest exp and Finance Charges	-	-	37.18	37.18	-	-	28.23	28.23
<b>Profit / (Loss) before Tax</b>	3,373.16	289.05	(1,751.41)	1,910.79	3,602.60	1,073.95	(1,117.87)	3,558.68
Less: Provision for Current tax	-	-	342.49	342.49	-	-	577.30	577.30
Less: Share of loss in associates	-	-	3.57	3.57	-	-	5.44	5.44
<b>Profit / (Loss) after Tax</b>	3,373.16	289.05	(2,097.48)	1,564.73	3,602.60	1,073.95	(1,700.61)	2,975.94
<b>Other Information</b>								
Carrying amount of Segment Assets	4,765.91	1,598.70	-	6,364.61	4,848.66	1,766.52	-	6,615.18
Unallocable Corporate Assets	-	-	19,706.77	19,706.77	-	-	20,157.35	20,157.35
Carrying amount of Segment Liabilities	1,742.46	492.13	-	2,234.59	1,805.48	640.62	-	2,446.09
Unallocable Corporate Liabilities	-	-	1,536.45	1,536.45	-	-	1,831.76	1,831.76
Capital Expenditure	813.87	140.98	258.70	1,213.55	917.04	303.95	46.57	1,267.56
Depreciation / Amortization	638.07	167.66	171.66	977.39	519.64	135.83	142.75	798.23
Significant Non-Cash Expenditure	347.31	3.41	5.99	356.70	374.00	6.79	14.93	395.71

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, 2015			YTD March, 2014		
	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	12,870.19	4,951.09	1,171.46	14,324.05	5,065.11	1,267.56
Outside India	3,885.32	1,413.52	42.09	3,410.42	1,550.07	-
Total	16,755.51	6,364.61	1,213.55	17,734.47	6,615.18	1,267.56

# 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, 2015, 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 The Management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, 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.

### Basis for Modified Opinion

- 6 Attention is drawn to Note 13.3 regarding the payment of managerial remuneration in excess of amount payable as per the provisions of the Act

to the Managing Director aggregating to ₹ 146.31 lakhs in F.Y. 2014-15 for which application for approval of Central Government is being made and for such excess remuneration paid to the Managing director amounting to ₹ 54.91 lakhs in F.Y. 2012-13 and ₹ 48.61 lakhs in F.Y. 2013-14, the approvals whereof from Central Government are 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 aforesaid 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 of the state of affairs of the Company as at 31st March 2015, its profit and its 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.
- 9 As required by section 143(3) of the Act, we further report that:
  - a. we have sought and 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 aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
  - e. on the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
    - i. The impact of pending litigations has been duly disclosed in the financial statements. Refer point no.17 of note 16-B.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there existed any foreseeable losses,
    - iii. There has not been any occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund; hence, the question of delay in transferring such sums does not arise.

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

Place: Mumbai  
Date: April 29, 2015

**Shivji K Vikamsey**  
Partner (F - 2242)

## ANNEXURE AUDITOR'S REPORT

### Annexure referred to in paragraph 8 Our Report of even date to the members of Aptech Limited on the Financial Statements for the year ended 31st March, 2015

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- (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 Assets have been carried out by the Management. The plan of such verification, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. As per the information and explanations given to us, no material discrepancies have been noticed on such verification;
- (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) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act. Hence clause (iii)(a) & (iii)(b) of Paragraph 3 of the Order are not applicable.
- (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 controls 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) The Company has not accepted any deposits from the public as covered under provisions of Section 73 to 76 of the Act and rules made thereunder.
- (vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and based on the records of the Company examined by us, the Company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Value Added Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities in India. As informed, provisions of Customs duty and Excise duty are not applicable to the Company during the year under report. There were no arrears as at March 31, 2015 for a period of more than six months from the date they became payable;
- (b) According to the information and explanations given to us and based on the records of the Company examined by us, there are no dues of Income Tax, Wealth Tax, Service Tax, Sales Tax, Value Added Tax and Cess which have not been deposited on account of any disputes. As informed, provisions of Customs duty and Excise duty are not applicable to Company during the year under report;
- (c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund; hence, the question of reporting delay in transferring such sums does not arise.
- (viii) 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.
- (ix) Based on the 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.
- (x) According to information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) According to the information and explanations given to us by the Management, no term loans are raised/availed during the year by the Company; hence the provision of paragraph 3(xi) of the Order are not applicable to it.
- (xii) 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 of the Company.

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

Place: Mumbai  
Date: April 29, 2015

**Shivji K Vikamsey**  
Partner (F - 2242)

**BALANCE SHEET as at March 31, 2015**

₹ in Lakhs

Particulars	Note No.	AS AT March 31, 2015	AS AT March 31, 2014
<b>(I) EQUITY AND LIABILITIES</b>			
<b>1 SHARE HOLDERS' FUNDS</b>			
(a) Share capital	1	3,989.36	3,989.36
(b) Reserves and surplus	2	17,047.37	17,091.76
		<u>21,036.73</u>	<u>21,081.12</u>
<b>2 NON CURRENT LIABILITIES</b>			
(a) Long term Borrowing		-	-
(b) Long term provisions	3	167.40	168.42
		<u>167.40</u>	<u>168.42</u>
<b>3 CURRENT LIABILITIES</b>	4		
(a) Trade payables		689.86	496.50
(b) Other current liabilities		1,033.29	1,156.67
(c) Short term provisions		878.90	1,182.77
		<u>2,602.05</u>	<u>2,835.94</u>
TOTAL		<u>23,806.18</u>	<u>24,085.48</u>
<b>(II) ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(A) Fixed assets	5		
(i) Tangible assets		1,634.83	1,715.32
(ii) Intangible assets		825.18	693.40
(iii) Capital work-in-progress		0.34	0.34
(iv) Intangible assets under development		64.75	89.80
		<u>2,525.10</u>	<u>2,498.86</u>
(B) Non current investments	6	8,619.31	8,780.68
(C) Long term loans and advances	7	2,720.45	2,354.44
<b>2 CURRENT ASSETS</b>	8		
(a) Inventories		105.33	204.99
(b) Trade receivables		2,797.68	2,662.22
(c) Cash and bank balances		3,655.17	4,140.53
(d) Short term loans and advances		3,383.14	3,443.76
		<u>9,941.32</u>	<u>10,451.50</u>
TOTAL		<u>23,806.18</u>	<u>24,085.48</u>
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 : April 29, 2015

For and on behalf of the Board of Directors  
**APTECH LIMITED**

**NINAD KARPE**  
Managing Director & CEO  
(DIN: 00030971)

**T. K. RAVISHANKAR**  
Executive Vice President & CFO

**C. Y. PAL**  
Vice chairman  
(DIN: 00106536)

**KETAN SHAH**  
Company Secretary

## STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2015

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>INCOME</b>			
Income from operations	9	9,862.74	10,453.04
Other Operating income	9	179.35	285.29
Other income	10	480.49	855.78
		10,522.58	11,594.11
<b>EXPENDITURE</b>			
Training and education expenses	11	3,225.63	3,451.16
Marketing and advertisement expenses	12	859.87	772.10
Payments to and provision for employees	13	2,445.34	2,359.23
Administration and other expenses	14	1,386.79	1,590.24
Interest and finance expenses	15	37.18	28.20
Depreciation and amortisation (Refer point no. B-18 of note 16)	5	576.98	494.07
		8,531.79	8,695.00
<b>PROFIT BEFORE TAX</b>		1,990.79	2,899.11
<b>PROVISION FOR TAXATION</b>			
Income tax		342.00	560.00
Deferred Tax (Refer point no. B-5 of note 16)		-	-
		342.00	560.00
<b>PROFIT AFTER TAX FOR THE YEAR</b>		1,648.79	2,339.11
Earning Per Share (in ₹) (Refer point no. B-3 of note 16)			
- Basic (in ₹) (face value of ₹ 10 each)		4.13	5.27
- Diluted (in ₹)		4.13	5.27
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 : April 29, 2015

For and on behalf of the Board of Directors  
**APTECH LIMITED**

**NINAD KARPE**  
Managing Director & CEO  
(DIN: 00030971)

**T. K. RAVISHANKAR**  
Executive Vice President & CFO

**C. Y. PAL**  
Vice chairman  
(DIN: 00106536)

**KETAN SHAH**  
Company Secretary

## CASH FLOW STATEMENT for the year ended March 31, 2015

₹ in Lakhs

Particulars	For the year ended March 31, 2015		For the year ended March 31, 2014	
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Net Profit before tax</b>		1,990.79		2,899.11
<b>Adjustments For :</b>				
Depreciation Write back (Adjustment on Transitional provision in Note 7(b) of schedule II of Companies Act 2013 (Refer point no. B-18 of note 16))	(123.95)		-	
Depreciation and Amortisation	700.93		494.07	
Provision for doubtful debts	57.85		73.76	
Bad debt written off	-		0.02	
Liability no longer required written back	(179.35)		(285.29)	
Dividend Income	(0.65)		(0.94)	
Interest income	(377.47)		(783.53)	
Interest and finance costs	37.18		28.20	
Unrealised forex loss/ (gain)	(98.13)		(164.57)	
(Profit)/Loss on sale of fixed assets (Net)	(3.20)	13.21	8.20	(630.08)
Operating Profit Before Working Capital Changes		2,003.99		2,269.03
<b>Adjustments for Working Capital Changes</b>				
Decrease/(Increase) in Inventory	99.66		(55.59)	
Decrease/(Increase) in Sundry Debtors	(93.73)		(240.29)	
Decrease/(Increase) in Loans and advances other than Subsidiaries	(197.83)		(238.08)	
Increase/(Decrease) in Current liabilities and provisions	239.75	47.85	(321.30)	(855.26)
Cash From / (used) in Operating Activities		2,051.85		1,413.79
Wealth tax paid (Net)	-		(0.04)	
Income tax paid (Net)	(108.25)	(108.25)	(348.22)	(348.26)
<b>Net Cash From / (used) in Operating Activities (I)</b>		<u>1,943.60</u>		<u>1,065.53</u>
<b>(B) CASH FLOW ON INVESTING ACTIVITIES</b>				
Purchase of fixed assets	(745.06)		(578.63)	
Sale of fixed assets	21.08		63.03	
Sale of investment	161.36		99.29	
Dividend Income	0.65		0.94	
Loans and advances (Net)	(341.33)		(333.52)	
Interest income	379.33		1,201.15	
Dividend paid (including DDT)	(1,884.89)		(2,259.53)	
Proceeds from / (Investing in) bank deposits (original maturity more than three months)	193.08		6,923.32	
<b>Net Cash From / (used) in Investing Activities (II)</b>		<u>(2,215.77)</u>		<u>5,116.04</u>

₹ in Lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014
<b>(C) CASH FROM FINANCING ACTIVITIES</b>		
Buy back of shares	-	(6,005.94)
Financing of hedging contract	(13.45)	(3.19)
Interest and Finance Costs	(37.18)	(29.95)
<b>Net Cash from /(Used) Financing Activities (III)</b>	<u>(50.63)</u>	<u>(6,039.08)</u>
<b>Net (Decrease)/ Increase in Cash &amp; Cash equivalents (I+ II+ III)</b>	<u>(322.80)</u>	<u>142.48</u>
Cash & Cash equivalents at the beginning of the year	1,082.68	940.20
Cash & Cash equivalents at the end of the year	759.89	1,082.68
<b>Net (Decrease)/ Increase in Cash &amp; Cash equivalents</b>	<u>(322.80)</u>	<u>142.48</u>

Notes :

- 1) Cash and Cash equivalents include cash and bank balances in current accounts and deposit accounts. (Refer note no. 8 (c))
- 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 / rearranged 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 : April 29, 2015

For and on behalf of the Board of Directors  
**APTECH LIMITED**

**NINAD KARPE**  
Managing Director & CEO  
(DIN: 00030971)

**T. K. RAVISHANKAR**  
Executive Vice President & CFO

**C. Y. PAL**  
Vice chairman  
(DIN: 00106536)

**KETAN SHAH**  
Company Secretary

## NOTES TO FINANCIAL STATEMENTS as at March 31, 2015

### NOTE 1 SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Authorised				
Equity Shares of ₹10 each	60,000,000	6,000.00	60,000,000	6,000.00
Issued				
Equity Shares of ₹ 10 each	39,893,560	3,989.36	39,893,560	3,989.36
Issued, Subscribed & Paid up				
Equity Shares of ₹10 each fully paid up	39,893,560	3,989.36	39,893,560	3,989.36
Total	39,893,560	3,989.36	39,893,560	3,989.36

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:-

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	39,893,560	3,989.36	48,791,421	4,879.14
Add :- Shares Issued during the year	-	-	-	-
Less :- Shares cancelled on buy back of Equity Shares	-	-	8,897,861	889.79
Shares outstanding at the end of the year	39,893,560	3,989.36	39,893,560	3,989.36

Previous Year 2013-14 in accordance with the Buyback proposal approved by shareholders vide postal ballot dated 06th July, 2013, the Company has bought back 8,897,861 shares for ₹ 6,006 lakhs during the buyback period of 24th July 2013 till 23rd January 2014. All the shares which were bought back have been extinguished.

**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 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RARE EQUITY PVT. LTD.	9,933,496	24.90%	9,933,496	24.90%
RAKESH JHUNJHUNWALA	4,319,100	10.83%	4,319,100	10.83%
REKHA JHUNJHUNWALA	2,555,977	6.41%	2,555,977	6.41%

**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)				
	2014-15	2013-14	2012-13	2011-12	2010-11
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	2,196,773
Shares were bought back and extinguished	-	8,897,861	-	-	-

**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 2 RESERVES AND SURPLUS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>a. Capital Redemption Reserve</b>		
As per last balance sheet	1,774.59	884.80
Add : Transferred from Profit and Loss Account on buy back of Shares	-	889.79
Closing Balance	<u>1,774.59</u>	<u>1,774.59</u>
<b>b. Securities Premium Account</b>		
As per last balance sheet	8,977.20	14,093.36
Less : On buy back of Equity Shares	-	5,116.16
Closing Balance	<u>8,977.20</u>	<u>8,977.20</u>
<b>c. Cash Flow Hedging Reserve</b>		
As per last balance sheet	-	3.19
Add : Current Year Transfer	(13.45)	-
Less : Written Back in Current Year	-	3.19
Closing Balance	<u>(13.45)</u>	<u>-</u>
<b>d. General Reserve</b>		
As per last balance sheet	748.93	513.93
Add : Transferred from Profit and Loss Account	-	235.00
Less : Adjustment on Transitional provision in Note 7(b) of schedule II (Refer point no. B-18 of note 16)	123.95	-
Closing Balance	<u>624.98</u>	<u>748.93</u>
<b>e. Surplus in Profit and loss account</b>		
As per last balance sheet	5,591.04	6,376.00
Add : Net Profit for the current year	1,648.79	2,339.11
Add : Reversal of excess provision of Proposed Dividend and DDT	-	101.03
Less : 2nd Interim Dividends *	698.14	997.34
Less : Corporate Tax on 2nd Interim Dividend	139.59	169.50
Less : 1st Interim Dividends *	598.40	797.87
Less : Corporate Tax on 1st Interim Dividend	119.65	135.60
Less : Transferred to Capital Redemption reserve on buy back of shares	-	889.79
Less : Transferred to General Reserve	-	235.00
Closing Balance	<u>5,684.05</u>	<u>5,591.04</u>
Total	<u>17,047.37</u>	<u>17,091.76</u>

\* The Board of Directors have declared a second interim dividend of ₹ 1.75 per equity share (aggregating to a total dividend of ₹ 3.25 per share for the financial year 2014-15 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 ₹ 4.50 per share).

**NOTE 3 NON CURRENT LIABILITIES****Note 3 (a) Long Term Borrowings**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Secured Loans</b>		
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 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Provision for employee benefits :-</b>		
Leave Encashment (Refer point no. B-4 of note 16)	167.40	168.42
Total	167.40	168.42

**NOTE 4 CURRENT LIABILITIES****Note 4 (a) Trade Payables**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Unsecured</b>		
Trade Payable		
Sundry creditors * (Refer point no. B-14 of note 16)	689.86	496.50
* There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31 <sup>st</sup> March, 2015, and no interest payment made during the year to any Micro, Small and Medium Enterprises. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Company.		
Total	689.86	496.50

**Note 4 (b) Other Current Liabilities**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
(a) Unpaid dividends	143.96	111.59
(b) Sundry creditors for capital assets (Refer point no. B-14 of note 16)	6.52	64.70
(c) Provisions for expenses	503.44	558.57
(d) Other payables :-		
Statutory Dues	206.32	212.38
Others liabilities	33.25	31.63
Franchisee /Caution deposits	139.80	177.80
Total	1,033.29	1,156.67

**Note 4 (c) Short Term Provisions**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
(a) Provision for employee benefits :-		
Gratuity	7.45	-
Leave encashment	33.72	15.93
(Refer point no. B-4 of note 16)		
(b) Others :-		
Proposed/ 2nd Interim Dividend on Equity Shares	698.14	997.34
Provision for tax on Proposed/ 2nd Interim Dividend	139.59	169.50
The Board of Directors have declared a second interim dividend of ₹ 1.75 per equity share. (aggregating to a total dividend of ₹ 3.25 per share for the financial year 2014-15 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 ₹ 4.50 per share).		
Total	878.90	1,182.77

## NOTE 5 FIXED ASSETS

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			
<b>a Gross Block</b>														
As at 01st April 2013	262.15	1,170.56	37.50	834.82	400.46	57.94	278.25	114.65	952.61	1,343.04	4,341.74		9,793.72	
Additions	-	-	-	131.68	8.71	-	3.22	12.08	-	43.07	500.59		699.35	
Deletions	-	-	-	189.02	27.90	-	11.26	10.15	-	0.93	0.72		239.99	
As at 31st March 2014	262.15	1,170.56	37.50	777.48	381.27	57.94	270.21	116.58	952.61	1,385.18	4,841.61		10,253.08	
Additions	-	14.49	-	68.97	67.13	89.97	16.38	11.17	-	89.93	412.06		770.11	
Deletions	-	-	-	19.87	68.87	20.79	67.43	35.69	-	-	-		212.66	
As at 31st March 2015	262.15	1,185.05	37.50	826.58	379.53	127.12	219.16	92.06	952.61	1,475.11	5,253.67		10,810.54	
<b>b Accumulated Depreciation</b>														
As at 01st April 2013	-	202.62	24.35	687.17	260.55	29.51	97.01	55.04	952.61	1,215.20	3,994.98		7,519.04	
For the year	-	23.89	7.50	73.03	38.62	9.62	12.83	3.71	-	60.28	264.59		494.07	
Deletions	-	-	-	131.28	27.25	-	4.38	4.20	-	0.93	0.72		168.76	
As at 31st March 2014	-	226.51	31.85	628.92	271.92	39.13	105.46	54.55	952.61	1,274.55	4,258.85		7,844.35	
For the year	-	23.93	5.65	86.73	48.83	14.12	131.39	20.06	-	74.41	295.80		700.93	
Deletions	-	-	-	15.19	68.87	12.53	65.08	33.10	-	-	-		194.78	
Adjustment on Transitional provision in Note 7(b) of schedule II of Companies Act'2013 (Refer point no. B-18 of note 16)					14.03		104.23	5.69					123.95	
As at 31st March 2015	-	250.45	37.50	700.46	251.88	40.72	171.77	41.51	952.61	1,348.96	4,554.64		8,350.49	
CWIP														
Capital work-in-progress													0.34	
Intangible assets under development													64.75	
Net Block as at 31st March 2015	262.15	934.60	0.00	126.12	127.65	86.40	47.39	50.54	0.00	126.15	699.03		2,525.10	
CWIP														
Capital work-in-progress													0.34	
Intangible assets under development													89.80	
Net Block as at 31st March 2014	262.15	944.05	5.65	148.55	109.35	18.80	164.75	62.04	0.00	110.63	582.77		2,498.86	

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

**NOTE 6 NON - CURRENT INVESTMENTS**

Trade Investments valued at cost, except otherwise stated

	Face Value of share	As at March 2015		As at March 2014	
		No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
<b>A. Investments in Equity Instruments (Unquoted) :-</b>					
Subsidiaries					
Attest Testing Services Limited	₹ 10	82,841	8.28	82,841	8.28
Avalon Aviation Academy Private Limited	₹ 10	-	-	4,000,000	400.00
Maya Entertainment Limited (Refer point no. B-13 of note 16)	₹ 10	27,642,107	6,074.35	23,642,107	5,674.35
Aptech Venture Limited	1 Euro	345,245	231.40	345,245	231.40
Aptech Training Limited F.Z.E., Dubai	100000 AED	7	66.61	20	227.98
AGLSM SDN. BHD Malaysia	1 RM	545,140	67.17	545,140	67.17
Aptech Worldwide Bangladesh Limited (Bangladesh)	10 Taka	160,000	14.09	160,000	14.09
Aptech Worldwide Corporation, USA	1 US\$	900,000	409.50	900,000	409.50
			6,871.40		7,032.77
Less : Provision for diminution in the value of Investments:-					
Aptech Worldwide Corporation			409.50		409.50
Aptech Worldwide Bangladesh Limited (Bangladesh)			14.09		14.09
			6,447.81		6,609.18
<b>Joint Venture</b>					
Aptech Hungama Digital learning LLP			2.00		2.00
<b>Others</b>					
Syntea Polland JV	0.20 PLN	350,000	265.24	350,000	265.24
<b>Sub total (A)</b>			6,715.05		6,876.42
<b>B. Investments in Preference Shares (Unquoted) :-</b>					
Subsidiary					
Aptech Venture Limited	1 Euro	2,841,093	1,904.26	2,841,093	1,904.26
<b>Sub total (B)</b>			1,904.26		1,904.26
<b>Total Non Current Investment (A + B)</b>			8,619.31		8,780.68

**NOTE 7 LONG TERM LOANS AND ADVANCES**

₹ in Lakhs

Particulars	As at		As at	
	31 <sup>st</sup> March 2015		31 <sup>st</sup> March 2014	
<b>a. Security Deposits</b>				
Unsecured, considered good	190.68		172.11	
		190.68		172.11
<b>b. Loans and advances to related parties</b>				
Unsecured, considered good *	1,138.35		945.00	
		1,138.35		945.00
<b>c. Other loans and advances</b>				
Advance Income Tax (Net of Provision for Tax ₹ 3,097.22 lakhs/- (PY ₹ 2,755.22 lakhs/-) [inclusive of MAT credit ₹ 1,354.83 lakhs/- (PY ₹ 1,354.83 lakhs)])	1,358.69		1,209.94	
Prepaid expenses	12.38		7.86	
Loans and advances to employees	20.35		19.53	
		1,391.42		1,237.33
<b>Total</b>		<b>2,720.45</b>		<b>2,354.44</b>

\* 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 Amount due by AICAR to the Company as at March 31, 2015 is ₹ 1,138.35 lakhs ( Previous Year ₹ 944.90 lakhs) which includes interest on such advances.

**NOTE 8 CURRENT ASSETS****Note 8 (a) Inventories**

₹ in Lakhs

Particulars	As at	
	31 <sup>st</sup> March 2015	31 <sup>st</sup> March 2014
Finished goods (Valued at lower of cost or net realisable value)		
Education and Training course materials	105.33	204.99
<b>Total</b>	<b>105.33</b>	<b>204.99</b>

**Note 8 (b) Trade Receivables**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015	As at 31 <sup>st</sup> March 2014
<b>Due for period less than six months from the due date of payment*</b>		
Unsecured, considered good	1,675.99	2,007.23
	1,675.99	2,007.23
<b>Due for period exceeding Six months from the due date of payment*</b>		
Unsecured, considered good	1,121.69	654.99
Unsecured, considered doubtful	1.10	245.04
Less: Provision for doubtful debts	1.10	245.04
	1,121.69	654.99
Total	2,797.68	2,662.22

\*Refer point no. B-14 of note 16

**Note 8 (c) Cash and bank balance**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
<b>a. Cash and cash equivalents :-</b>				
<b>i. Cash on hand</b>		3.47		5.41
<b>ii. Balance with banks :-</b>				
EEFC Accounts	120.86		61.54	
Bank deposits (with original maturity less than three months)	419.00		544.94	
Current Accounts	216.56	756.42	470.79	1,077.27
		759.89		1,082.68
<b>b. Other Bank balances :-</b>				
Bank deposits *(with original maturity more than three months but within twelve months)	2,700.00		2,893.08	
Interest accrued but not received	51.32		53.18	
Earmarked Balances (Unpaid dividend accounts)	143.96	2,895.28	111.59	3,057.85
Total		3,655.17		4,140.53

\* Bank deposits as of March 31,2015 and March 31,2014 include restricted balances of ₹ 120.00 lakhs and ₹ 688.02 lakhs respectively. The restriction are primarily on account of cash and bank balances held as margin money deposits against guarantees.

**Note 8 (d) Short-term Loans and Advances**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2015		As at 31 <sup>st</sup> March 2014	
	Prepaid expenses		88.22	
Other current assets		128.68		124.44
Travel advances and loan to employees		8.15		35.62
Advances to Gratuity fund		-		45.93
Loans and advances to related parties (Refer point no. B-2 of note 16)				
Unsecured, considered good	3,158.09		3,182.78	
Less: Provision for doubtful loans and advances	-	3,158.09	-	3,182.78
Total		3,383.14		3,443.76

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-15	31-Mar-14	31-Mar-15	31-Mar-14
<b><u>Wholly Owned Subsidiary Company *</u></b>				
Aptech Training Limited, FZE	59.02	8.39	59.02	8.39
Maya Entertainment Limited (Merged with Avalon Aviation Private Limited, Refer point no B-13 of Note 16 )	2,321.57	2,963.07	2,992.94	3,179.12
Attest Testing Services Limited	753.36	187.18	812.20	415.51
Aptech Worldwide Corporation	-	-	-	23.48
AGLSM SDN. BHD Malaysia	24.14	24.14	24.14	24.14

\* Above Loans and Advances are interests free and repayable on demand.

\* Loans and advances to employees as per companies policies, are not considered in above table.

\* There are no investments by the loanees in the shares of the Company.

**NOTE 9 INCOME FROM OPERATION**

₹ in Lakhs

Particulars	2014-15	2013-14
Training and Education Income	9,002.85	8,604.09
Income from Testing Services Operations	859.89	1,848.95
Total	9,862.74	10,453.04

**Other Operating Income**

₹ in Lakhs

Particulars	2014-15	2013-14
Liabilities No Longer Required Written Back	179.35	285.29
Total	179.35	285.29

**NOTE 10 OTHER INCOME**

₹ in Lakhs

Particulars	2014-15	2013-14
Interest Income	377.47	783.53
Exchange Rate Gain (Net)	93.37	71.07
Net gain on sale of assets	3.20	-
Other non-operating income	6.45	1.18
Total	480.49	855.78

**NOTE 11 TRAINING AND EDUCATION EXPENSES**

₹ in Lakhs

Particulars	2014-15	2013-14
Education, Training Expenses and Course Materials	524.22	520.93
Course Execution Charges	2,701.41	2,930.23
Total	3,225.63	3,451.16

**NOTE 12 MARKETING AND ADVERTISEMENT EXPENSES**

₹ in Lakhs

Particulars	2014-15	2013-14
Advertisement expenses	839.87	767.70
Other marketing expenses	20.00	4.40
Total	859.87	772.10

**NOTE 13 PAYMENTS TO AND PROVISION FOR EMPLOYEES**

₹ in Lakhs

Particulars	2014-15	2013-14
(a) Salaries and other allowances (Refer note 13.1 below)	2,126.49	2,078.72
(b) Contribution to Provident and other Funds (Refer note 13.1 below)	180.69	180.38
(c) Gratuity fund contributions (Refer point no. B-4 of note 16)	73.38	40.51
(d) Staff welfare expenses	64.78	59.62
Total	2,445.34	2,359.23

**Note 13.1 Managerial Remuneration:**

Managerial remuneration to Managing Director ('MD') and Whole Time Director ('WTD') under Section 198 of the Companies Act 2013:

₹ in Lakhs

Particulars	2014-15	2013-14
Salaries and Allowances & perquisites	337.47	272.04
Contribution to Provident and other funds	15.68	14.24
Total	353.15	286.28

**Note 13.2** As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as 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 their approval to waive excess remuneration paid to the Managing Director & CEO for ₹ 54.91 lakhs for the year ended 31st March, 2013 and ₹ 48.61 lakhs for the year ended 31st March 2014, approvals for which are awaited. Application to Central Government seeking waiver of excess remuneration of ₹ 146.31 lakhs paid to the Managing Director & CEO for the year ended 31st March, 2015 is being made.

#### NOTE 14 ADMINISTRATIVE AND OTHER EXPENSES

₹ in Lakhs

Particulars	2014-15	2013-14
Rent	195.97	241.68
Rates and Taxes	27.26	25.65
Travelling and Conveyance Expenses	410.55	421.57
Electricity Charges	73.88	87.04
Communication Expenses	134.04	147.77
Repairs and Maintenance :-		
Buildings	7.21	0.55
Plant & Machinery	32.37	34.73
Others	61.69	57.46
Insurance Premium	4.75	10.70
Legal and Professional Charges	107.86	155.88
Bad Debts/Advances written Off	-	0.02
Provision For Doubtful Debts	57.85	73.76
Audit Fees (Refer note 14.1 below)	30.15	31.85
Safety and Security	103.57	90.02
Printing and Stationery	43.78	45.81
Loss on Sale / Disposal of Fixed Assets (Net)	-	8.20
Director's Commission provided (Refer note 14.2 below)	21.30	29.00
Director's Sitting Fees	17.40	13.80
Miscellaneous Expenses	57.16	114.75
<b>Total</b>	<b>1,386.79</b>	<b>1,590.24</b>

#### 14.1 Payments to the auditor as

₹ in Lakhs

Particulars	2014-15	2013-14
Audit Fees	14.80	14.80
Tax Audit Fees	5.50	5.50
Limited Review	6.00	6.45
Certification/ Other Fees:		
Tax advisory	-	0.45
Company Law Matters	1.59	2.08
Others Services	1.51	1.73
Reimbursement of expenses	0.75	0.84
<b>Total</b>	<b>30.15</b>	<b>31.85</b>

#### 14.2 Directors' commission provided

₹ in Lakhs

Particulars	2014-15	2013-14
Directors' commission calculated @ 1% as per section 198 of Companies Act 2013	21.54	29.80
Directors' commission proposed by the Board and provided for	21.30	29.00
* Commission payable to non-whole-time director for financial year 2014-15 @ 1% of net profit computed in accordance with section 198 of the Companies Act, 2013.		

14.3 Administration and other expenses are net of recoveries.

#### NOTE 15 INTEREST AND FINANCE CHARGES

₹ in Lakhs

Particulars	2014-15	2013-14
Interest expense:-		
Working Capital Demand Loans	7.20	-
Cash credit and others	29.98	28.20
Total	37.18	28.20

#### 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 under section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of Companies (Accounts) Rules, 2014. 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.

Based on the nature of products/ services and their realization in cash and cash equivalents, the company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities, in terms of Revised Schedule III to the Act.

###### (b) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amount of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the period in which such revisions are made.

###### (c) Fixed Assets

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

Intangible assets are 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.

###### (d) Depreciation and Amortisation

Depreciation on fixed assets is provided on economic useful life of the Assets in the manner specified in the Schedule II of the the Act, except,

- 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.
- 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 Fixed Assets are provided at the following rates based on estimated useful life as per the Act
- |   |          |
|---|----------|
| Buildings/Premises                        | 30 years |
| Furniture & fixtures                      | 5 years  |
| Computers Hardware, Software & Courseware | 3 years  |
| Office Equipment                          | 5 years  |
| Electrical Equipments                     | 10 years |
- (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.

**(e) Impairment of Fixed Assets**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is treated as impaired when the carrying cost of the assets 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.

**(f) 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.

**(g) 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.

**(h) 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.

**(i) Inventories**

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

**(j) 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.

**(k) 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.

**(l) Retirement Benefits**

**Defined Contribution plan**

The Company 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

**(m) 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.

**(n) 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.

**(o) 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.

**(p) 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.

**(q) 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.

**(r) 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'. 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.

**B) OTHER NOTES ON ACCOUNTS:****1) Contingent Liabilities, Capital commitments, and Counter Guarantees in respect of:**

₹ in Lakhs

Particulars	As at 31 March 2015	As at 31 March 2014
<b>(i) Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt	113.67	572.02
<b>Total (i)</b>	113.67	572.02
<b>(ii) Capital Commitments and Guarantees</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	128.94	105.33
(b) Counter Guarantees to bank for projects	191.06	281.46
<b>Total (ii)</b>	320.00	386.79
<b>Total (i + ii)</b>	433.67	958.81

**2) During the year, some of the subsidiaries of the Company have accumulated losses as at the year-end and previous year end :-**

In case of certain subsidiaries, the Company has investments in the equity shares aggregating ₹ 75.45 lakhs (Previous year ₹ 6,141.52 lakhs) and Loans and Advances aggregating ₹ 777.50 lakhs (Previous year ₹ 2,987.21 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	2014-15	2013-14
Profit after tax attributable to Shareholders (₹ in lakhs) (A)	1,648.79	2,339.11
Weighted average number of equity shares outstanding during the year :-		
Basic and diluted (No. of Shares) (B)	39,893,560	44,393,926
Nominal value of equity shares (₹)	10/-	10/-
Basic/ diluted EPS (₹) (A/B)	4.13	5.27

**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:**

₹ In lakhs

Particulars	2014-15	2013-14
Present value of the defined benefit obligation at the end of the year	404.06	357.08
Fair value of the plan assets	396.62	403.01
Net Liability / (Assets)	7.45	(45.93)

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

₹ In lakhs

Particulars	2014-15	2013-14
Current Service Cost	33.77	36.21
Interest on defined benefit obligation	32.14	28.33
Expected return on plan assets	(33.29)	(25.69)
Net actuarial (Gain)/ Loss on plan Assets	40.76	1.67
Net Gratuity Cost	73.38	40.51

**Actual Return on plan assets:**

₹ In lakhs

Particulars	2014-15	2013-14
Expected Return on plan assets	33.29	25.69
Actuarial Gain / ( Loss ) on plan assets	4.77	-
Actual return on plan assets	38.05	25.69

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

₹ In lakhs

Particulars	2014-15	2013-14
Opening defined benefit obligation	357.08	343.38
Current Service Cost	32.14	36.21
Interest cost	33.77	28.33
Actuarial (Gain)/ Loss	45.52	1.67
Benefit Paid	(64.44)	(52.51)
Closing defined benefit obligation	404.06	357.08

**Change in fair value plan assets:**

₹ In lakhs

Particulars	2014-15	2013-14
Fair value of the plan assets at the beginning of the year	403.00	238.82
Expected return on plan assets for the period	33.29	25.69
Contributions during the period	20.00	191.00
Benefits paid during the period	(64.44)	(52.51)
Actuarial Gain / ( Loss ) on plan assets	4.77	-
Fair value of the plan assets at the end of the year	396.62	403.00

**General description of the fair value of the plan**

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

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

₹ In lakhs

Particulars	2014-15	2013-14
Present value of the defined benefit obligation at the end of the year	201.12	184.35
Fair value of the plan assets	-	-
Net Liability / (Assets )	201.12	184.35
Current Liability	33.72	15.93
Non- Current Liability	167.40	168.42

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

₹ In lakhs

Particulars	2014-15	2013-14
Current Service Cost	12.12	22.71
Interest on defined benefit obligation	16.59	14.65
Net actuarial (Gain)/ Loss on plan Assets	25.87	7.81
Net Leave encashment Cost	54.58	45.17

**Reconciliation of present value of the obligation:**

₹ In lakhs

Particulars	2014-15	2013-14
Opening defined benefit obligation as on 1.04.2014	184.35	177.62
Current Service Cost	12.12	22.71
Interest cost	16.59	14.65
Actuarial (Gain)/ Loss	25.87	7.81
Benefit Paid	(37.81)	(38.44)
Closing defined benefit obligation as on 31.03.2015	201.12	184.35

**Principal Actuarial Assumptions at the balance sheet date 31.03.2015 for Gratuity & Leave Encashment:**

Particulars	2014-15	2013-14
Discount Rate	7.90%	9.00%
Estimated rate of return on plan assets	7.90%	8.26%
Rate of Salary Growth	5.75%	6.00%

**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 – ₹ 180.69 lakhs (Previous Year – ₹ 180.37 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 deferred tax assets / liabilities are as under:-

₹ In lakhs

Particulars	As on March 31, 2015	As on March 31, 2014
Carried forward Unabsorbed Depreciation	1,625.75	2,113.08
Carry Forward Capital Loss	1,039.87	661.74
Provision For Bad Debts	63.00	79.50
Expenditure/provisions(Gratuity & Leave encashment)	70.89	44.91
<b>Total Deferred Tax Asset (A)</b>	<b>2,799.51</b>	<b>2,899.23</b>
Related to Fixed Assets	104.41	132.75
<b>Total Deferred Tax Liability (B)</b>	<b>104.41</b>	<b>132.75</b>
<b>Net Deferred Tax Asset (A-B) *</b>	<b>2,695.10</b>	<b>2,766.48</b>

\*Not recognised in financial statement in terms of provisions of AS-22 "Accounting for Taxes on Income"

**6) Expenditure in Foreign Currency:**

₹ In lakhs

Particulars	Year ended 31 <sup>st</sup> March 2015	Year ended 31 <sup>st</sup> March 2014
a) Foreign Travel	73.15	65.41
b) Training & Education Expenses	295.59	139.73
c) Administrative and Other Expenses	20.87	80.29
Total	389.60	285.43

**7) Earnings in Foreign Currency:**

₹ In lakhs

Particulars	Year ended 31 <sup>st</sup> March 2015	Year ended 31 <sup>st</sup> March 2014
a) F.O.B. Value of sale of Education and training course materials	85.20	86.82
b) Training and Education Income	2,134.31	1,934.58
Total	2,219.52	2,021.40

- 8) The Company does not recognise MAT credit entitlement, on account of prudence from financial Year 2012-13.
- 9) During the year, Aptech Training Limited FZE bought back 13 units (previous year 8 units) amounting to ₹ 220.72 lakhs (previous year ₹ 131.58 lakhs) received (including gain on foreign exchange).
- 10) Segmental Report for the year of the Company As per AS-17 is annexed.
- 11) **Foreign Currency exposures which are not hedged:**

₹ In lakhs

Particulars	Currency	2014-15	2013-14
a) Trade Receivables	USD	346.43	474.98
Total		346.43	474.98

**12) Disclosure in respect of Related Parties pursuant to AS-18 :-**

**I. List of Related Parties:**

**Parties where control exists:**

**Company /firm where control exists :**

**Subsidiaries:**

Aptech Training Limited FZE Dubai  
Aptech Worldwide Corporation, US  
Maya Entertainment Limited (Merged with Avalon Aviation Academy Private Limited w.e.f 1st April'13 Refer Point no. B-13 of Note 16 )  
Attest Testing Services Limited  
AGLSM SDN BHD - MALAYSIA  
Aptech Investments Enhancers Ltd, Mauritius  
Aptech Ventures Ltd, Mauritius  
Aptech Global Investment Ltd, Mauritius

**Others:**

Hungama Digital Media Entertainment Pvt. Ltd.  
Aptech Hungama Digital Learning LLP (Joint Venture)  
Mr. Ninad Karpe - Managing Director & CEO  
Mr. Anuj Kacker - Whole Time Director

**Key management personnel:**

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

₹ In lakhs

Nature of transaction	Subsidiaries/ JV	Key Management Personnel	Total
Training and Education expenses	78.36 <i>(105.82)</i>	353.15 <i>(286.28)</i>	431.51 <i>(392.11)</i>
Training & Education Income	592.78 <i>(465.85)</i>	-	592.78 <i>(465.85)</i>
Reimbursement of Expenses received	578.15 <i>(764.05)</i>	-	578.15 <i>(764.05)</i>
Amount realise on sale/buy back of part Investment (Refer point no. B-9 of note 16)	220.72 <i>(131.59)</i>	-	-
<b>Loans granted</b>			
Loans and advances (opening Bal.) Apr'14	3,182.78	-	3,182.78
<b>Loans and advances</b>			
Net loans and advances given/ (returned)	<i>(24.69)</i> <i>(235.02)</i>	-	<i>(24.69)</i> <i>(235.02)</i>
<b>Balances at the end of the year</b>			
Loans and Advances	3,158.09 <i>(3,182.78)</i>	-	3,158.09 <i>(3,182.78)</i>
Investments	8,777.68 <i>(8,939.04)</i>	-	8,777.68 <i>(8,939.04)</i>
Sundry Debtors	351.92 <i>(177.74)</i>	-	351.92 <i>(177.74)</i>
Sundry Creditors	5.56	-	5.56
	-	-	-

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(d)].

**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	2015	2014
<b>a) Expenses</b>			
Training & Educaiton Expenses: Attest Testing Services Ltd.	Subsidiary	77.06	105.82
<b>b) Income</b>			
Aptech Training Limited FZE Dubai	Subsidiary	584.31	467.15
<b>c) Reimbursement of Expenses received</b>			
Attest Testing Services Ltd.	Subsidiary	248.32	228.43
Maya Entertainment Ltd. (w.e.f 1.4.2013)	Subsidiary	329.83	535.62
<b>d) Expenditure</b>			
Managerial Remuneration			
Mr. Ninad Karpe	Key Management Personnel	254.01	197.62
Mr. Anuj Kacker		99.14	88.66
<b>e) Net Loans &amp; Advances given / (returned)</b>			
Attest Testing Services Ltd.	Subsidiary	566.18	105.60
Maya Entertainment Ltd. (w.e.f 1.4.2013)	Subsidiary	<i>(641.50)</i>	<i>(45.52)</i>
<b>f) Amount realise on sale/buy back of part Investment</b>			
Aptech Training Ltd. FZE, Dubai (Refer point no. B-9 of note 16)	Subsidiary	220.72	131.59
<b>g) Investments</b>			
Maya Entertainment Ltd. (Refer point no. B-13 of note 16)	Subsidiary	6,074.35	5,674.35
Aptech Venture Ltd.	Subsidiary	2,135.67	2,135.67

- 13) The Scheme of Amalgamation ('the Scheme') of Maya Entertainment limited ('MEL') (a wholly owned subsidiary ) with Avalon Aviation Academy Private Limited ('AAA') (Another Wholly Owned Subsidiary ) which has been approved by Hon'ble High Court of Mumbai on 5th September 2014. The Scheme has become operational on 23rd September'2014 on filling of requisite forms with the Registrar of Companies with effect from appointed date .On and from effective date of the Scheme, Maya Entertainment Limited ceases to exist. Name of Avalon Aviation Academy private limited, thereupon was changed to Maya Entertainment limited effective from 21st October'2014.
- 14) Balances of sundry debtors and sundry creditors are subject to confirmation and reconciliation.
- 15) The Company has constituted a CSR committee as required under Section 135 of the Act, together with relevant rules as prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR rules'). The Company has formulated the CSR policy and has identified the CSR initiatives as also methodology for spending the same to ensure appropriate end use of funds so spent. The Company is in process of tying up with some more NGO's operating in the similar field as that of company's identified CSR initiatives. Accordingly, till end of the financial year 2014-15, a sum of ₹ 6.15 Lakhs has been spent on the said initiatives. The focused spending on this would happen from next financial year.
- 16) The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of account. The Company did not have any derivative contracts as at balance sheet date.
- 17) The Company's pending litigations comprise of claims against the Company primarily by the Civil & Consumer case pending with Courts. The Company has reviewed all its pending litigations and proceedings and has adequately provided for, where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results. Refer point no. B-1 of Note 16 for details on contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has made a provision of ₹ 433.67 lakhs as at 31 March 2015.
- 18) Effective April, 2014 the Company has charged Depreciation with reference to the estimated useful life of fixed assets prescribed by Schedule II of Companies Act, 2013 or based on Management assessment of useful life, if lower than what is prescribed under schedule II. Consequently, depreciation charge for the Year ended March 31, 2015 is higher by ₹ 26 lakhs .Further Based on the transitional Provision in note 7(b) of schedule II, an amount of ₹ 123.95 lakhs has been adjusted against retained earnings of the Company.
- 19) The figures for the previous year have been regrouped / rearranged / reclassified wherever necessary.

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 : April 29, 2015

For and on behalf of the Board of Directors  
**APTECH LIMITED**

**NINAD KARPE**  
Managing Director & CEO  
(DIN: 00030971)

**T. K. RAVISHANKAR**  
Executive Vice President & CFO

**C. Y. PAL**  
Vice chairman  
(DIN: 00106536)

**KETAN SHAH**  
Company Secretary

## Schedule 16 B

## 10 Segment information under AS – 17

## Primary Segment information : Business Segment

Particulars	For the Year ended 31 <sup>st</sup> March 2015				For the Year ended 31 <sup>st</sup> March 2014			
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
<b>Revenue</b>								
Income from Segment	8,046.86	1,794.88	303.37	10,145.11	7,859.60	2,593.43	357.54	10,810.57
<b>Results before Interest and Tax and Exceptional Items</b>	2,965.27	296.16	(1,610.93)	1,650.50	2,731.34	885.69	(1,473.24)	2,143.78
Add: Interest income	-	-	377.47	377.47	-	-	783.53	783.53
Less: Interest Expenses and Finance Charges	-	-	37.18	37.18	-	-	28.20	28.20
<b>Profit/(Loss) before Tax and Exceptional Items</b>	2,965.27	296.16	(1,270.65)	1,990.79	2,731.34	885.69	(717.91)	2,899.12
<b>Exceptional Items</b>	-	-	-	-	-	-	-	-
<b>Profit / (Loss) before Tax</b>	2,965.27	296.16	(1,270.65)	1,990.79	2,731.34	885.69	(717.91)	2,899.12
Add /(Less): Taxation	-	-	342.00	342.00	-	-	560.00	560.00
<b>Profit / (Loss) after Tax</b>	2,965.27	296.16	(1,612.65)	1,648.79	2,731.34	885.69	(1,277.91)	2,339.12
<b>Other Information</b>								
Carrying amount of Segment Assets	3,237.51	744.75	-	3,982.26	2,890.91	1,099.11	-	3,990.02
Unallocable Assets	-	-	19,823.92	19,823.92	-	-	20,095.46	20,095.46
Carrying amount of Segment Liabilities	1,028.92	255.33	-	1,284.26	911.83	312.55	-	1,224.38
Unallocable Liabilities	-	-	1,485.20	1,485.20	-	-	1,779.98	1,779.98
Cost incurred to acquire Segment Fixed Assets during the year(net of intercomp Accm dep)	506.36	5.05	258.70	770.11	493.07	38.38	46.57	578.02
Depreciation / Amortization	380.28	25.04	171.66	576.98	320.86	30.45	142.75	494.07
Significant Non- Cash Expenditure	74.03	2.08	5.99	82.09	88.94	1.06	5.43	95.43

₹ In lakhs

## Secondary Segment information : Geographical segment

Particulars	2014-15			2013-14		
	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	7,643.22	3,388.21	766.97	8,458.55	3,042.59	578.02
Outside India	2,219.52	594.04	3.14	1,994.49	947.43	-
Total	9,862.74	3,982.26	770.11	10,453.04	3,990.02	578.02

₹ In lakhs

₹ In Lakhs

Particulars	Name of Subsidiary Company										Joint Venture Associates	
	Maya Entertainment Limited	Attest Testing Service Limited	Aglism Sdn.bhd. Malasiya	Aptech Worldwide Corporation USA	Aptech Training Limited, Fze, Dubai	Aptech Investment Enhancers Limited, Mauritius	Aptech Ventures Limited, Mauritius	Aptech Global Investment Limited, Mauritius	Total Subsidiary	Aptech Hungama Digital Learning LLP	Aptech Philippines Incorporation	
Equity capital	2,764.21	8.28	67.17	409.50	66.61	209.46	209.46	362.70	4,097.41	4.00	5.82	
Preference capital	-	-	-	-	-	1,908.00	1,908.26	-	3,816.26	-	-	
Reserves	(3,998.85)	54.45	(111.73)	(406.38)	28.47	8,685.26	7.30	(421.15)	3,837.38	(0.38)	-	
Total Assets (exclude investments)	1,805.35	1,035.19	45.30	4.94	447.21	10,813.61	2,136.15	38.35	16,326.10	3.65	9.57	
Total Liabilities (excluding capital and reserves)	3,042.59	972.45	89.86	1.82	406.81	10.88	11.12	96.80	4,632.33	0.03	3.75	
Investment other than Investment in subsidiary	2.60	-	-	-	-	-	-	-	2.60	-	-	
Income	3,688.16	1,746.97	202.44	0.60	2,084.86	-	-	0.14	7,723.16	-	-	
Profit / (loss) before tax	188.02	(235.76)	(19.02)	(3.66)	0.85	(3.68)	(3.78)	(2.95)	(79.98)	(0.09)	(8.93)	
Provision for taxation	-	-	-	0.49	-	-	-	-	0.49	-	-	
Exceptional items	-	-	-	-	-	-	-	-	-	-	-	
Profit after tax	188.02	(235.76)	(19.02)	(4.15)	0.85	(3.68)	(3.78)	(2.95)	(80.47)	(0.09)	(8.93)	
Proposed/ Interim dividend	-	-	-	-	-	-	-	-	-	-	-	
Reporting currency (other than INR)			MYR	USD (\$)	USD (\$)	Euro	Euro	Euro				
Closing rate			16.84	62.59	62.59	67.51	67.51	67.51				
% Holding	100	100	100	100	100	100	100	100		50	40	

\* The Annual Accounts for 2014-15 for all the subsidiaries are available at Company's registered office. Any investor either of holding company or any subsidiary company can seek any information at any point of time by making a request in writing to the Company Secretary of the Company.

**Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises  
consolidated as Subsidiary / Associates / Joint Ventures.**

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit or loss	
	As % of Consolidated Net Asset	₹ in Lakhs	As % of Consolidated Profit or loss	₹ in Lakhs
Parent				
Aptech Limited	96.18	21,449.08	104.38	1,990.79
Subsidiaries				
Indian				
Maya Entertainment Limited (Merged with Avalon Aviation Academy Private Limited w.e.f 1st April'13 Refer Point no B-13 of Note 16 )	(32.77)	(7,308.37)	9.86	188.02
Attest Testing Services Limited	0.24	54.45	(12.36)	(235.76)
Foreign				
AGLSM SDN.BHD	(0.50)	(111.74)	(1.00)	(19.02)
Aptech Worldwide Corporation, USA	(1.82)	(406.38)	(0.19)	(3.66)
Aptech Training Limited FZE	1.90	424.65	0.04	0.85
Aptech Investment Enhancers Limited (Subsidiary of Aptech Ventures Limited )	38.95	8,685.02	(0.19)	(3.68)
Aptech Ventures Limited	(0.13)	(28.95)	(0.20)	(3.78)
Aptech Global Investment Limited (Subsidiary of Aptech Training Limited FZE )	(2.04)	(455.35)	(0.15)	(2.95)
Aptech Hungama Digital Learning LLP	(0.00)	(0.22)	(0.00)	(0.09)
Aptech Philippines Incorporation	(0.01)	(1.86)	(0.19)	(3.57)
Total	100.00	22,300.34	100.00	1,907.22

## NOTICE

NOTICE is hereby given that the Fifteenth Annual General Meeting of APTECH LIMITED will be held on Friday, 7<sup>th</sup> August, 2015, at 4:00 p.m. at "Kamalnayan Bajaj Hall", Bajaj Bhawan, Ground Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai-400 021, to transact the following business:

### ORDINARY BUSINESS:

1. To receive and adopt the Audited Standalone and Consolidated Profit and Loss Accounts for the financial year ended 31st March, 2015, the Balance Sheets as at that date and the Reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Rajiv Agarwal (holding DIN 00379990) who retires by rotation and being eligible offers himself for reappointment.
3. 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 payable in connection with the audit of the Accounts of the Company for the next financial year.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:  
"RESOLVED that Mr. Maheshwer Peri (holding DIN 01933320) be and is hereby appointed as an Independent Director of the Company to hold office up to 31<sup>st</sup> March 2019."
5. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:  
"RESOLVED that Mr. Ramesh Damani (holding DIN 00304347) be and is hereby appointed as an Independent Director of the Company to hold office up to 31<sup>st</sup> March 2019."
6. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:  
RESOLVED that Mr. Vijay Aggarwal (holding DIN 00515412) be and is hereby appointed as an Independent Director of the Company to hold office up to 31<sup>st</sup> March 2019."
7. 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 Section 197, 198 and any other applicable provisions, if any, of the Companies Act, 2013, and subject to such other approvals, permissions, or sanctions as may be necessary, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to decide and to pay the remuneration by way of commission (over and above the payment of sitting fees) to the Directors of the Company other than the Managing and Whole-time Directors 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 198 of the Companies Act, 2013 during the financial year 2015-16."
8. 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 Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) ("2013 Act") and provisions contained in the Articles of Association of the Company, the consent of the members of the Company, be and is hereby accorded for replacing the existing Articles of Association of the Company with a new set of amended and restated Articles of Association, based on the Form of Table F set out under Schedule I to the 2013 Act."  
RESOLVED FURTHER THAT any Director of the Company, be and is hereby authorized to do all such acts, matter, deeds and things as may be necessary to give effect to the aforesaid resolution, including but not limited to making necessary filings with the concerned Registrar of Companies."

### NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.
3. The instrument of Proxy in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified true copy of the Board resolution authorizing their representatives to attend and vote on their behalf in the meeting.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 5<sup>th</sup> August 2015 to Friday, 7<sup>th</sup> August 2015 (both days inclusive).
6. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice.
7. Electronic copy of the Annual Report 2014-15 is being sent to all the members whose Email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.

8. Members may also note that the Notice of the Annual General Meeting and the Annual Report 2014-15 will also be available on the Company's website [www.aptech-worldwide.com](http://www.aptech-worldwide.com) for their download.
9. 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.
10. As permissible under Section 136 of the Companies Act, 2013, particulars of employees are not given in the Annual Report. The said particulars are made available at the registered office of the Company during working hours before the date of the meeting. The Members desirous of obtaining the same may write to the Company Secretary at the registered office of the Company.
11. 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), 31st March 2013 (interim) 31st March 2013 (final), 31st March 2014 (two interims) and 31st March 2015 (two interims), may approach the Company or Registrar and Share Transfer Agents for the payment thereof.
12. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended on 19<sup>th</sup> March 2015, and SEBI circular dated 17<sup>th</sup> April 2014, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. Necessary arrangements have been made by the Company with Central Depository Services (India) Limited (CDSL) to facilitate e-voting.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Tuesday, 4<sup>th</sup> August 2015 from 9 a.m. and ends on Thursday, 6<sup>th</sup> August 2015 at 5 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 31<sup>st</sup> July 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Aptech Limited on which you choose to vote.

- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xx) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 31<sup>st</sup> July 2015.
- (xxi) A copy of this notice has been placed on the website of the Company and the website of CDSL. Chartered Accountant in Practice /Cost Accountant in Practice/Company Secretary in Practice or an Advocate or any other person who is not in employment of the company and is a person of repute will be appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
- (xxii) Members can choose only one of the two options, namely, e-voting or voting through physical ballot form. In case, the votes are cast through both the formats, then votes cast through e-voting shall stand cancelled and those votes cast through physical Ballot Form would be considered subject to the physical Ballot Form being found to be valid.
- (xxiii) The Scrutinizer's decision on the validity of a ballot form will be final.
- (xxiv) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period and last date of receipt of physical Ballot Forms, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman or a person authorized by him in writing who shall counter-sign the same.
- (xxv) The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.aptech-worldwide.com](http://www.aptech-worldwide.com) and on the website of CDSL within two (2) days of passing of the resolutions of the Annual General Meeting of the Company and communicated to the BSE Limited and the National Stock Exchange Limited.

#### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013.**

##### **Item 4.**

Mr. Maheshwer Peri is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 2012.

Maheshwer Peri started his career as an investment banker. A Chartered Accountant (CA) 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 projects in varying industries. After a three 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 Outlook at a young age of 28 in 1998. Mr. Peri believes in the power and need of education for the future of India and its youth. He turned an entrepreneur in 2009 and started his own publishing venture, Pathfinder Publishing. The company publishes Careers360 - a career magazine, targeted at the 17-24 year age bracket.

In April 2012, Mr. Peri gave up full-time responsibilities at the Outlook Group and turned a mentor for them. Since then Mr. Peri has dedicated himself to creating the largest education portals across six verticals in India to advise and counsel students and help them achieve their career goals.

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, and read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Schedule IV of the Companies Act, 2013 and in compliance with the listing agreement as amended from time to time, Mr. Peri is proposed to be appointed as an Independent Director upto 31<sup>st</sup> March 2019, for a period of 5 years from the date of commencement of the Companies Act, 2013. Mr. Peri is already an Independent Director of the Company under Clause 49 and also satisfies the conditions of an Independent Director under the Companies Act, 2013. He is regularized as an Independent Director under the Companies Act, 2013.

As per the Companies Act, 2013, the Independent Director need not retire by rotation. Mr. Peri would have retired in an Annual General Meeting of the Company. But, this provision no longer applies as per new Companies Act, 2013. Therefore, it is not a case of appointment of a new Independent Director. In view of the above, special notice and deposit of requisite amount is not required to be paid.

In the opinion of the Board, Mr. Peri fulfils the conditions specified in the Companies Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Peri as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Peri as an Independent Director, for approval by the shareholders of the Company.

Except Mr. Peri, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **Item 5.**

Mr. Ramesh Damani, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 2005.

Mr. Damani is a Member of the Bombay Stock Exchange Limited and is one of the well-known faces of the stock broking community in India. He has been a Broker for over 16 years.

Mr. Damani holds a Bachelor's Degree in Commerce from HR College in Mumbai and has a Master's Degree in Business Administration from California State University, Northridge, US.

He was the well-known host of the TV show 'Wizards of Dalal Street' on CNBC TV18 and is frequently invited to comment on financial issues on business channels such as CNBC & NDTV. He also hosts a weekly chat show on Moneycontrol.com.

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, and read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Schedule IV of the Companies Act, 2013 and in compliance with the listing agreement as amended from time to time, Mr. Damani is proposed to be appointed as an Independent Director upto 31<sup>st</sup> March 2019, for a period of 5 years from the date of commencement of the Companies Act, 2013. Mr. Damani is already an Independent Director of the Company under Clause 49 and also satisfies the conditions of an Independent Director under the Companies Act, 2013. He is regularized as an Independent Director under the Companies Act, 2013.

As per the Companies Act, 2013, the Independent Director need not retire by rotation. Mr. Damani would have retired in an Annual General Meeting of the Company. But, this provision no longer applies as per new Companies Act, 2013. Therefore, it is not a case of appointment of a new Independent Director. In view of the above, special notice and deposit of requisite amount is not required to be paid.

In the opinion of the Board, Mr. Damani fulfils the conditions specified in the Companies Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Damani as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Damani as an Independent Director, for approval by the shareholders of the Company.

Except Mr. Damani, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

#### **Item no. 6.**

Mr. Vijay Aggarwal, is a Non-Executive Independent Director of the Company. He joined the Board of Directors of the Company in October 2005.

Mr. Aggarwal is the Managing Director and CEO of H & R Johnson (India) Limited, India's No. 1 tile company.

He graduated from IIT Delhi with a B.Tech in Electrical Engineering and completed his MBA degree from IIM Ahmedabad, where he was conferred the gold medal for being the first ranker.

Mr. Aggarwal was the Chairman of the Indian Council of Ceramic Tiles and Sanitaryware (ICCTAS), the apex body of tile manufacturers in India, from 2003 to 2005 and is on the Managing Committee of The Bombay Chamber of Commerce & Industry.

He is also on the Board of Exide Industries Limited, Prism Cement Limited, Asianet Satellite Communication Limited, RMC Readymix India Private Limited and Ardex Endura (India) Private Limited, among others.

In terms of Section 149, 152 and any other applicable provisions of the Companies Act, 2013, and read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and Schedule IV of the Companies Act, 2013 and in compliance with the listing agreement as amended from time to time, Mr. Aggarwal is proposed to be appointed as an Independent Director upto 31<sup>st</sup> March 2019, for a period of 5 years from the date of commencement of the Companies Act, 2013. Mr. Aggarwal is already an Independent Director of the Company under Clause 49 and also satisfies the conditions of an Independent Director under the Companies Act, 2013. He is regularized as an Independent Director under the Companies Act, 2013.

As per the Companies Act, 2013, the Independent Director need not retire by rotation. Mr. Aggarwal would have retired in an Annual General Meeting of the Company. But, this provision no longer applies as per new Companies Act, 2013. Therefore, it is not a case of appointment of a new Independent Director. In view of the above, special notice and deposit of requisite amount is not required to be paid.

In the opinion of the Board, Mr. Aggarwal fulfils the conditions specified in the Companies Act and rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Aggarwal as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Aggarwal as an Independent Director, for approval by the shareholders of the Company.

Except Mr. Aggarwal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

**Item no. 7.**

In terms of the provisions of Section 197 of the Companies Act, 2013, the Directors who are neither in the wholetime employment of the Company nor a managing director may be paid remuneration by way of commission not exceeding 1% of the net profits in aggregate to all such Directors if a company has a managing director or wholetime director.

Section 197 of the Companies Act, 2013, requires consent of the shareholders by a special resolution at the general meeting for the payment of commission to non-executive directors of the Company. Hence the special resolution as per item no, 9 of the notice seeks to authorize payment of 1% commission on net profits to the non-executive directors.

Only Non-executive Directors may be deemed to be interested or concerned in the resolution to the extent of commission which may be received by them.

**Item no. 8.**

The Ministry of Corporate Affairs, Government of India is implementing the Companies Act, 2013 ("2013 Act") in a phased manner to replace the old Companies Act, 1956 ("1956 Act").

The existing Articles of Association ("AoA") of the Company is based on the erstwhile 1956 Act and is no longer in full conformity with the 2013 Act. Given this position, it is considered expedient to wholly replace the existing AoA of the Company by a new set of AoA which is primarily based on Table F set out under Schedule I to the 2013 Act. Hence, the Board of Directors of the Company at their meeting held on 29<sup>th</sup> April, 2015 decided to adopt the new set of AoA in place of existing AoA of the Company and seek members' approval for the same.

As per the provisions of Sections 14 of the 2013 Act, a special resolution has to be passed by the members of the Company for adoption of new set of AoA. The Board of Directors therefore recommends the aforesaid resolution for approval by the members.

A copy of the proposed set of new AoA of the Company would be available for inspection for the members at the Registered Office of the Company during the business hours on any working day.

None of the Directors of the Company, Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested in the said resolution.

By Order of the Board of Directors  
Ketan H. Shah  
Company Secretary

Place : Mumbai  
Date : 2<sup>nd</sup> July, 2015

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

<b>Name of Director</b>	<b>Mr. Rajiv Agarwal</b>	<b>Mr. Maheshwer Peri</b>	<b>Mr. Ramesh Damani</b>	<b>Mr. Vijay Aggarwal</b>
Date of Birth	28th March, 1971	08th August, 1969	12th May, 1957	08th July, 1968
Date of Appointment	29th October, 2006	31st October, 2012	28th October, 2005	28th October, 2005
Areas of Expertise	Strategy & Operations Consulting Services	Finance & Media	Finance & Media	General Management
List of other public companies incorporated in India in which directorships held as on 31st March, 2015	1. John Energy Limited 2. Concord Biotech Limited.	Nil	1. Avenue Supermarts Limited	1. Asianet Satellite Communications Limited 2. Exide Industries Limited 3. Indian Council of Ceramic Tiles & Sanitaryware 4. Prism Cement Limited
List of Charimanships / memberships of committees of the board of other public Companies incorporated in India in which directorships held as on 31st March, 2015	Nil	Nil	Nil	1. Asianet Satellite Communications Limited - Nomination & Remuneration Committee (Chairman) - Audit Committee (Chairman) 2. Exide Industries Limited - Audit Committee (Member) - Nomination & Remuneration Committee (Member) 3. Prism Cement Limited - Securities Allotment & Transfer Committee (Chairman) - Corporate Social Responsibility Committee (Chairman) - Risk Management Committee (Chairman) - Corporate Environment Responsibility Committee (Chairman) - Stakeholders Relationship Committee (Member)
No. of shares held in the Company prior to the date of appointment / re-appointment	8100	NIL	25000	NIL





### Aptech Limited

Registered Office: Aptech House, A -65, M.I.D.C., Marol, Andheri (E), Mumbai – 400093.  
Tel.: 022 28272386 • Fax: 91 22 2827 2399 • CIN –L72900MH2000PLC123841 • Website: www.aptech-worldwide.com

### Proxy Form

Name of the Member(s) :
Registered address :
E-mail Id :
Folio No./Client ID No:
DP ID :

I/We, being the member(s) of \_\_\_\_\_ Shares of Aptech Limited, hereby appoint

- Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him
- Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him
- Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Fifteenth Annual General Meeting of the Company to be held on Friday, 07th August, 2015 at 4.00 p.m. at "Kamalnayan Bajaj Hall", Bajaj Bhawan, Ground Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai-400 021 and at any adjournment thereof in respect of such resolutions as are indicated below:

- Adoption of Audited Accounts, Report of Board of Directors and Auditors for year ended 31st March, 2015.
- Re-appointment of Mr. Rajiv Agarwal as Director retiring by rotation.
- Re-appointment of M/s. Khimji Kunverji & Co., Chartered Accountants as Statutory Auditors.
- Appointment of Mr. Maheshwer Peri as an Independent Director upto 31st March, 2019.
- Appointment of Mr. Ramesh Damani as an Independent Director upto 31st March, 2019.
- Appointment of Mr. Vijay Aggarwal as an Independent Director upto 31st March, 2019.
- Payment of commission to Non Executive directors.
- To Amend Articles of Association of the Company to bring them in conformity with Companies Act, 2013

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Signature(s) of Member(s) \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_



NOTE: The Proxy, in order to be effective, must be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

### Aptech Limited

Registered Office: Aptech House, A -65, M.I.D.C., Marol, Andheri (E), Mumbai – 400093.  
Tel.: 022 28272386 • Fax: 91 22 2827 2399 • CIN –L72900MH2000PLC123841 • Website: www.aptech-worldwide.com

### ATTENDANCE SLIP

Name of the Member(s) :
Registered address :
E-mail Id :
Folio No./Client ID No:
DP ID :

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

I hereby record my presence at the Fifteenth Annual General Meeting of the Company to be held on Friday, 07th August, 2015 at 4.00 p.m at Kamalnayan Bajaj Hall, Bajaj Bhawan, Ground Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai-400 021.

\_\_\_\_\_  
Name of the Member/Proxy

\_\_\_\_\_  
Signature of attending Member/Proxy holder(s)

\*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 handed over at the entrance of the Meeting Hall.



# Disclaimer

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**Disclaimer** : In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risk, uncertainties 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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(East), Mumbai - 400 072

Designed & Printed by - **PRIMEGRADE** Issues (I) Pvt. Ltd.

**FORM B**

1. Name of the Company **APTECH LIMITED**
2. Annual financial statements for the year ended **31st March,2015**
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, 2012-13, 2013-14**
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 13.3 regarding the payment of managerial remuneration in excess of amount payable as per the provisions of the Act to the Managing Director aggregating to ₹ 146.31 lakhs in F.Y. 2014-15 for which application for approval of Central Government is being made and for such excess remuneration paid to the Managing Director amounting to ₹ 54.91 lakhs in F.Y. 2012-13 and ₹ 48.61 lakhs in F.Y. 2013-14, the approvals whereof from Central Government are awaited.  
(Reference page number 75 in the Annual Report 2014-15)  
Management response – Self explanatory.**
6. Additional comments from the board/audit committee chair **--**

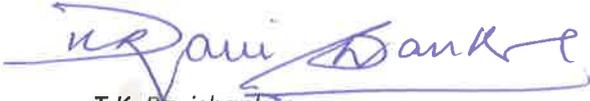
For and on behalf of  
KHIMJI KUNVERJI & CO.  
Firm Registration Number 105146W  
Chartered Accountants

  
Shivji K. Vikamsey  
Partner  
Membership No. 2242

For and on behalf of the  
Board of Directors  
APTECH LIMITED

  
Ninad Karpe  
(Managing Director & CEO)

  
C.Y Pal  
(Audit Committee Chairman )

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

Place: Mumbai  
Date : 14<sup>th</sup> July, 2015