

Dattatray B. Dixit
B.Com., F.C.A., LL.B.

AUDITORS REPORT

To the Members of

APTECH GLOBAL INVESTMENT LIMITED

1. We have audited the attached Balance Sheet of **APTECH GLOBAL INVESTMENT LIMITED** (herein after referred to as "the Company"), a wholly owned subsidiary of APTECH TRAINING LIMITED FZE ("the Subsidiary") which is wholly owned subsidiary of APTECH LIMITED ("the Parent") as at 31st March 2011 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have audited, in accordance with the accounting policies, the attached Balance Sheet of the Company as at March 31, 2011, and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared in accordance with the accounting policies, for the purpose of consolidation of financial statements of the parent. Our responsibility is to express an opinion on these financial statements based on our audit.
3. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
4. In our opinion and based on our audit, and to the best of our information and according to the explanations given to us, the accompanying financial statement give a true and fair view in conformity with the accounting policies
 - a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2011.
 - b) In the case of the Profit and Loss account, of the profit of the Company for the year ended on that date; and

For and on behalf of
DIXIT DATTATRAY & ASSOCIATES
Chartered Accountants



A handwritten signature in black ink, appearing to be "D. B. Dixit", with a horizontal line underneath it.

Dattatray B. Dixit
Proprietor

Place: Mumbai,

Dated: 27.05.2011

Membership No. 40032

APTECH GLOBAL INVESTMENTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

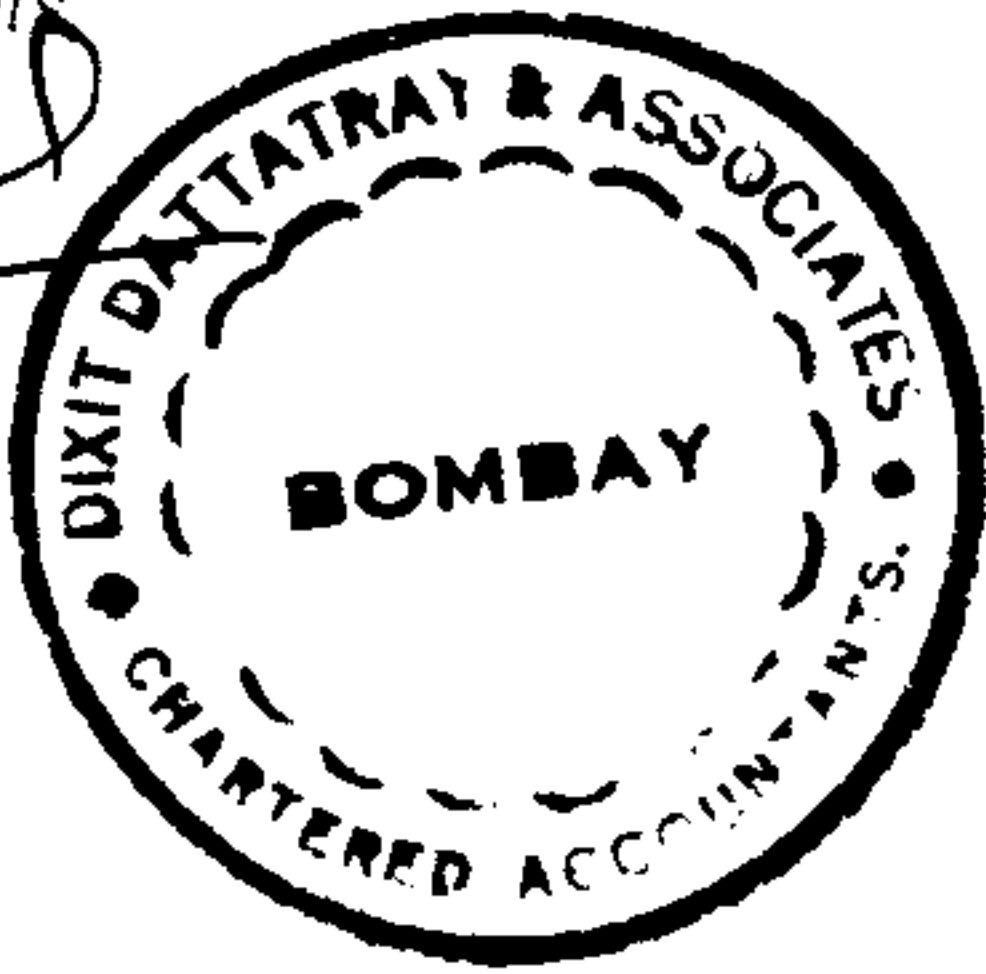
PARTICULARS	SCHEDULE	AS AT		AS AT	
		31ST MARCH 2011		31ST MARCH 2010	
		₹	₹	₹	₹
SOURCES OF FUNDS					
SHARE HOLDERS' FUNDS					
SHARE CAPITAL	"1"		34,952,151		14,411,160
LOAN FUNDS					
LOAN FROM HOLDING COMPANY			7,700,088		5,415,793
TOTAL FUNDS EMPLOYED			42,652,239		19,826,954
APPLICATION OF FUNDS					
INVESTMENTS			20,176,135		
CURRENT ASSETS, LOANS AND ADVANCES	"2"				
BANK BALANCE		260		1,155	
LOANS AND ADVANCES		22,308,999		20,622,775	
		22,309,258		20,023,930	
LESS:					
CURRENT LIABILITIES AND PROVISIONS	"3"				
LIABILITIES		90,945		30,295	
		90,945		30,295	
NET CURRENT ASSETS			22,218,313		13,993,635
PROFIT AND LOSS ACCOUNT			257,790		(166,582)
TOTAL FUNDS UTILIZED			42,652,239		19,826,954
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNT	"7"				

Schedules referred to above form an integral part of the Accounts
As per our report of even date.

For and on behalf of
Dixit Dattatray & Associates
Chartered Accountants

Dattatray B. Dixit
Proprietor
M No. 40032

Place : Mumbai
Date : 27.05.2011



For and on behalf of the board of Directors

Ninad Karpe
Director

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APTECH GLOBAL INVESTMENTS LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

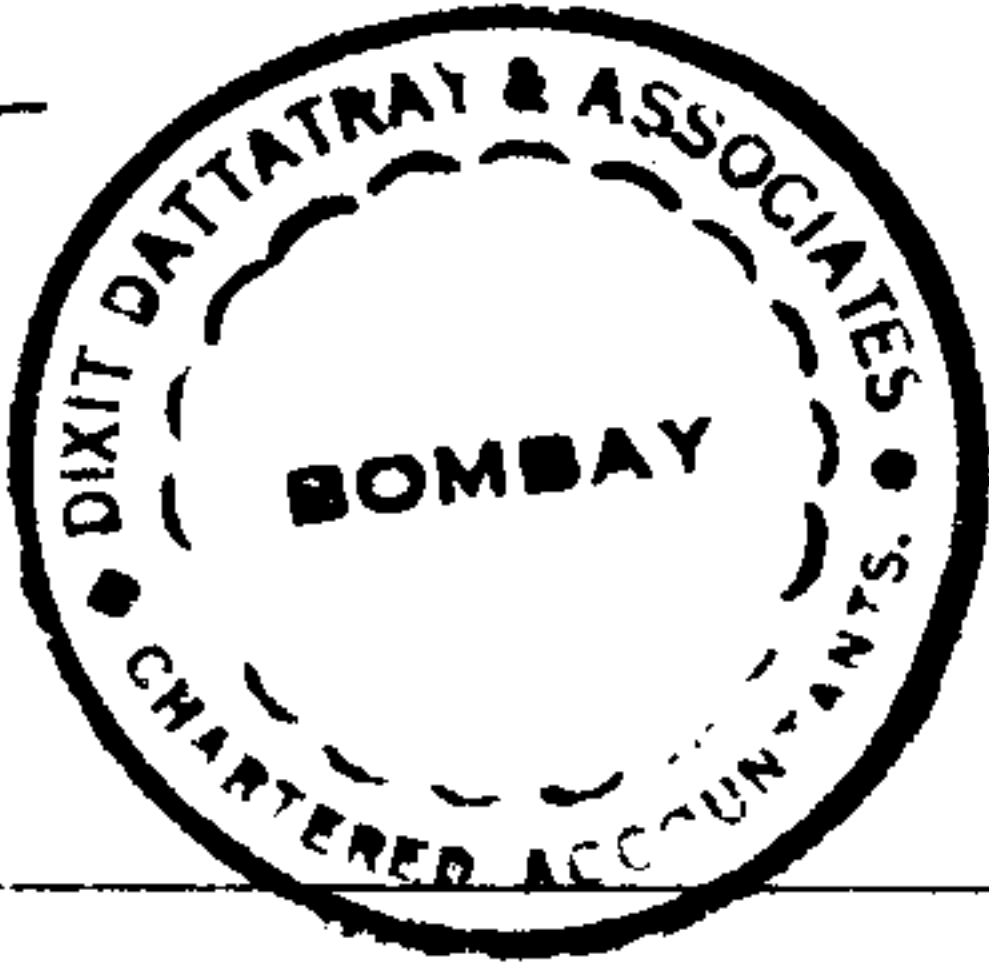
PARTICULARS	SCHEDULE	For the Year ended 31st March,2011		For the 15 Months ended 31st March,2010	
		₹	₹	₹	₹
INCOME					
INCOME FROM OPERATIONS	"4"	1,116,621		-	
OTHER INCOME	"5"	-		528,321	
			1,116,621		528,321
EXPENDITURE					
TRAINING & EDUCATION EXPENSES		856,136			
ADMINISTRATION AND OTHER EXPENSES	"6"	684,957		361,639	
DEPRECIATION		-			
			1,541,094		361,639
PROFIT/ (LOSS) BEFORE EXCEPTIONAL ITEMS			(424,472)		166,682
IMPAIRMENT LOSS			-		-
PROFIT/ (LOSS) AFTER EXCEPTIONAL ITEMS			(424,472)		166,682
SURPLUS / (LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR			166,682		-
BALANCE CARRIED TO BALANCE SHEET			(257,790)		166,682
BASIC AND DILUTED EARNING PER SHARE			(0.76)		0.75
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNT	"7"				

As per our report of even date.

For and on behalf of
Dixit Dattatray & Associates
Chartered Accountants

Dattatray B. Dixit
Proprietor
M No. 40032

Place : Mumbai
Date : 27.05.2011



For and on behalf of the board of Directors

NK Karpe
Ninad Karpe
Director

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APTECH GLOBAL INVESTMENTS LIMITED
SCHEDULES FORMING PART OF BALANCE SHEET

PARTICULARS	AS AT 31ST MARCH 2011		AS AT 31ST MARCH 2010	
	₹	₹	₹	₹
SCHEDULE "1" - SHARE CAPITAL				
556,499 (P Y 222,633) EQUITY SHARES OF 1 EURO EACH FULLY PAID UP (All Shares are held by the holding company Aptech Training Limited FZE)		34,952,151		14,411,160
		34,952,151		14,411,160
SCHEDULE "2" - CURRENT ASSETS, LOANS AND ADVANCES				
CASH AND BANK BALANCES				
BANK BALANCE		260		1,155
LOANS AND ADVANCES (UNSECURED)				
PREPAID EXPENSES	-		196,976	
ADVANCE TO BRAZIL JV FOR SHARE APPLICATION MONEY	22,308,999		19,825,798	
		22,308,999		20,022,775
		22,309,258		20,023,930
SCHEDULE "3" - CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
SUNDRY CREDITORS		90,945		30,295
		90,945		30,295

APTECH GLOBAL INVESTMENTS LIMITED
SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

PARTICULARS	For the Year ended 31st March, 2011		For the 15 Months ended 31st March, 2010	
	₹	₹	₹	₹
SCHEDULE "4" - INCOME FROM OPERATIONS				
INCOME FROM SERVICES		1,116,621		-
		1,116,621		-
SCHEDULE "5" - OTHER INCOME				
EXCHANGE GAIN		-		528,321
		-		528,321
SCHEDULE "6" - ADMINISTRATION AND OTHER EXPENSES				
FILING FEES		90,488		87,855
EXCHANGE LOSS		346,668		-
AUDIT FEES		172,829		164,615
OTHER ADMINISTRATION CHARGES		74,972		109,169
		684,957		361,639

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

PARTICULARS	2011		2010	
	₹	₹	₹	₹
(A) CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT / (LOSS) BEFORE TAX		(424,472)		166,682
Operating Profit Before Working Capital Changes		(424,472)		166,682
Adjustments for :				
Decrease / (Increase) in Trade and Other Receivables				
Decrease / (Increase) in Loans and Advances	(2,286,224)		(20,022,775)	
(Decrease) / Increase in Current Liabilities	60,650		30,295	
		(2,225,574)		(19,992,480)
Cash From / (used) in Operating Activities		(2,650,046)		(19,825,798)
Income Tax / Fringe Benefit Tax Paid				
Net Cash From / (used) in Operating Activities		(2,650,046)		(19,825,798)
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchases of Investments	(20,176,135)			
Net Cash used in Investing Activities		(20,176,135)		
(C) CASH FROM FINANCING ACTIVITIES				
Increase/(Decrease) in Borrowings from Holding company	2,284,294		5,415,793	
Increase/(Decrease) in Share Capital	20,540,991		14,411,160	
Net Cash from Financing Activities		22,825,285		19,826,954
Net (Decrease) / Increase in Cash & Cash equivalents		(896)		1,155
Cash & Cash equivalents at the beginning of the year		1,155		-
Cash & Cash equivalents at the end of the year		260		1,155
		(896)		1,155

Notes:

1. Cash and Cash equivalence includes

a. Cash

b. Balance with banks

260

260

1,155

1,155

As per our report of even date.

For and on behalf of

Dixit Dattatray & Associates

Chartered Accountants

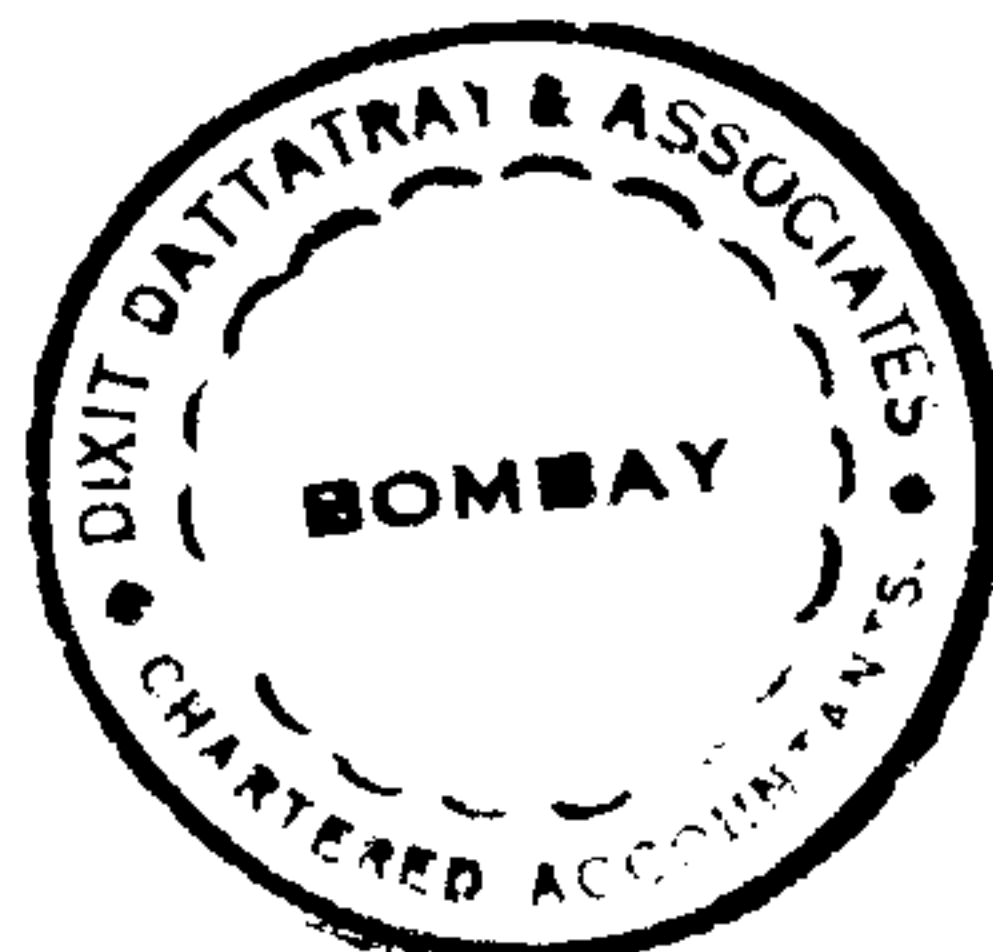

Dattatray B. Dixit

Proprietor

M No. 40032

Place Mumbai

Date 27.05.2011



For and on behalf of the board of Directors


Ninad Karpe

Director

Significant Accounting Policies and Notes on Accounts

A. Significant accounting policies:

(a) Accounting Convention:

The financial statements are prepared under the historical cost convention, on an accrual basis and in accordance with generally accepted accounting principles applicable in India (Indian GAAP), and Accounting Standards notified by the Companies Accounting Standard Rules, 2006 (as amended). The accounting policies have been consistently applied by the Company, and are consistent with those used in the previous year.

(b) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles require estimates & assumptions to be made that affect the reported amounts of assets & liabilities on the date of the financial statements & reported amounts of revenues & expenses during the reporting period. Differences between actual results & estimates are recognised in the period in which the results are known. Although, these estimates/assumptions are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Revenue Recognition:

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

(d) 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 Profit and Loss Account. Other non-monetary items, like fixed assets, investments in equity shares, are carried in terms of historical cost using the exchange rate at the date of transaction. Premium/discount, in respect of forward exchange contract is recognized over the life of the contracts. Profit/Loss on cancellation/renewal of forward exchange contract is recognized as income/expense for the year.

(e) Investments:

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

Long term Investments are stated at cost. A provision for diminution is made to recognise a decline, other than temporary, in the value of Long – term Investments.

(f) Provisions, Contingent Liabilities & contingent assets:

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources is required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

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

Contingent liabilities are not provided for and are disclosed by way of notes.

Show cause notices are considered as contingent liabilities only when they are converted into demands. Department appeals in respect of cases won by the company are also considered as contingent liabilities.

Contingent assets are neither recognized nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

D. Notes Forming Part of the Accounts:

1. The accounts of the company are prepared on a going concern basis, which is dependent on the availability of future profitability and continued finance. The Company is confident of financial support from its holding company and future profitability based on its business plan.
2. During the year the Company has invested in Aptech Philippines Incorporation, Philippines with a stake of 40% holding, for expansion of education and training in information technology.

3. **Related Party Transaction:**

a. **Names of related parties and description of relation:**

- i. Holding Company : Aptech Training Limited, FZE
- ii. Joint Venture : ACE Educação Profissional do Brasil S.A
: Aptech Philippines Inco., Philippines'

b. **Transactions with related parties :**

(Amount in ₹)

Nature of Transactions	Holding Company	Joint Ventures
Income	1,116,621	-
(Operation Income)	(-)	(-)
Investment in Phillippines JV	-	2,929,988
		(-)
Investment in Brazil JV	-	17,246,147
		()
Loans Taken		
Fresh Loans During the year	2,284,294	-
	(5,415,793)	(-)
Repaid/ Adjusted during the year	-	-
	(-)	(-)
Advance to Brazil JV towards Share Application Money		22,308,999
		(19,825,798)
Balance as at year ended 31st March 2011		
Loans Payable	7,700,088	-
	(5,415,793)	(-)
Equity Share Capital	34,952,151	-
	(14,411,160)	(-)
(Figures in bracket are represents previous year figures)		

4. **Earnings Per Share :**

Particulars	Year Ended 31st, March 2011	Period Ended 31st, March 2010
Net Profit (Loss) after tax (₹)	(424,472)	166,682
Weighted average number of shares Outstanding during the year	556,499	222,634
Nominal Value of shares ₹	35,528,497	14,411,160
Basic and Diluted Earnings per Share ₹	(0.76)	0.75

5. Segment has been identified in accordance with the Accounting Standard 17 (AS-17) on Segment Reporting, taking into account the organization structure as well as differential risks & returns of these segments. The Dominant source of risk and returns of the group is considered to be the business in which it operates viz -- Training Services. Being a single business segment group, no primary segment information is being provided.
6. Additional Information pursuant to paragraphs 3 and 4 of part II of Schedule VI of the Companies Act, 1956 – NIL
7. The figures for the previous accounting year have been regrouped / rearranged wherever necessary to correspond with the figures of the current year.

For and on behalf of
DIXIT DATTATRAY & ASSOCIATES
Chartered Accountants

For and on behalf of the board of Directors

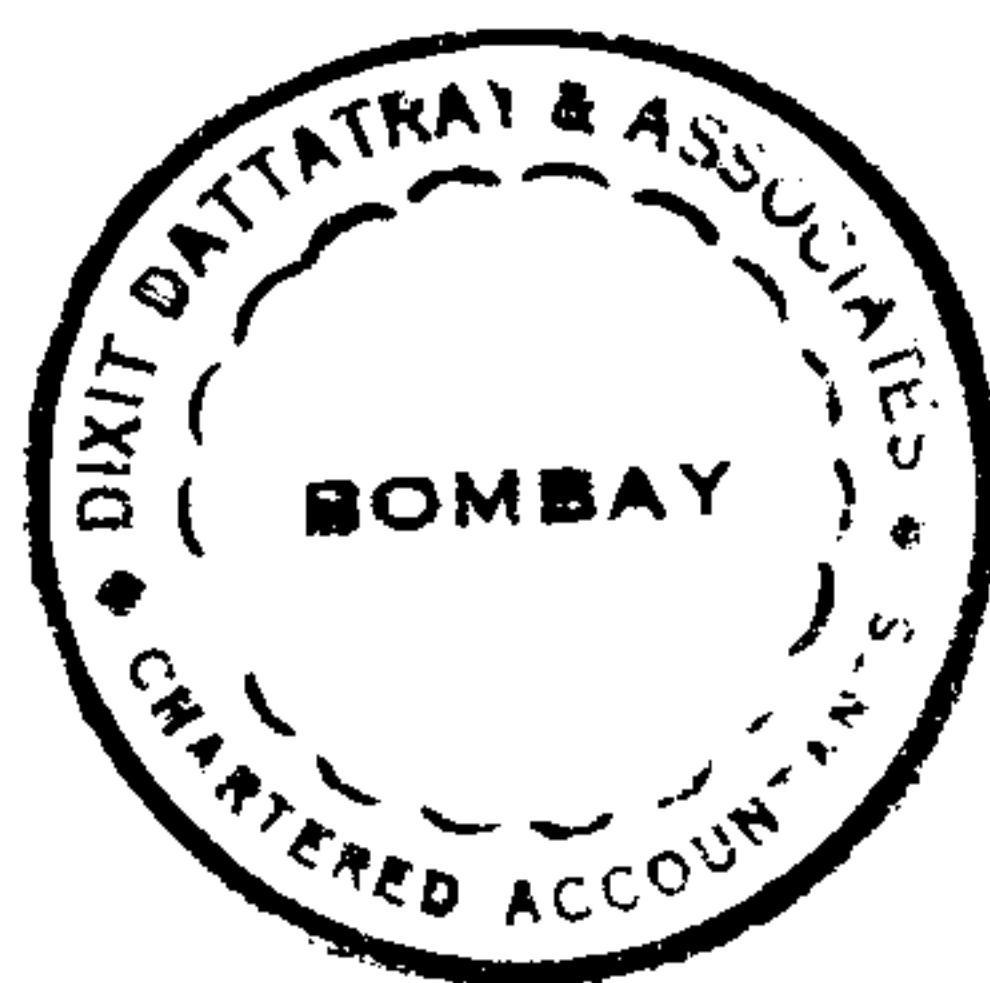


Dattatray B. Dixit
Proprietor

Membership No. 40032

Place: Mumbai

Date: 27th May 2011



NINAD KARPE
Director

