

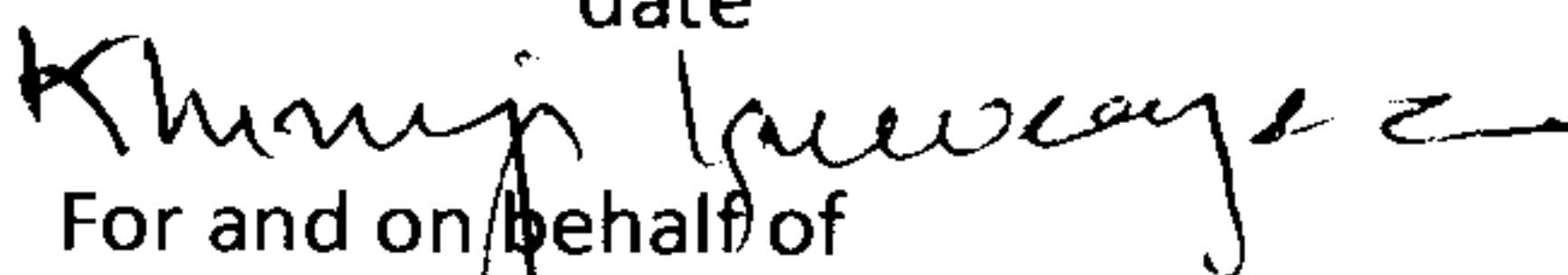


Auditor's Report

To the Board of Directors

Aptech Worldwide Corporation, USA

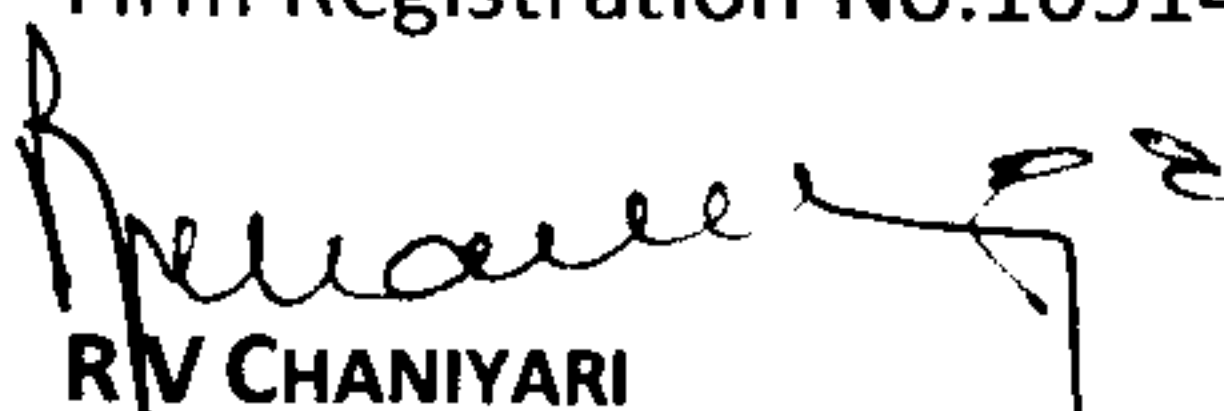
1. We refer to your letter dated May 17, 2010 requesting us to audit the accounts of Aptech Worldwide Corporation USA ("the Company"), a wholly owned subsidiary of Aptech Limited incorporated in the State of California, United States of America, in accordance with the accounting policies described in Schedule 9 Part A1 to A9 ("the accounting policies"), based on records including photo copies of some records, received from the company in Mumbai. We have not performed a Statutory Audit which may be required under US Laws, the objective of which would be the expression of an opinion on the financial statements in conformity with generally accepted accounting practice and accordingly, we do not express such an opinion
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 and the Cash Flow statement for the year ended on that date annexed thereto, which are in agreement with the books of accounts verified by us. 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
 - (a) *Accounts of the company have been prepared on a going concern basis, which is in view of the heavy losses incurred and erosion of net worth is dependent on future profitability and availability of continued finance from Holding company*
 - (b) *Bank Balances is subject to receipt of confirmation from the bank*
4. Subject to our comments referred to in Para 4 above, 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 statements give a true and fair view in conformity with the accounting policies:
 - a) In the case of the 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
 - c) In the case of Cash Flow statement, of the cash flows of the Company for the year ended on that date


For and on behalf of

KHIMJI KUNVERJI & Co

Chartered Accountants

Firm Registration No.105146W


RV CHANIYARI

Partner (F-31083)

Mumbai,

Dated: 30 May, 2011

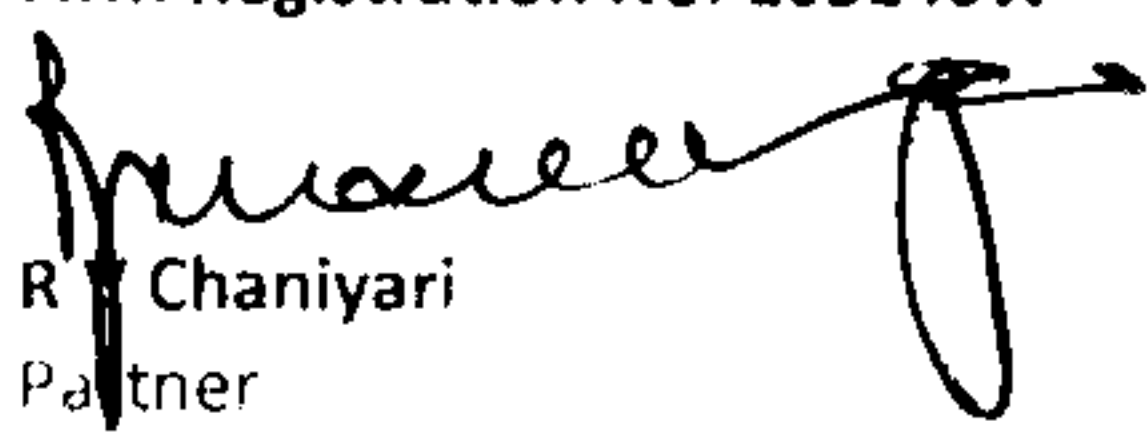
APTECH WORLDWIDE CORPORATION - USA

BALANCE SHEET AS AT 31ST MARCH, 2011

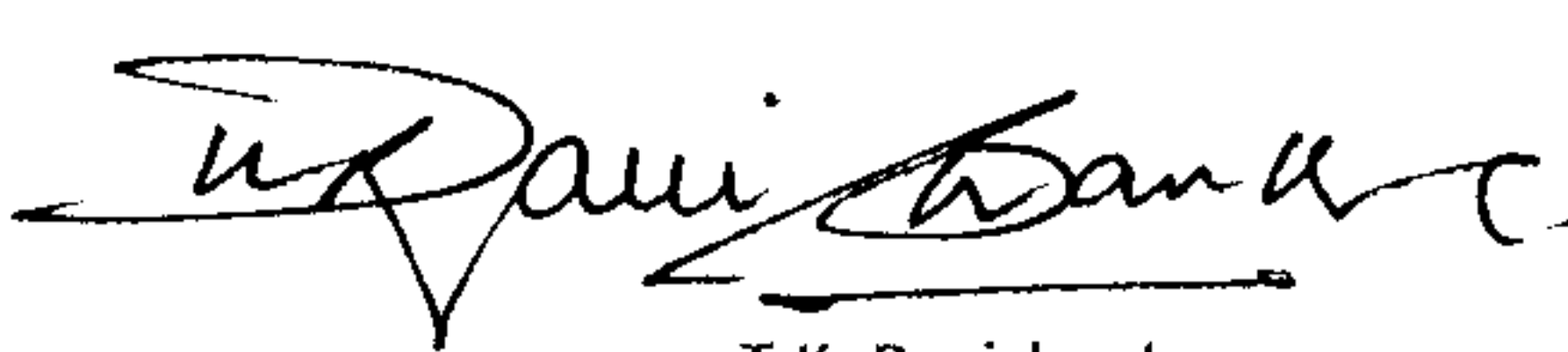
Amount in Rupees


PARTICULARS	SCHEDULE	AS AT 31ST MARCH 2011		AS AT 31ST MARCH 2010	
SOURCES OF FUNDS					
SHARE HOLDERS' FUNDS					
SHARE CAPITAL	"1"	40,950,000		40,950,000	
			40,950,000		40,950,000
LOAN FUNDS					
UNSECURED LOANS	"2"		1,845,126		1,594,706
TOTAL FUNDS EMPLOYED			42,795,126		42,544,706
APPLICATION OF FUNDS					
FIXED ASSETS					
GROSS BLOCK	"3"	38,103,516		38,156,651	
LESS: ACCUMULATED DEPRECIATION		38,094,835		38,128,387	
NET BLOCK		8,681	8,681	28,264	28,264
CURRENT ASSETS, LOANS AND ADVANCES	"4"				
SUNDRY DEBTORS		124,493		126,823	
CASH AND BANK BALANCES		70,226		433,966	
LOANS AND ADVANCES		71,737		459,084	
		266,456		1,019,873	
LESS:					
CURRENT LIABILITIES AND PROVISIONS	"5"				
LIABILITIES		18,528,627		24,278,606	
PROVISIONS		59,115		59,115	
		18,587,742		24,337,721	
NET CURRENT ASSETS			(18,321,286)		(23,317,848)
PROFIT AND LOSS ACCOUNT			61,107,731		65,334,290
TOTAL FUNDS UTILISED			42,795,126		42,544,706
Significant Accounting Policies And Notes On Accounts	"10"				

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

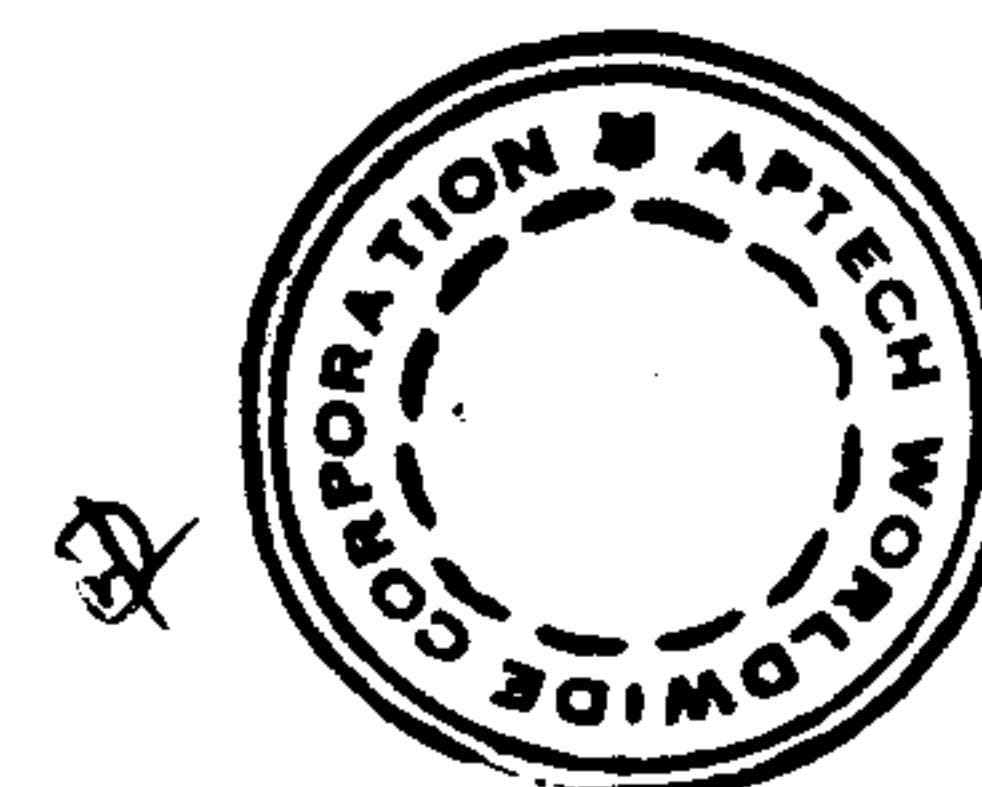
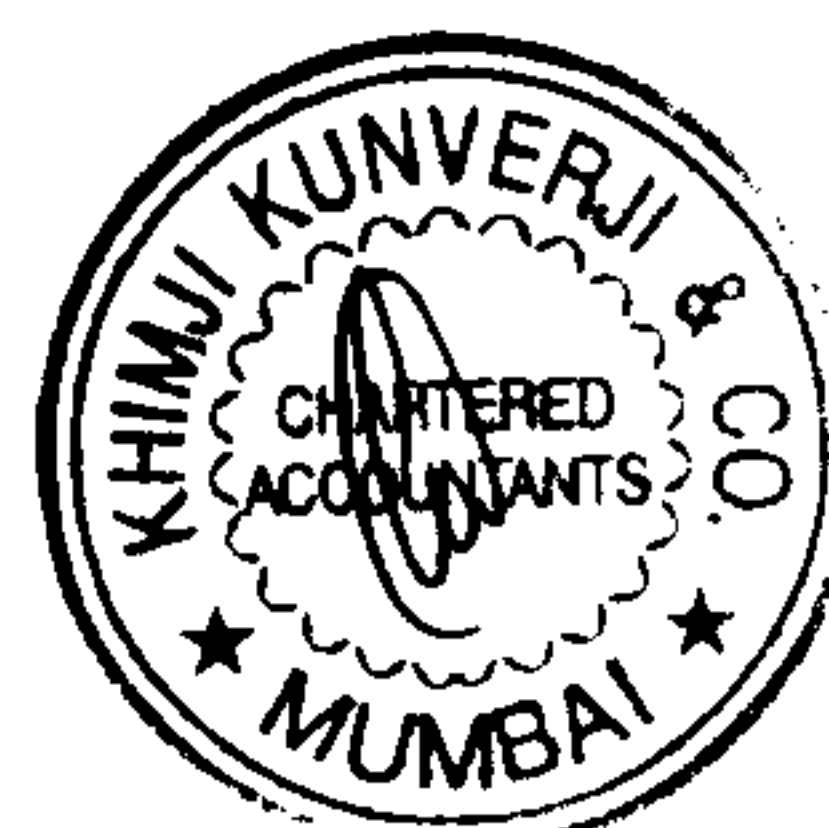
For and on behalf of
Khimji Kunverji & Co.
Chartered Accountants
Firm Registration No. 105146W

R. Chaniyari
Partner
M No. F 31083

For and on behalf of the board of Directors


T.K. Ravishankar
Director


Nilesh S. Vani
Director

Place : Mumbai
Date : May 30, 2011



APTECH WORLDWIDE CORPORATION - USA

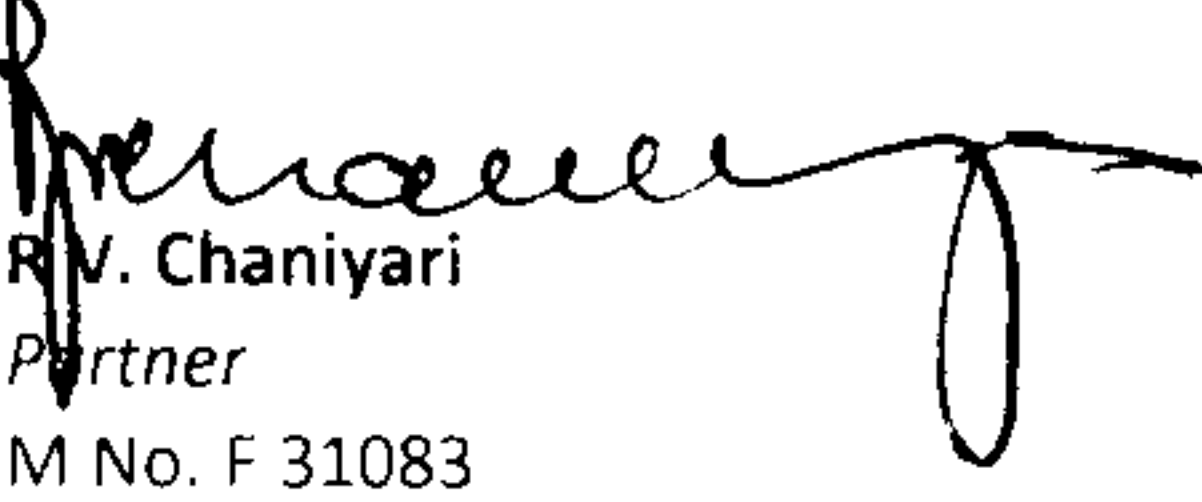
PROFIT AND LOSS ACCOUNT FOR THE FIFTEEN MONTHS ENDED 31ST MARCH 2010

Amount in Rupees

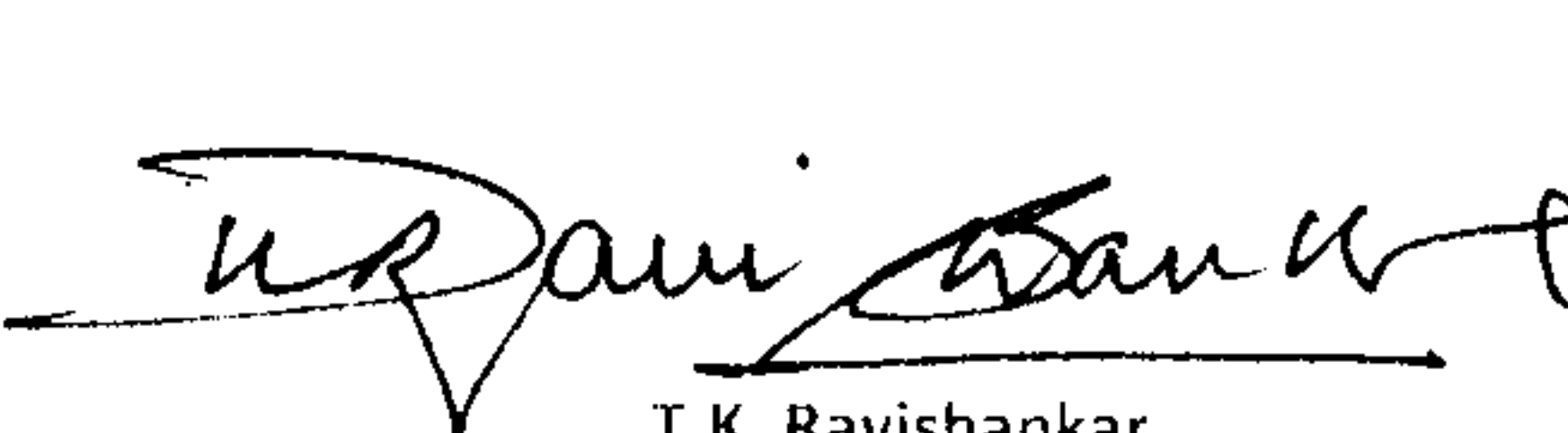
PARTICULARS			FOR THE FIFTEEN MONTHS PERIOD ENDED 31ST MARCH 2010	
SCHEDULE			2010-11	
INCOME	"6"	6,081,463	6,081,463	9,306,980
				9,306,980
EXPENDITURE	"7"	-	1,206,776	749
	"8"	1,142,717		4,907,205
	"9"	44,476		134,499
	"3"	19,583		252,537
				5,294,990
PROFIT / (LOSS) AFTER DEPRECIATION / AMORTISATION AND BEFORE TAX			4,874,687	4,011,990
PROVISION FOR TAX		148,128		4,637
NET PROFIT / (LOSS) AFTER TAX			4,726,559	4,007,353
DEFICIT BROUGHT FORWARD FROM PREVIOUS YEAR			(65,834,290)	(69,841,643)
BALANCE CARRIED TO BALANCE SHEET			(61,107,731)	(65,834,290)
Basic And Diluted Earnings Per Share			1.15	0.98
Significant Accounting Policies And Notes On Accounts	"10"			


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

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

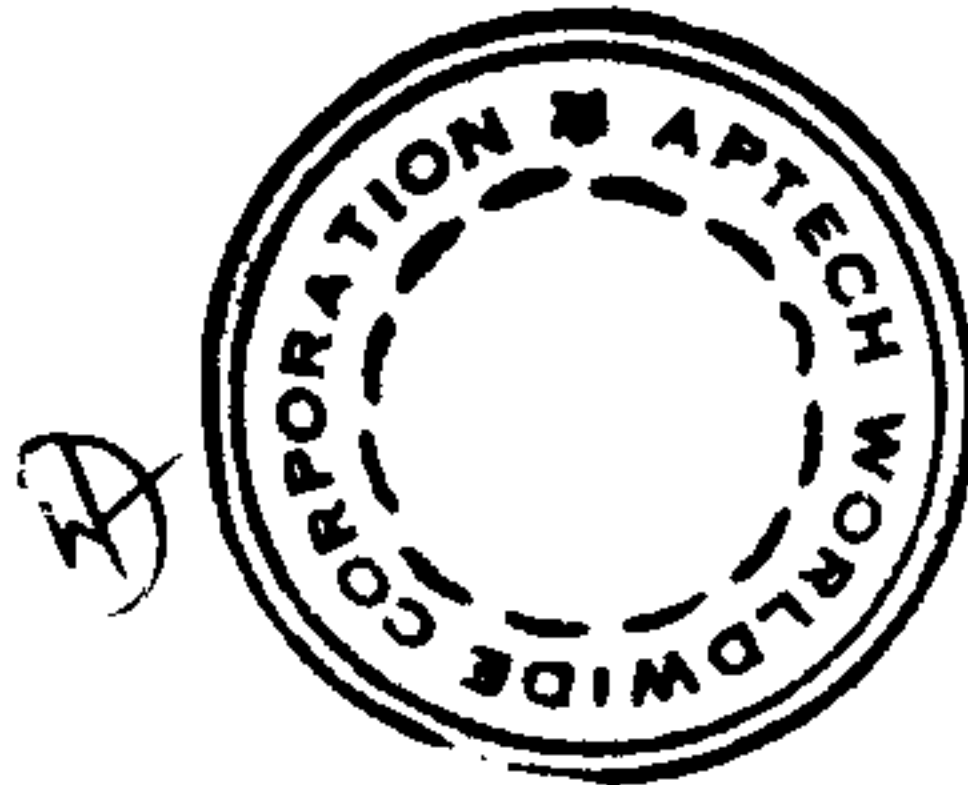
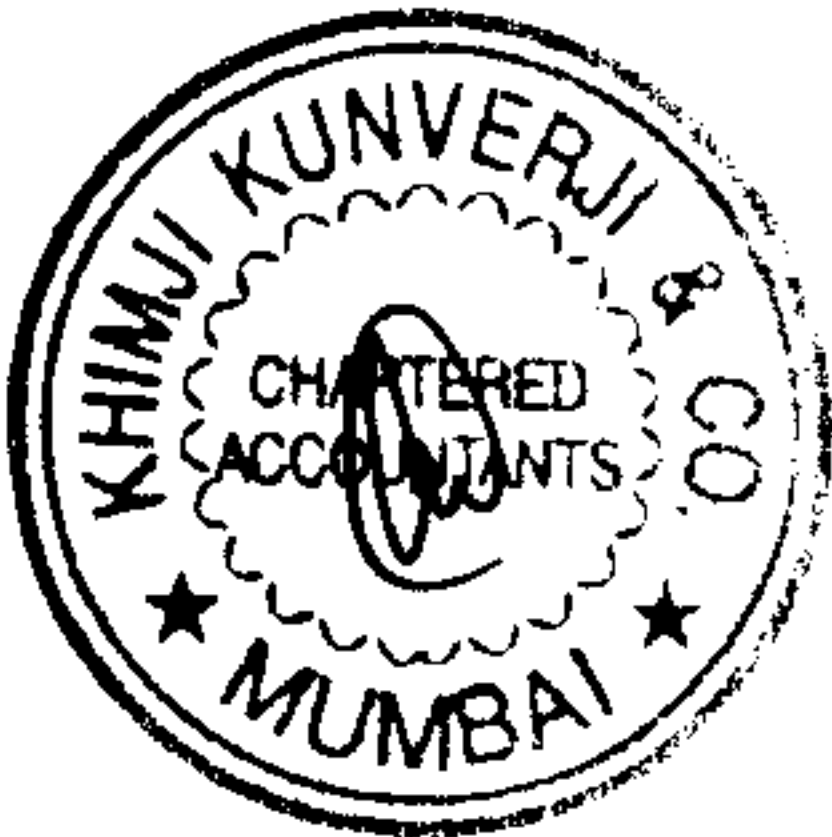

R.V. Chaniyari
Partner
M No. F 31083

For and on behalf of the board of Directors


T.K. Ravishankar
Director


Nilesh S. Vani
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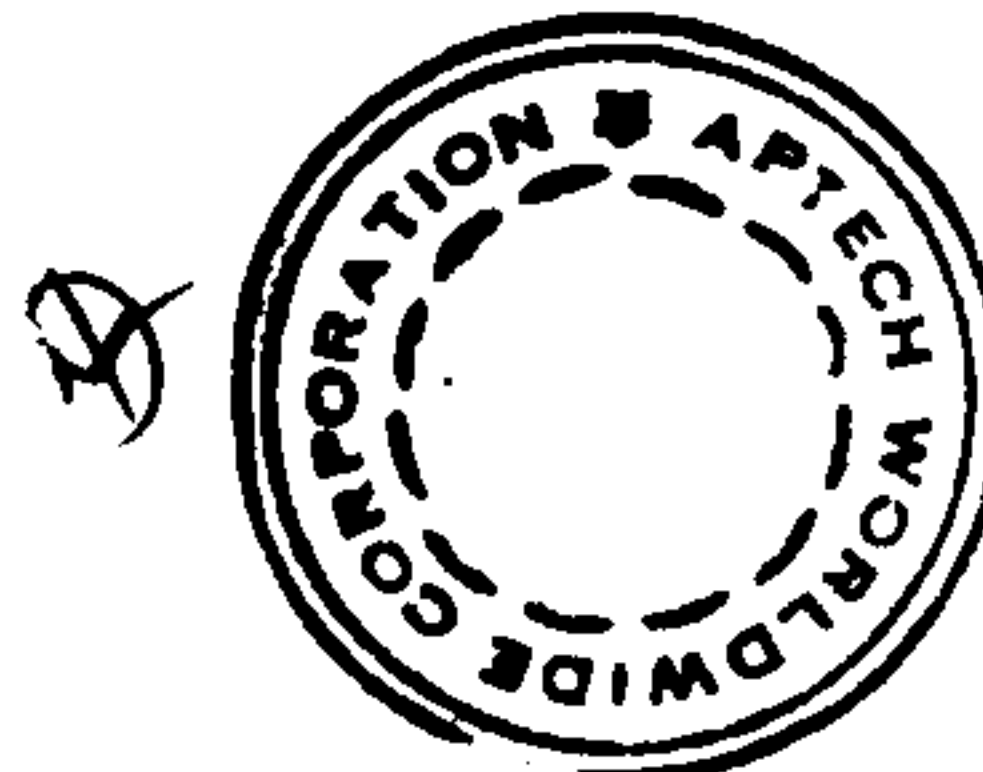
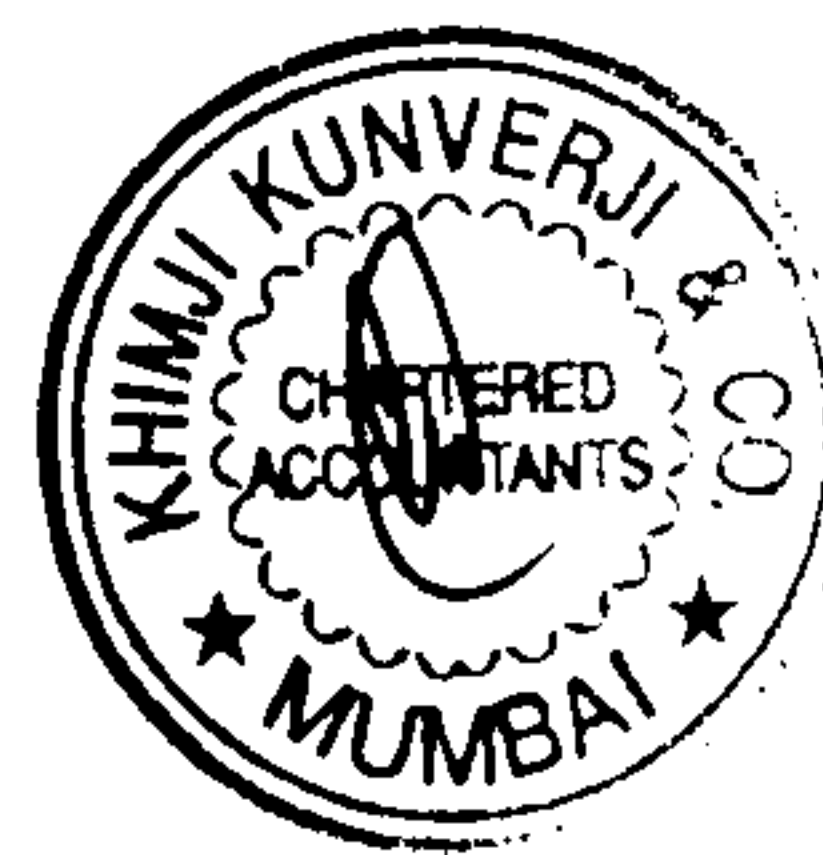
Place : Mumbai
Date : May 30, 2011



APTECH WORLDWIDE CORPORATION - USA

SCHEDULES FORMING PART OF BALANCE SHEET

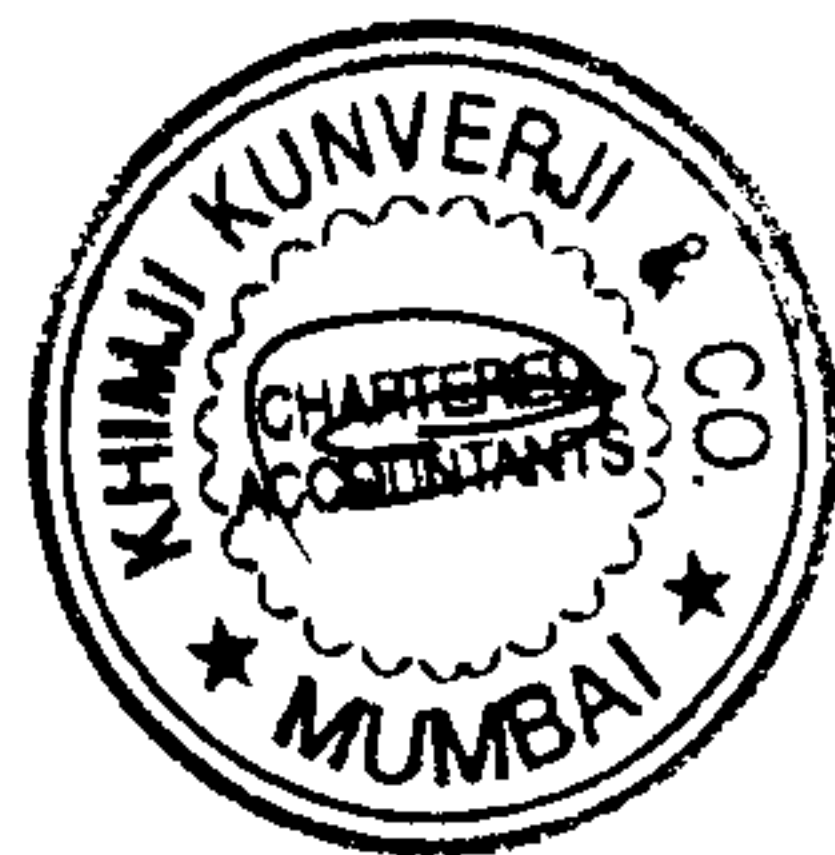
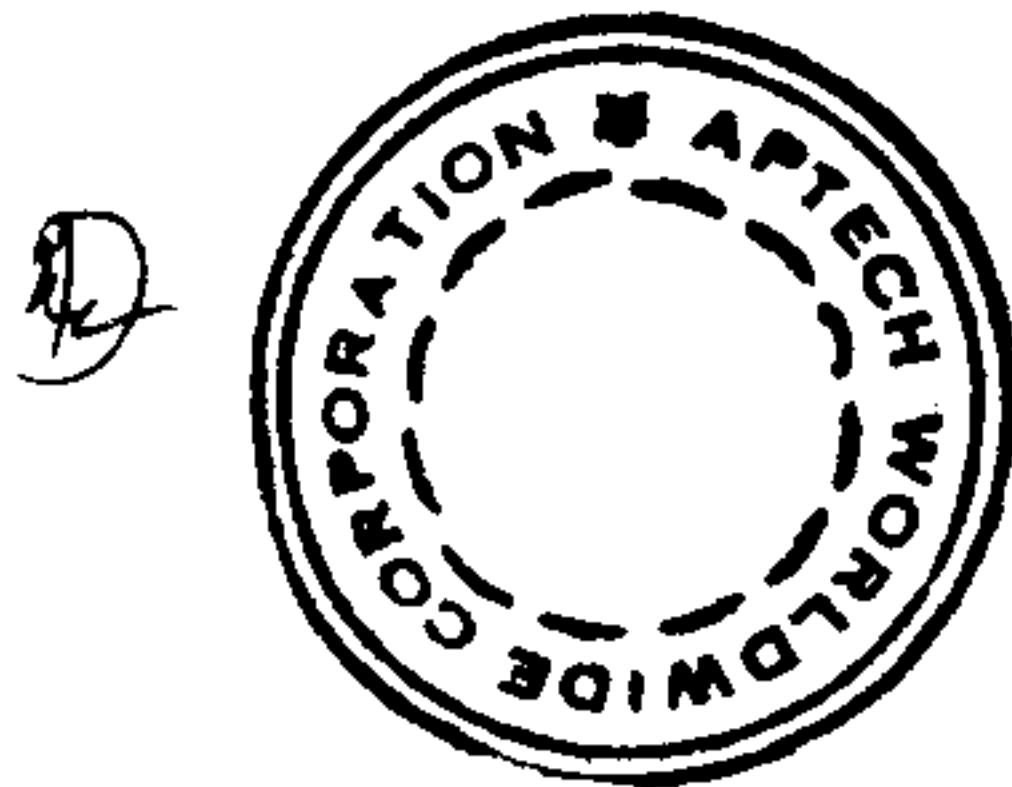
PARTICULARS	AS AT 31ST MARCH 2011		AS AT 31ST MARCH 2010	
	RUPEES	RUPEES	RUPEES	RUPEES
SCHEDULE "1" - SHARE CAPITAL				
AUTHORISED CAPITAL				
16,00,000 EQUITY SHARES OF RS. 10/- EACH		160,000,000		16,000,000
		160,000,000		16,000,000
ISSUED, SUBSCRIBED AND PAID-UP CAPITAL				
4,095,000 EQUITY SHARES OF RS.10/- EACH		40,950,000		40,950,000
FULLY PAID UP (All Shares are held by the holding company Aptech Limited)		40,950,000		40,950,000
SCHEDULE "2" - UNSECURED LOANS				
FROM HOLDING COMPANY		1,845,126		1,594,706
FROM OTHER GROUP COMPANIES		1,845,126		1,594,706
SCHEDULE "4" - CURRENT ASSETS, LOANS AND ADVANCES				
SUNDRY DEBTORS				
(unsecured, considered good except otherwise stated)				
DUE FOR PERIOD EXCEEDING SIX MONTHS	124,493		126,823	
OTHER DEBTS				
CASH AND BANK BALANCES				
BALANCES WITH SCHEDULED BANKS		124,493		126,823
IN CURRENT ACCOUNTS	70,226		433,966	
LOANS AND ADVANCES				
(Unsecured, considered good except otherwise stated)				
LOAN TO HOLDING COMPANY		70,226		433,966
ADVANCE PAYMENT OF INCOME TAX	71,737		387,348	
		71,737	71,736	
		266,456		459,084
				1,019,873
SCHEDULE "5" - CURRENT LIABILITIES AND PROVISIONS				
CURRENT LIABILITIES				
SUNDRY CREDITORS	16,545		11,225	
OTHER LIABILITIES	18,512,082		24,267,381	
PROVISIONS				
PROVISION FOR TAXATION	59,115	18,528,627	59,115	24,278,606
		59,115		59,115
		18,587,742		24,337,721



Schedule 3 - : Fixed Assets

(Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION AND AMORTISATION				IMPAIRMENT			NET BLOCK	
	As at 01.04.2010	Additions	Deductions/ Adjustments	As at 31.03.2011	As at 01.04.2010	For the year	Deductions/ Adjustments	As at 31.03.2011	As at 01.04.2010	For the year	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
Computer Hardware	408,284		53,135	355,149	380,021	19,583	53,135	346,468			-	8,681	28,263
Intangible Assets				-				-					
Courseware	37,291,812			37,291,812	12,951,853	-		12,951,853	24,339,959		24,339,959	(0)	
Computer Software	456,555			456,555	456,555	-		456,555			-	-	-
TOTAL	38,156,651	-	53,135	38,103,516	13,788,429	19,583	53,135	13,754,876	24,339,959	-	24,339,959	8,681	28,263
Previous Period	38,156,651	-	-	38,156,651	13,538,085	250,344	-	13,788,429	24,339,959		24,339,959	28,263	278,607

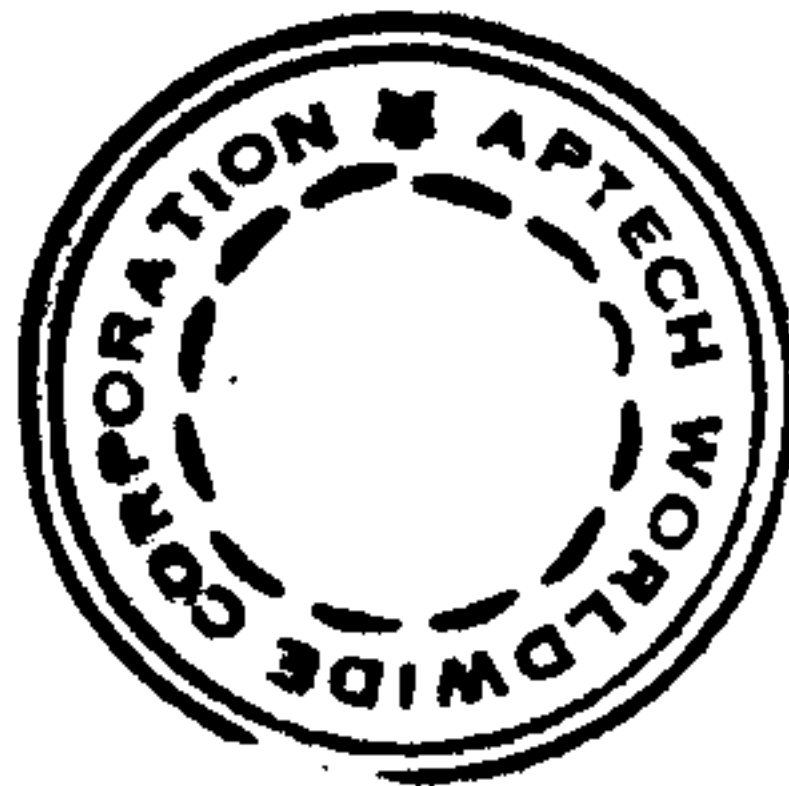


APTECH WORLDWIDE CORPORATION - USA

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

Amount in Rupees

PARTICULARS		FOR THE FIFTEEN MONTHS PERIOD ENDED 31ST MARCH 2010		
		2010-11		
SCHEDULE "6" - OTHER INCOME				
INCOME FROM OTHER OPERATIONS	5,916,660		9,306,980	
LIABILITY NO LONGER REQUIRED WRITTEN OFF	161,003			
PROFIT ON SALE OF FIXED ASSET	3,800			
		6,081,463		9,306,980
		6,081,463		9,306,980
SCHEDULE "7" - SALARIES AND EMPLOYEE BENEFITS				
(payments to and provision for employees)				
STAFF WELFARE EXPENSES		-		749
		-		749
SCHEDULE "8" - ADMINISTRATION AND OTHER EXPENSES				
TRAVELLING AND CONVEYANCE EXPENSES		1,232		369
COMMUNICATION CHARGES		-		17,006
AUDIT FEES		110,575		80,997
LEGAL & PROFESSIONAL FEES		425,885		167,484
MISCELLANEOUS EXPENSES		12,402		463
FOREIGN EXCHANGE LOSS		592,623		4,640,886
		1,142,717		4,907,205
SCHEDULE "9" - INTEREST AND FINANCE COSTS				
BANK CHARGES AND COMMISSION		44,476		108,532
INTEREST		-		25,967
		44,476		134,499



APTECH WORLDWIDE CORPORATION

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

Amount in Rupees

PARTICULARS	2010 - 11		15 Months Ended 31st march 2010	
	CURRENT YEAR			
(A) CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT / (LOSS) BEFORE TAX AND EXTRAORDINARY ITEM		4,874,687		4,011,991
Adjustments				
Depreciation and Amortisation	19,583		250,343	
Interest and Finance Costs	44,476		134,499	
		64,059		384,843
Operating Profit Before Working Capital Changes		4,938,746		4,396,834
Adjustments for :				
Decrease / (Increase) in trade and other receivables	2,330		539,655	
Decrease / (Increase) in loans and advances	387,347		(119,379)	
Decrease / (Increase) in other payables	(5,749,979)		(3,264,216)	
		(5,360,302)		(2,843,940)
Cash From / (used) in Operating Activities		(421,556)		1,552,894
Income Tax / Fringe Benefit Tax Paid (Net)	148,128		(4,637)	
		148,128		(4,637)
Net Cash From / (used) in Operating Activities		(569,684)		1,548,257
(B) CASH FLOW FROM INVESTING ACTIVITIES				
Sale of Fixed Assets				
Net Cash used in Investing Activities				
(C) CASH FROM FINANCING ACTIVITIES				
Proceeds from issue of Shares at Premium				
Proceeds from Borrowings (Net)	250,420		(2,685,408)	
Interest / Bank charges paid	(44,476)		(134,499)	
		205,944		(2,819,907)
Net Cash from Financing Activities		(363,740)		(1,271,650)
Net (Decrease) / Increase in Cash & Cash equivalents				
Cash & Cash equivalents at the beginning of the year		433,966		1,705,616
Cash & Cash equivalents at the end of the year		70,226		433,965
		(363,740)		(1,271,650)

Notes:

1. Cash and cash equivalence includes

- cash
- balance with banks

70,226

433,966

2. The previous years figures have been regrouped / rearranged to conform to the current year's presentation, wherever necessary

As per our report of even date

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

[Signature]
R.V. Chaniyari
Partner

M No. F 31083

Place : Mumbai

Date :

30 MAY 2011

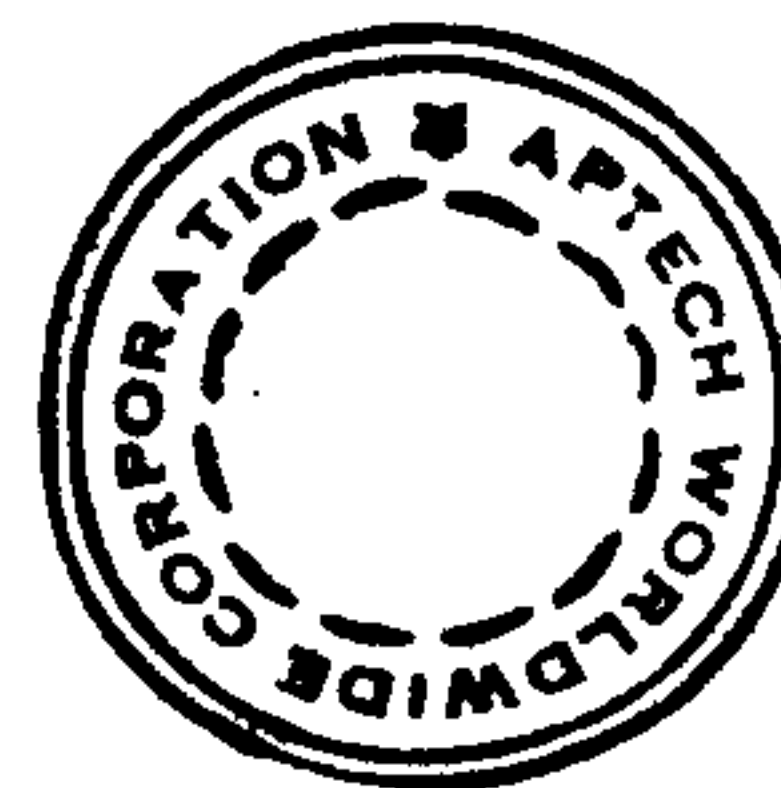
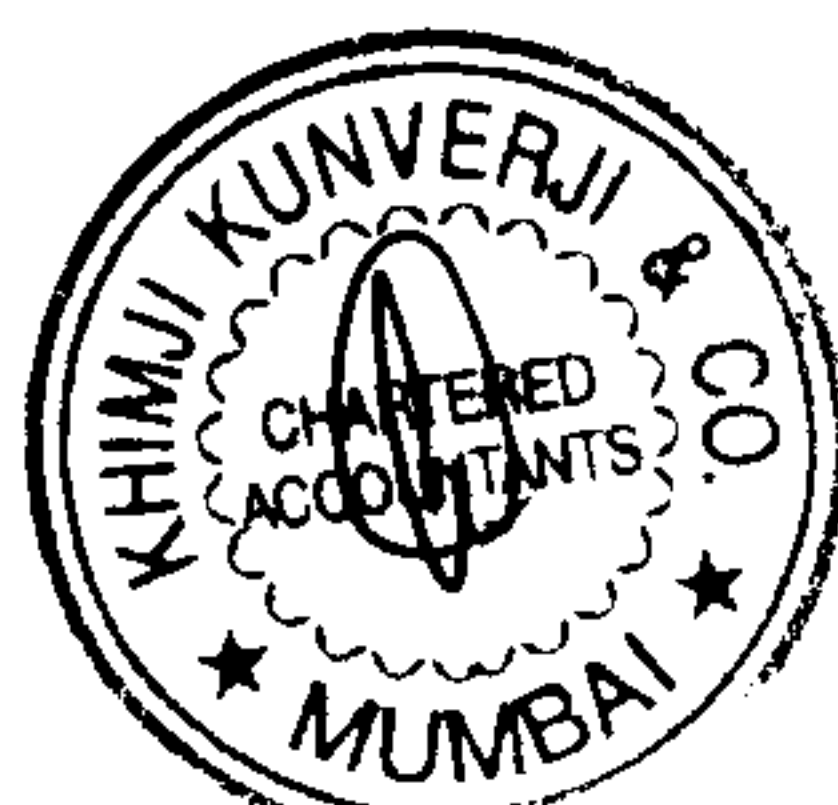
For and on behalf of the board of Directors

[Signature]

T.K. Ravishankar
Director

[Signature]

Nilesh S. Vani
Director



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SCHEDULE: 10

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS

A ACCOUNTING CONVENTION

1. Basis of Preparation

The financial statements have been prepared under the historical cost convention on an accrual basis in compliance with all material aspect of the applicable Accounting Standards in India. The accounting policies have been consistently applied by the Company, and are consistent with those used in the previous year

2. Fixed Assets

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

3. Intangible Assets

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

4. Depreciation and Amortisation

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

- a. Intangible Asset: - Computer software acquired till 31st December 2005 and coursewares are amortised @ 16.21% and 33.33% respectively, considering the useful life of the assets and obsolescence
- b. Depreciation on Computer Hardware, Office Equipments and Furniture & Fixtures acquired on or after 1st January 2006 is provided at the following higher rates based on its estimated useful life–

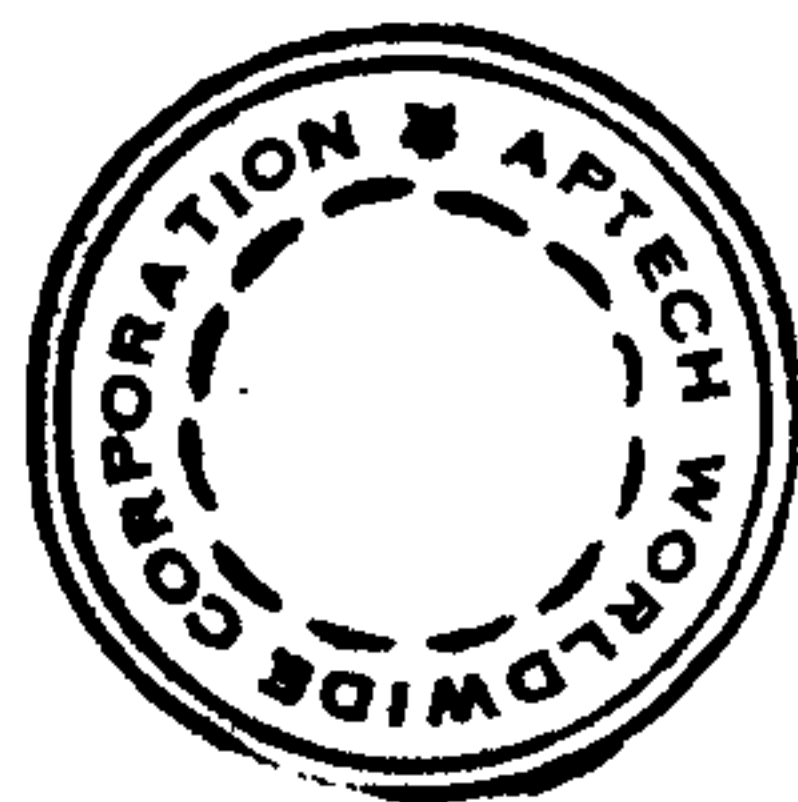
Computers Hardware	33.33%
Furniture & fixtures	20.00%

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

Assets purchased during the year whose acquisition cost is Rs. 5000 or less are depreciated fully in the year of purchase

5. Impairment of 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 assets exceeds its recoverable value. An impairment loss, if any, is



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charged to Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the assets no longer exist or have decreased

6. 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 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, Share Capital, Investments in equity shares are carried in terms of historical cost using the exchange rate at the date of transaction

7. Revenue Recognition

Income from service is recognised as they are rendered based on agreements / arrangements with the concerned parties

8. Provisions, Contingent Liabilities & Contingent Assets:

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

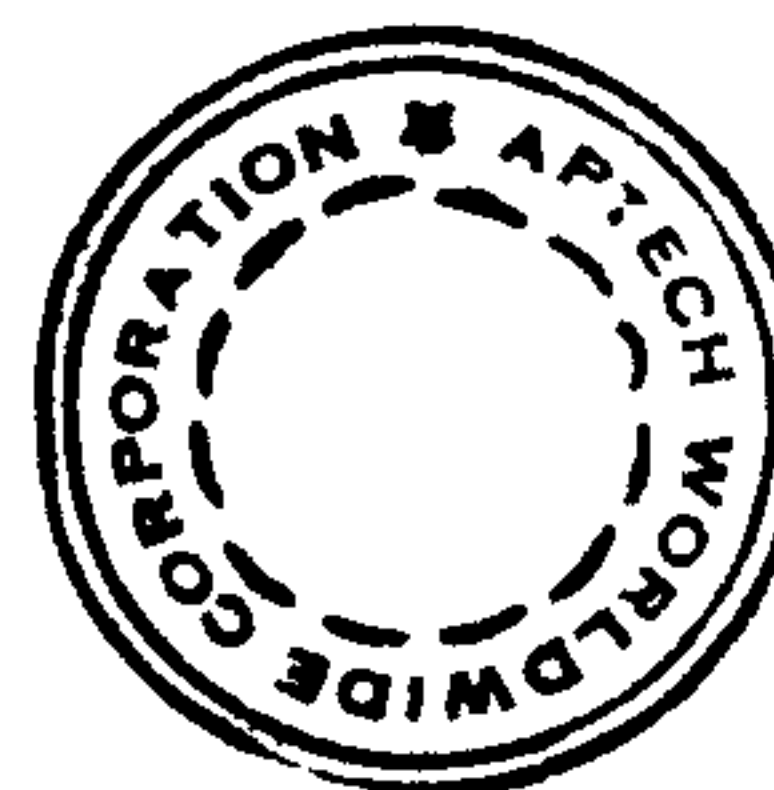
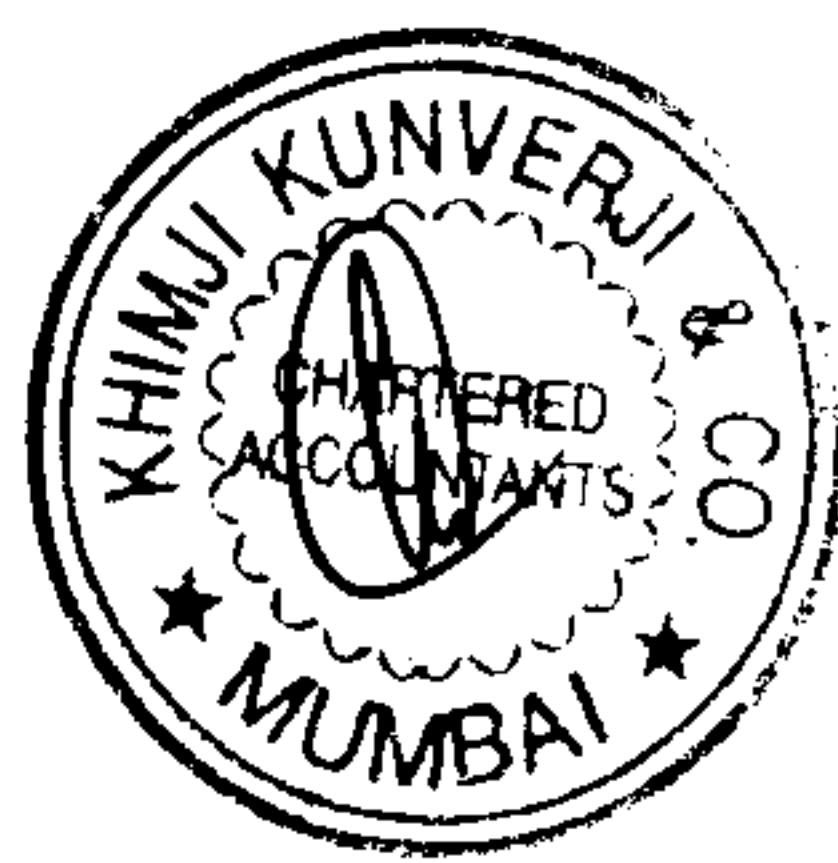
Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

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

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

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

Contingent Assets are neither recognised, nor disclosed.



ND

B. Notes forming part of the accounts

- 1. Aptech Worldwide Corporation ('the Company') has changed its financial year end from December to March from this year. As a result, these financial statements have been prepared for the period of twelve months from 01st April 2010 to 31st March 2011 ('Period') as against previous financial statements for a period of fifteen months . Therefore, the numbers of current period and previous year are not comparable.
- 2. Considering the recession and downslide in US ,the management has taken the decision to temporarily discontinue the operations of the company with effect from Apr'08 .Pursuant to the intimation to the concerned stakeholders ,the billing operations have been ceased since July'08 and the accounts of the company are prepared taking the same into consideration
- 3. The accounts of the company are prepared on a going concern basis, which is dependent on the availability of future profitability and continued finance
- 4. The transactions of the company are carried out in US dollars. However, for the purpose of the Financial Statements required by the Parent Company for Consolidation and other purposes, the US dollars amounts are translated into Indian rupees as under –

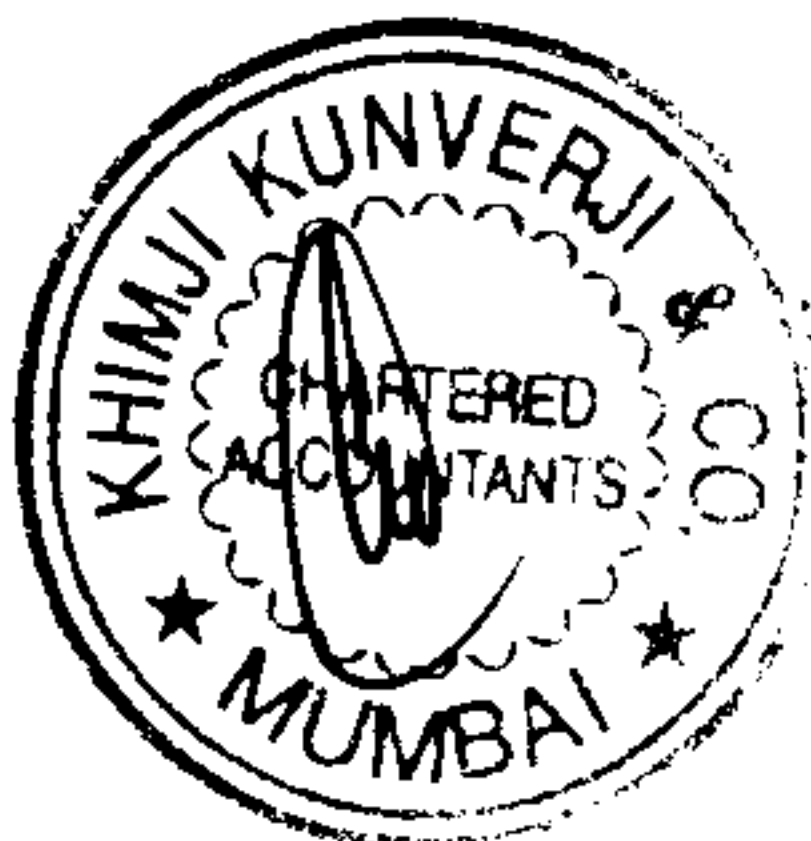
a)	Income & Expenditure	Recorded at the rates of exchange prevailing on the date of transactions
b)	Current Assets & Liabilities	Translated at the year end closing rates and the resulting exchange difference is reflected in the profit and loss account
c)	Fixed Assets & Share Capital	Translated at the rate of exchange prevailing on the date of purchase (Historical Cost)

5. Payment to Auditors:

Particulars	2010-11	(Rupees)
		15 months ended 31 st March 2010
Audit Fees	110,575	80,997
Total	110,575	80,997

6. Earnings per share :

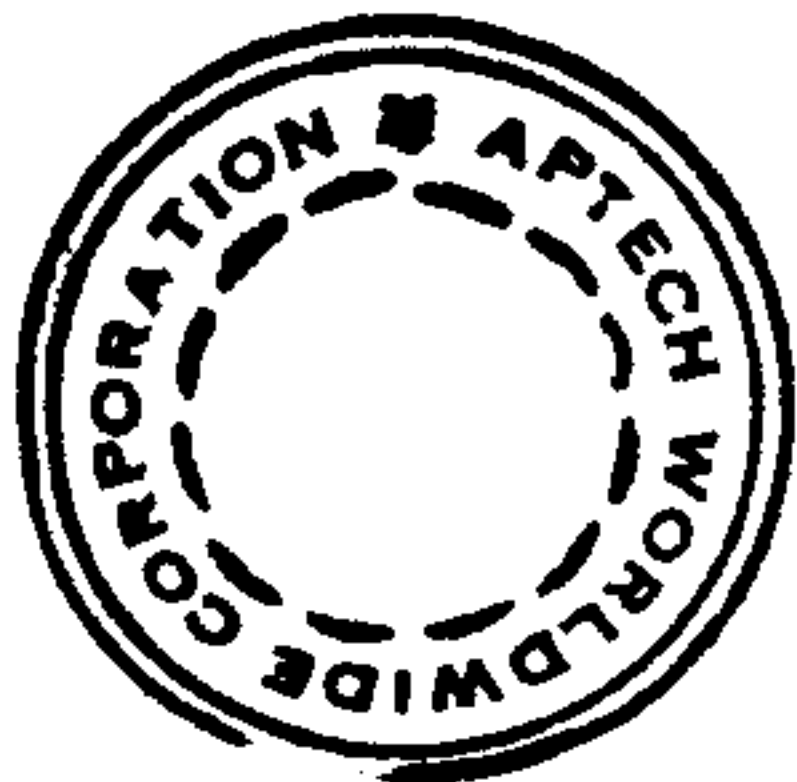
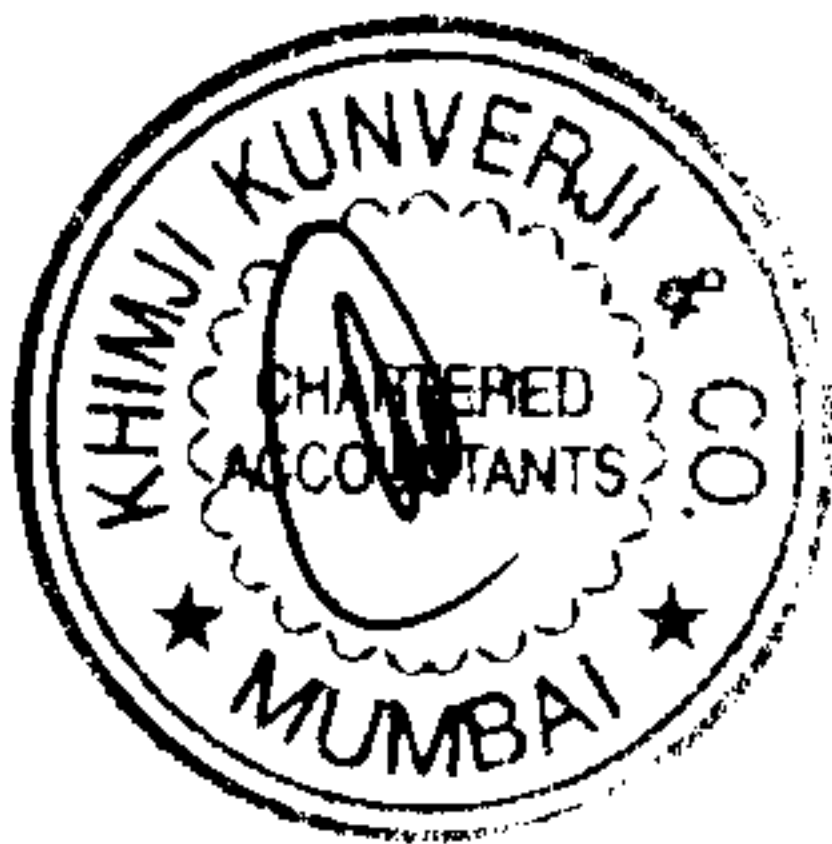
Particulars	2010-11	15 months ended 31 st March 2010
Loss after tax attributable to Equity Shareholders	4,726,559	4,007,354
Weighted average number of equity shares Outstanding during the year/period		
Basic & Diluted	4,095,000	4,095,000
Basic & Diluted EPS (Rupees)	1.15	0.98



7. Related Party Transactions:

(I) Holding Company	Aptech Limited
(II) Fellow Subsidiaries	Aptech Ventures Limited
	Aptech Global Investments
	Aptech Investment Enhancers Limited
	Aptech Bangladesh (WOS) Limited
	Attest Testing Services Limited
	Avalon Aviation Academy Pvt. Ltd
	Aptech Manpower Services Limited(ceased w.e.f December 2010)
	AGLSM Sdn Bhd
	Aptech Training Ltd FZE
	Maya Entertainment Limited

Nature of Transactions	Holding Company	Fellow Subsidiaries
Income (Previous year)		5,916,660 (9,306,980)
Receiving of Services and Reimbursement of expenses (Previous year)	NIL (NIL)	NIL (NIL)
Finance (Including loans and equity, Contributions in cash or in kind)		
Loans Taken		
Balance as at January 1 (Previous year)	1,207,356 (4,012,142)	
Fresh Loans During the year (Previous year)	4,873,667 (29,668,712)	
Repaid/ Adjusted during the year (Previous year)	4,235,900 (33,009,437)	
Balance as at March 31 2011 (Previous year)	1,845,123 (1,207,356)	
Share Capital	40,950,000 (40,950,000)	

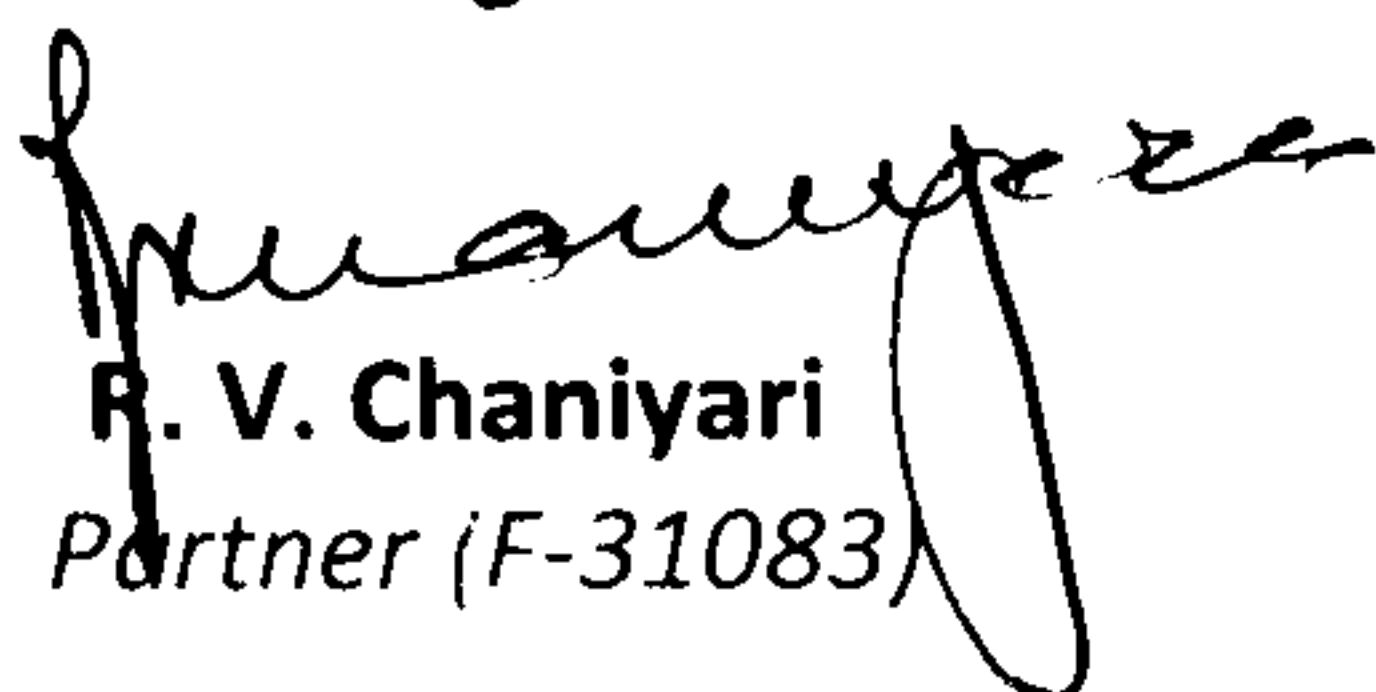


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APTECH WORLDWIDE CORPORATION

8. Since Company operates presently under single segment of licensing software, no separate disclosures are required under AS 17 on segment reporting.
9. The figures for the previous accounting year have been regrouped / rearranged wherever necessary to correspond with the figures of the current year.

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


R. V. Chaniyari
Partner (F-31083)

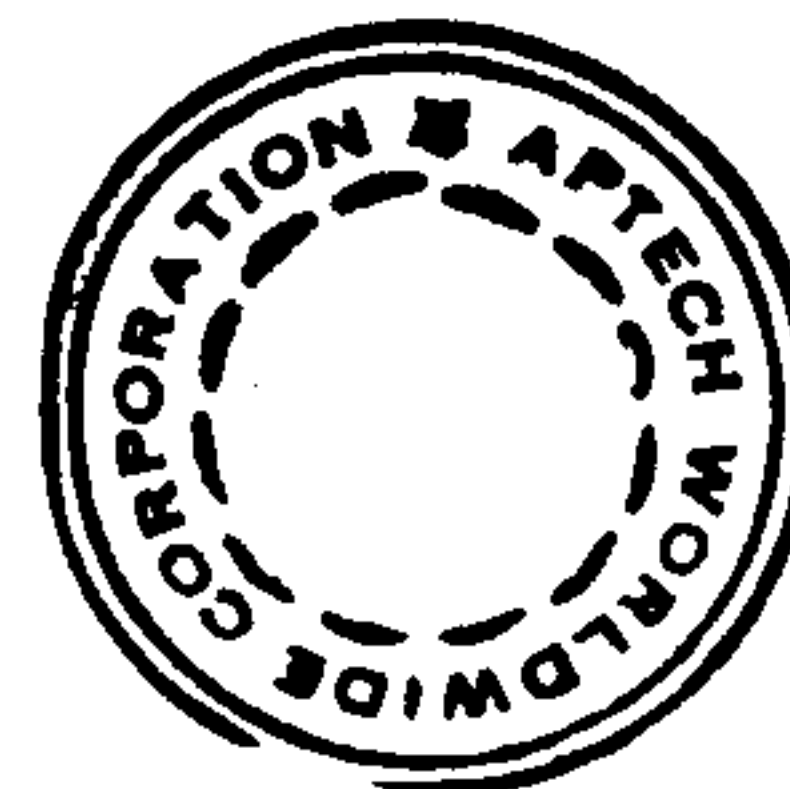
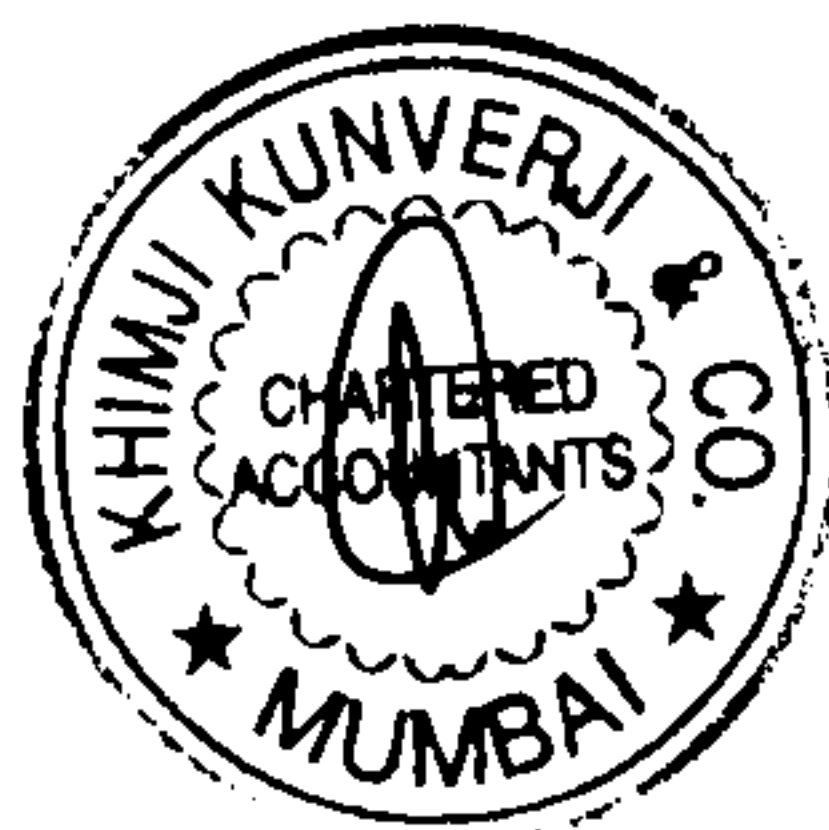
For and on behalf of the Board of Directors


T.K. Ravishankar
Director


Nitesh S. Vani
Director

Place : Mumbai

Date : **30 MAY 2011**



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