



Aptech Limited  
Regd. office: Aptech House  
A-65, MIDC, Marol, Andheri (E),  
Mumbai - 400 093.  
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2<sup>nd</sup> August, 2017

The Secretary/Listing Department/Corporate Relations  
Bombay Stock Exchange, Mumbai  
P. J. Towers, 25th Floor,  
Dalal Street, Mumbai - 400 001.  
Fax No. 022-22723121/3719/2037/2039/2041/2061

The Manager – Listing Department / Corporate Relations  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor, Plot no. C/1, G Block,  
Bandra-Kurla Complex, Bandra (E) , Mumbai - 400 051.  
Fax No.022-26598237/38

Dear Sirs,

**Scrip Code : 532475**  
**ISIN No. : INE266F01018**

**Sub. : Submission of copy of Annual Report**

In accordance with the regulation 34 of SEBI (Listing obligations and disclosure Requirements), 2015, we enclose herewith for your information and records, copy of the Annual Report for the year 2016-17 along with the Notice.

The Company has completed dispatch of hard copy of Annual Report 2016-17 to the Shareholders who have not registered their E- mail Id's with NSDL/CDSL. Necessary notice by email attaching the Annual Report 2016-17 have been sent to those Shareholders who have provided their E-mail Id's.

The soft copy of the Annual Report 2016-17 is available on the Company's website/link.

Thanking you,

Yours faithfully

For Aptech Limited

Ketan H. Shah  
Company Secretary  
Encl.: As Above



# Aptech Limited

ANNUAL REPORT 2016-17

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# Corporate information

## Board of Directors

**Rakesh Jhunjunwala**  
Chairman

**C. Y. Pal**  
Vice Chairman

**Anil Pant**  
Managing Director & CEO

**Anuj Kacker**  
Whole Time Director

**Asit Koticha**  
Director

**Madhu Jayakumar**  
Director

**Ninad Karpe**  
Director

**Rajiv Agarwal**  
Director

**Ramesh S. Damani**  
Director

**Utpal Sheth**  
Director

**Vijay Aggarwal**  
Director

**Registered & Corporate Office**  
Aptech House, A - 65, M.I.D.C. Marol,  
Andheri (East), Mumbai - 400 093.  
Tel: +91 22 2827 2300 / 01  
Fax: +91 22 2827 2399  
Email: investors\_relations@aptech.ac.in

**Ketan H. Shah**  
Company Secretary

## Statutory Auditors

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

## Bankers

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

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

**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.

## Registrar & Transfer Agents

**M/s. Karvy Computershare Pvt. Ltd**  
Karvy Selenium, Tower B, Plot 31-32, Gachibowli,  
Financial District, Hyderabad - 500 032  
Tel No : +91 40 6716 2222  
FaxNo : +91 40 2342 0814  
Email : einward.ris@karvy.com

## Management Discussion and Analysis

### Aptech in the Education Sector

Aptech is a pioneer in the private vocational training space and has grown considerably from one centre in Mumbai to global presence in more than 40 countries in the 30+ years since its inception in 1986. The core value proposition of bridging the skill gap between job aspirants and industry requirements that led to Aptech's initial success, continues to remain relevant till date. The Company's diversified portfolio of brands cater to demand for skilled manpower in multiple sectors. Over the years, it has also successfully ventured into related markets within the Training & Education industry such as Assessment & Testing solutions, Pre-schools & Day Care Centres, etc.

### Business Overview

Aptech's business portfolio can be segmented into two categories, viz. Retail and Institutional. Retail segment consists of centres offering Aptech's programs in the Vocational space and Pre-school segment in the retail (B2C) format. The programs in the Vocational space are offered under multiple brands and targeted at job aspirants in services industries that offer attractive career opportunities.

Vocational segment brands catering to skilling for specific industries:

Brands	Franchise Format	Skill Areas	Industry
Arena Animation	Arena Animation (Offered as Arena Multimedia in the international markets)	Graphic Design, Web Design, Photography, 2D & 3D Animation, Visual Effects, Gaming	Media & Entertainment
MAAC	MAAC	2D & 3D Animation, Visual Effects, Film Making, Gaming	Media & Entertainment
Aptech Computer Education	Courses from a combination of 3 to 5 of these brands offered under Aptech Learning brand in the domestic market.	Software Development	Information Technology
Aptech Hardware & Networking Academy		Hardware Engineering, Network Management, Software Administration, IT Management	Information Technology
Aptech Aviation & Hospitality Academy		Customer Service, Airport Management, Ticketing, Hotel Management, Tourism	Aviation, Hospitality and Travel & Tourism
Aptech English Learning Academy		Language Learning	All
Aptech Banking & Finance Academy		Banking, Financial Sales, Investment Advisory, Depository Operations, Equity Dealing	BFSI
Lakme Academy Powered By Aptech	Lakme Academy Powered By Aptech	Skin Care, Make-up, Hair Style, Nail Care	Beauty & Grooming

Nearly all of the Aptech centres of the above brands operate as franchisees. Aptech owns and operates only a few own centres. Training programs offered under these brands range from 1 week to 3 years and focus on imparting job oriented practical skills to the students. Aptech also provides placement assistance to the students, including guidance on interview and communication skills. In addition to the above brands, Aptech also offers structured courses for skills such as Sales, Store Management, Merchandising, Distribution, Customer Handling, etc. that are relevant for jobs in the Organized Retail industry in partnership with the TRRAIN foundation.

The Company also expanded its target segment by entering into the pre-school segment under the brand name Aptech

Montana International Pre-school and Day Care Centres in FY17. This format has been launched in partnership with an existing chain of pre-schools.

In the international markets, Aptech also operates with additional formats in addition to franchising of the above brands. These additional formats have been successfully used by Aptech to adapt to the market needs in individual countries or specific business opportunities. In many of these adapted formats student enrolment and training delivery is done in the B2C format, while the course fees are paid for by an institution. Some of the key offerings that are not following the standard franchise format are as follows:

- **Aptech Indian Technical and Economic Cooperation (ITEC) Program**

Aptech is an empanelled training provider with the Indian Technical and Economic Cooperation (ITEC) and Special Commonwealth African Assistance Program (SCAAP) bilateral programs of the Ministry of External Affairs, Government of India since 2002. ITEC and SCAAP aim to promote friendly relations and understanding of India by providing fully sponsored training programs in India to selected individuals from developing countries. Aptech offers courses in IT, Multimedia and Language Training at its dedicated facility in New Delhi for ITEC program.

- **Aptech International Window Program (IWP)**

Aptech's exclusive program for International students and professionals offering a gamut of courses in Aptech's portfolio in India. In addition to its dedicated training infrastructure in Bengaluru, IWP also conducts training programs at other locations.

- **Aptech Learning Ladder**

Aptech Learning Ladder offers a structured 360° program in IT and Multimedia from Kindergarten to Grade 8. The curriculum is developed in a manner that it imparts age appropriate skills in these areas in an engaging manner using technology, unique pedagogy and interesting books.

Institutional segment covers the Assessment and Skills offerings from Aptech in the B2B and B2G format. Aptech's offerings in this segment are marketed under following brands:

- **Aptech Assessment & Testing Solutions**

Aptech solutions in this space can be classified as Computer Aided Assessments (typically multiple choice questions) and Digital Evaluation for paper based exams (descriptive Q&A). Different use cases for Computer Aided Assessment offering include entrance exams for courses, recruitment and screening exams, semester-end exams and assessment centres. Aptech has capabilities to offer end-to-end solution to clients with its proprietary IT platforms for both offerings.

- **Aptech Training Solutions**

Training solutions are offered in sales, customer services, soft skills, IT and skilling domain to industry and government sectors. The Company specializes in rolling out large training mandates and in programs catering to learning and development needs of middle to lower level employees.

## **Business Strategy**

Over the years Aptech has acquired and developed core competence in Learning Centre Network Management and Content Development in the non-formal education. Key

underlying strategic framework behind Aptech's business choices in the B2C segment are:

1. Asset light business models (Franchising/ Licensing)
2. Multi-product and multi-geography presence (Diversification)
3. Partnership approach for new product development (Collaboration) and course delivery (Better Franchisee Economics)
4. Adoption of appropriate entry strategies for new markets (Flexibility)

On top of these strategic choices, the Company has made three major strategic moves in this fiscal year to drive sustainable, profitable growth.

1. **Employment Driven Enrolments instead of Enrolment Driven Employment:** Aptech has reinvented its mission to elimination of 'Un-employability'. With this new mission, it has reoriented its B2C brands to focus on available jobs and then drive student enrolments to aligned courses vs. the previous approach of assisting students with suitable job placements after course completion. The Company has invested in a dedicated team for Industry Connect and Placements (ICAP) to improve its industry interface to understand the skill demand, align Aptech's courses (content, duration and delivery) and assist with placements.
2. **Demographic expansion of the Target Group:** Continuing within its strategic framework, the Company made a choice to expand beyond its core target segment of Young Adults (18 – 23) at both the ends. At the lower end, Aptech made its maiden entry into the pre-school segment catering to the age group of 1 to 5 years. For the 23+ age group, the Company is driving its employability focus by launching specific courses catering to the Graduate and Professionals segment for reskilling.
3. **Brand consolidation for improved franchise economics:** Aptech started offering courses from five of its brands that use the Aptech mother brand at the same centre under a new brand format 'Aptech Learning'. This would help reduce the capital investment and improve sales effectiveness by covering a larger segment of the target demographic, thus reducing risk and bettering returns.

In the international markets, the Company continues to expand in newer markets and expand its presence in existing countries. It is working with many governments and institutions to promote skill development in many countries. Aptech has made a shift in its approach of focusing only on developing countries by expanding its efforts to gain entry also in developed economies such as US, Australia, Singapore, etc.

In the Enterprise Business segment, the Company is focused on helping clients transition from paper and pencil tests to the computer aided assessment paradigm. It has also expanded its offering by helping digitize the evaluation process for theory paper answer sheets. In addition to its testing platform, the Company has developed its own proprietary solution for digital evaluation. Aptech has expanded its geographical presence and on-boarded a larger team to attract and cater to larger pool of customers. The Training Solutions business will continue to be important to offer a full spectrum of services to institutional clients in Learning & Development space. The Company will also continue to pursue opportunities in Skilling segment with governments wherever the terms of the engagement are favourable.

The Company is focused on bringing up its workforce to handle the SCUVA (Scalability, Complexity, Uncertainty, Volatility and Ambiguity) challenges faced in today's business environment. It has put in place organization development processes to raise the capabilities to meet these challenges as a significant part of its strategy.

### Consolidated Financial Performance

The Company's Total Operating Revenue on a consolidated basis for the year ended March 31<sup>st</sup> 2017 stood at ₹ 21,333 lac, reflecting a growth of 30.6% against the previous year. The revenue has grown for both its segments, viz. Retail and Institutional, and in domestic and international markets.

Segment revenue for Retail was higher by 12.1% and for Institutional business by 108.7%. With the inbuilt operating leverage in the business models for both segments, the growth in revenue has translated into a bigger jump in profits. The Operating EBIT grew by 93.2% in FY17 vs. FY16. The Company announced a stock options scheme for its employees in September 2016, which impacted the P&L by ₹ 581 lac, and excluding this impact the growth in Operating EBIT would have been 152.8%. The profitability growth has also been on account of change in business mix after the strategic shift in the last 3 quarters of the year. The Company has focused on pursuing only high margin businesses across all its segments. The increase in EBIT margins at the operating level was 558 basis points after excluding the ESOP expenses. Other Income was lower by ₹ 31 lac majorly on account of lower amounts invested in fixed deposits and shift in investments to tax free bonds. Profit Before Tax grew by 69.5% as compared to FY2015-16. Average tax rate for the year went down from 21.4% in FY2015-16 to 14.9% in FY2016-17 on account of spread of effective tax profits across subsidiaries in India and abroad. Overall basic EPS for the year was higher at ₹ 4.69 as against ₹ 2.55, up by 84.0%. Debt on the balance sheet continued to be nil, cash and liquid investment position was ₹ 4,843 lac and the debtor days stood at an average of 83 days as on 31<sup>st</sup> March 2017. The capital efficiency also went up with return on operating capital employed increasing to 20.1% from 11.5%. The Company generated a free cash flow of ₹ 1220 lac in FY2016-17 vs ₹ 527 lac in previous year.

### Segment – wise Financial Performance

(₹ in lacs)

	FY2015-16	FY2016-17	Variance	FY2015-16	FY2016-17	Variance
Segment	Retail			Non-Retail		
Operating Revenues	13,026	14,607	12.1%	3,223	6,726	108.7%
Operating EBIT	3,103	3,763	21.3%	202	1,440	612.9%
Capital Employed	3,112	2,602	-16.4%	893	2,130	138.5%

### RETAIL TRAINING

#### Domestic Retail

Growth in the Domestic Retail segment was in-line with the overall Retail segment revenue growth. Major highlights for the Domestic Retail business for the year 2016-17 were as follows:

- Animation & Multimedia segment, which is the leading vertical for the Company from a revenue standpoint, witnessed greater demand for the job oriented courses offered under Aptech's Arena Animation and MAAC brands reflecting in the higher enrolment and booking performance.
- With the complete adoption of Onlinevarsity across all the brands, the income from educational course material has shown a marked uptick as compared to previous years.
- The Aptech Learning format, aggressive expansion drive with combo offers and new products helped the division achieve more than 90% growth in sign-up revenue.
- Income from franchise renewals went up by more than 20% for the division on account of improved terms for existing partners for a longer period.
- Aptech Montana International Pre-school & Day Care in its first year of launch was able to sign-up 23 new centres across the country.
- Aptech also added 19 new Lakmé Academy Powered by Aptech centres to its network.
- A new team called Industry Connect and Placements (ICAP) was formed with industry experts to be the liaison point between industry and Aptech to accurately map the skill demand and give design inputs for new course

development and course upgrades. This team is the key implementation agency for the Employment Driven Enrolment strategy.

- The Company is also adopting the Lead Franchise model in the domestic market. It has signed a Lead Franchise agreement for the IT Training brands covering the upcountry areas of Maharashtra state.
- Animation & Multimedia brands continued to have increasing participation in their marquee events, viz. OrbitLive for Arena and 24FPS for MAAC, with both being great success in giving students a platform to showcase their capabilities and recognizing the amazing work done by them and the Media & Entertainment industries.
- Aptech was honoured as India's Most Trusted Brand Award 2016 under the Training and Education category in the Consumer Survey Report, MRG 2016.

### International Retail

Even in the difficult macro environment, International Retail segment of Aptech has continued to gain traction. Key performance highlights for the year 2016-17 are as follows:

- Aptech entered into multiple new countries either through the franchise model or with alternative approaches. The Company signed up franchisees for the first time in Ethiopia and Singapore. Singapore is Aptech's first franchising foray into developed (or advanced) markets.
- The Company established footprint in Costa Rica and Commonwealth of Dominica by operating the Centre of Excellence in Information Technology set-up by Indian government.
- Aptech has pursued alternative business models in countries where franchising has achieved limited traction. In FY17, it has signed up a leading University in Trinidad & Tobago as its Authorized Training and Testing Partner under a Certification model. It is also attempting to sign-up similar partnerships in the Latin American and Caribbean, and some other markets.
- Master Franchise agreement for the ECOWAS region was signed by the Company covering its Aptech Computer Education brand.
- In Nepal, Master Franchise partnership agreement was inked for three brands including Aptech Computer Education.
- On a constant currency basis, the division saw good growth in some of its major markets in South East Asia and Africa. However, due to devaluation of currency there was a hit on profitability for the Company's operations in an African country.
- Similar to the domestic market, International Business also saw growth from new sign-ups (24 new centre sign-ups), renewal and logistics.

- ITEC business has maintained its level of business from MEA in FY17, however there was a significant increase in partner revenues from Africa.
- ASSOCHAM recognized Aptech as a "Pioneer in Skilling Africa" at the India – Africa Champion-on-Biz Awards 2016.
- Aptech Vietnam won the ICT Gold Medal For Highest Turnover (Category: Training) and Top ICT Training Cup from HCM Computer Association for the 14<sup>th</sup> year in a row (2003 – 2016)
- Aptech Kazakhstan won the award for Best IT Training Centre award from the Kazakh Government

### Retail Revenue (Rs. Lac)

Brand	FY2015-16	FY2016-17	Variance
Domestic Retail	6,982	7,845	12.3%
International Retail	6,044	6,762	11.9%
Grand Total	13,026	14,607	12.1%

### BJB Career Education (China)

In 2000, Aptech entered the IT training market in China through a 50:50 JV (BJB Aptech) with Beida Jade Bird (BJB). Driven by the economic growth and the government's thrust to make China an important IT outsourcing nation, the IT training market in China has seen strong growth over the last two decades. Aligning itself to this growth, Aptech restructured its stake in the China JV in 2009. It divested its 50% stake in the JV and invested the proceeds in the holding company, BJB Career Education Company Ltd. (BJBC). Aptech currently holds 22.4% stake in BJBC and also has a Board seat. BJBC's main lines of business are vocational IT training (BJB Aptech) and distribution of vocational IT educational content to high schools, colleges and universities.

BJBC has not been, for more than two years, furnishing its financials to its investors, nor have they been convening Board/General body meetings. In order to establish investor protection, as also as a measure of Corporate democracy and transparency, a few major investors got together and filed appropriate petitions in the Honourable Court of Cayman Island and obtained favourable orders. The same is now being pursued to be served in Beijing, PRC where the company's office is situated, in order to take the matter further and thus conclusively establish shareholders' rights.

### INSTITUTIONAL BUSINESS

Aptech Assessment & Testing business forms the major component of the Institutional segment, whereas Training Solutions mainly completes the offering mix to B2B and B2G customers. Important developments in FY2016-17 for the division are:

- The Assessment & Testing business crossed the 20 million test execution mark in its lifetime during the financial year.



- Entire revenue growth was driven by the Assessment & Testing business.
- Company has found major success in the B2G market with its offering for conducting recruitment exams.
- In addition to the recruitment and entrance exams, Aptech has also worked on number of unique use cases for Computer Aided Assessments during the year.
- 23 new clients were signed up by the Assessment & Testing business during the reported period.
- The Company also launched its platform for Digital Evaluation offering targeted at school boards and Universities who want to bring transparency, efficiency and quality in the process of evaluating answer sheets for theory exams.
- The Company has invested significantly in manpower and infrastructural resources, including new offices, to be able to offer the Assessment offerings across the country. While these have added to the costs, the resulting revenue growth has been much higher as reflected in the performance of the division.

#### **Asian Institute of Communication and Research (AICAR) Business School**

With the overcapacity in the management education space hurting its prospects and the Company continues to explore all possible options to transfer / sell the school.

#### **Material Developments in Human Resources**

Aptech's human resources form the foundational building block of the edifice of Company's success as an international Education and Training powerhouse. With the change in the leadership, there has been an active focus on shoring up Company's capabilities to support business growth through addition of new talent. The employee strength of the Company has thus gone up from 373 as on March 31, 2016 to 476 as on 31<sup>st</sup> March 2017. To have a motivated workforce aligned with its long term growth objectives, the Company has also implemented many new employee friendly initiatives such as:

1. 30-day Paternity Leave spread over six months. Among the first companies to introduce this policy.
2. Group term life insurance policy with a minimum cover of ₹ 1 crore for each employee.
3. Employee friendly changes in Leave Encashment Policy.
4. Liberal dress code policy.
5. World-class workplace with a coffee shop, gym and massage chair.
6. Group bonding sessions, engagement activities and training programs.

The average attrition rate for the year declined to 18.0% vs. FY2015-16 attrition of 19.3%. As another reflection of the Company's employee friendly work culture, Aptech was also recognized as Great Place To Work organization.

#### **Macro Outlook**

##### **India**

In FY2017, Indian economy continued to be one of the fastest growing large economies, though the growth was slowed down Government's decision to demonetize higher denomination currency notes. The government also pushed through other major reforms such as the Bankruptcy Bill and GST. The GDP growth in FY2017 slowed down to 7.1% because of tepid fourth quarter growth of 6.1% linked with demonetization impact. However, as per most estimates, gradual remonetisation has brought the economy back on track and it is expected to grow in the range of 7.3% - 7.9% as per various estimates. Impact of GST implementation is expected to be all encompassing and while there are likely to be teething troubles, in the longer term the economy is expected to benefit from the reform. Global economic environment is also projected to be moderately favourable. India is expected to receive normal monsoon in 2017. With the inflation in check, there is potential for the monetary policy to be more accommodative. Major concern areas on the economy front however remain to be continued slump in private investments, stressed corporate and bank balance sheets, and recent farmer unrests for loan waivers. From the Company standpoint, these factors are critical because of their impact on the job scenario. Even though the Company has been able to provide enough job opportunities for its students, any macro-economic impact on job creation may result in lower job opportunities for its students.

##### **International**

The world economy continued to struggle and failed to gather momentum. Though the initial concerns were related to the slowdown in China and possible rate hikes by US Federal Bank, the concerns majorly moved towards changing political climate post BREXIT, Donald Trump's victory and increased acceptance of extreme nationalist right-wing views in many Western economies. Commodity prices showed marginal recovery, thus reducing the stress on major commodity driven economies that are some of the key markets for Aptech as well. While there were widespread concerns about recoil from globalization after Donald Trump's victory in US presidential polls, his ascendancy also brought the cheer back in US markets due to potentially business friendly tax and regulatory policies espoused by his campaign. This also impacted many global markets positively. The International Monetary Fund (IMF) has projected the world economy to grow at a relatively faster pace of 3.5% in 2017 vs. the flattish growth of 3.1 percent in 2016. Emerging countries are expected to do grow at 4.5% and advanced economies by 2%.

Aptech's presence multiple large emerging market and developing economies allows it to diversify its country risk from

an economic point of view. It is present in both, commodity producing and commodity importing countries. Political risks outweigh economic risk concerns for many of Aptech's markets. GDP growth estimates from World Bank for Aptech's major international markets are provided below.

Country	% GDP Growth in 2016 (E)	% GDP Growth in 2017 (F)	% GDP Growth in 2018 (F)
Nigeria	-1.6%	1.2%	2.4%
Qatar	2.2%	3.2%	2.6%
Russia	-0.2%	1.3%	1.4%
Uganda	4.8%	4.6%	5.2%
Vietnam	6.2%	6.3%	6.4%

### Business Outlook

In the domestic market, the Company expects the demand environment to be mildly optimistic going forward. The Company will continue to push its new strategies of Employment Driven Enrolment and brand consolidation under Aptech Learning, and try to align a greater share of its network and product basket to them. Aggressive expansion in the pre-school segment will be a key focus area for the Company. With the new strategies and products gathering greater momentum, the Company expects the Retail business to continue to grow.

In the coming financial year, Aptech will push new strategies in the International Retail business as well. In addition to the traditional approach of driving expansion in new and existing markets, and pursuing project opportunities, additional focus in FY18 will also be on:

- Pursuing presence in the developed countries
- Distribution of distance learning courses of partner universities
- Promotion of certification or alternative models in markets with limited traction for franchising model

Overall demand environment is likely to be a mixed bag with respect to the markets in which Aptech is present, however as a whole the International business is also expected to maintain its trajectory.

Aptech Assessment & Testing business will continue to be the key growth driver in the B2B and B2G space for the Company. Aptech has signed up many new customers during the reporting year for multi-year contracts and will continue to push for widening of its customer base to achieve scale. Due to the inherent nature of business there may be uneven growth on a quarterly basis, however on an annual basis the segment will continue to scale at a faster pace than other business segments of Aptech.

Given the operating leverage available to the Company because of its choice of business model in the Retail space and volume scalability of its existing resource base in institutional

business, overall profit margins are expected to expand further with the profit growth outpacing the revenue growth.

### Opportunities and Threats

Changes sweeping across the world of business because of technological advancements especially with artificial intelligence making automation of lower level tasks, including in hitherto unexpected domains such as software development, infrastructure consolidation through Cloud Computing, and smarter devices from Internet of Things are leading to job losses. These are real threats and have occupied minds of global leaders who are increasingly under pressure to generate jobs. However, these changes also mean there are new jobs that require different skills. This is therefore an opportunity for skill development companies such as Aptech. In addition to this, Aptech's worldwide presence in different economies also means there are countries at different stages of technology maturity cycle and hence, many of the existing products will continue to have demand in many parts of the world.

Digitization is also driving the change in the assessment process with the inherent benefits of transparency and efficiency for an examination conducting body. The adoption rate for Computer Aided Assessments is expected to continue to go up considerably. Any setbacks during the transition from Paper & Pencil (or Pen) format are likely to delay the adoption at an individual organization level, but are unlikely to have any major impact on the overall trend. Given its track record and strengths as an established player in this market, Aptech has the ability to exploit this market potential to the maximum.

The formal sector has consistently failed in most countries to provide employable manpower to industry at a scale and hence, Aptech and its programs will continue to be relevant. Since the industry needs are evolving at a much faster pace of change than the formal sector's capabilities, Aptech can continue to bridge the gap by being in step with the industry's needs. The graduates who are today considered unemployable, nearly 80% of the graduates passing out of Indian colleges, are the biggest opportunity for the Company, and it has made their transformation into employable candidates with a job its *raison d'être*.

Aptech's career education offerings are focused on some of the leading job creating industries in the services sector, such as Hospitality, Aviation, Travel & Tourism, Banking, Financial Services, Beauty, Media & Entertainment etc. With the Indian economy continuing its growth and becoming more organized, opportunity for Aptech to be a leading avenue to source skilled manpower will continue to expand. A corollary to this opportunity is the threat of delayed realization of this opportunity due to growth challenges in these industries.

### Risks, Challenges and Concerns

Economic and industry growth influence availability of jobs, which are one of key factors in determining demand for Company's employment driven courses. With its presence in

many countries and many industries, while the Company is exposed to economic risks across the board, there is also a natural hedge through diversification which the Company has purposefully developed. With its international presence heavily tilted towards emerging countries, the Company also faces risks from political and social instability. However, with its focus on asset light business model, these risks are realized only in terms of loss of revenue and not as a capital loss.

In addition to the above macro risks, many business risks specific to its business operations that the Company needs to mitigate are

- Substitution risk on account of formal sector co-opting the skilling model in a formal structure
- Obsolescence risks related to content and demand risk for new content investments
- Brand risks due to dependence on franchisees for quality service delivery
- Network risks such as revenue leakage, fraud, etc.
- Security risks in maintaining confidentiality during test order execution

Aptech has adopted industry best practices and institutionalised processes to minimize deviations that lead to unforeseen risk events. The Company has an approved Risk Management policy to help the management mitigate all types of risks. Mitigation approaches are tailored to address and minimize the impact in case of an adverse risk event occurring.

## **Internal Controls and Their Adequacies**

The Company has a clear organizational hierarchy, documented and published policies, well-defined authority matrix and adequate internal controls to manage its business operations. The Company invests time and resources to continuously upgrade its internal control systems. The Company has appointed 3<sup>rd</sup> party internal auditors to conduct regular internal audits of all its business operations and holds regular reviews by management to ensure compliance to policies, guidelines and business plans. The information systems also help in ensuring reliability of financial and other records to prepare financial statements and operational reports. The Management Information System reports are designed to provide timely and accurate information for effective control on expenses and monitoring of actual business performance in comparison with the annual budget.

## **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.

## DIRECTORS' REPORT

### THE MEMBERS OF APTECH LIMITED

Your Directors are pleased to present their Seventeenth Annual Report on the business and operations of your Company and the Audited Financial Results for the year ended March 31, 2017.

### STATE OF AFFAIRS – SNAPSHOT OF FINANCIAL RESULTS

The financial results of the Company for the Accounting year ended March 31, 2017 are presented below:

(Rs. In lacs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2017	Year ended March 31, 2016	Year ended March 31, 2017	Year ended March 31, 2016
Operating Revenue	11708.70	9085.08	21333.01	16332.68
Dividend & Other Income	400.73	335.54	320.47	350.94
Total Revenue	12109.43	9420.62	21653.48	16683.62
Total Expenditure	10953.98	8124.59	19455.49	15386.78
Net Profit	1155.45	1296.03	2197.99	1296.84
Profit / (Loss) After Tax	908.45	1019.03	1871.20	1019.32
Profit/(Loss) After Tax & Share of Associates	908.45	1019.03	1871.20	1016.88

### OPERATIONS REVIEW

The Company was able to revive business growth in FY2016-17 in both its reporting segments. Retail segment grew by 12.1% whereas Institutional segment revenue more than doubled from Rs. 3,223 lacs to Rs. 6,726 lacs. With the inherent operating leverage built into the business models of each segment, the segment EBIT for Retail went up by 21.3% and that for Institutional business was more than seven times the EBIT in FY2015-16. In the Retail segment, both domestic and international businesses grew by 12.3% and 11.9% respectively.

Animation & Multimedia, which is the largest segment for the Company, showed a strong demand growth in the domestic market. The Company made a concerted effort to expand the demographic profile of its target segment from the existing 18 – 23 years at both the ends by launching new courses and new products. With its focus on a mission to fight 'Unemployability', the Company successfully launched a digital campaign to provide job oriented courses across all its brands to unemployed graduates. It also launched Aptech Montana International Pre-school & Day Care product in collaboration with an existing single city pre-school chain. The Company signed up franchise for 23 new centres of the pre-school in the first year. In addition to increased pace of network expansion for the new products including Lakme Academy, the Company was able to sign-up more new centres in existing brands and hence, the new centre sign-up revenue in the domestic market went up by 90.1%. One of the key network strategies implemented by the Company in domestic market is consolidation of its existing five products using the Aptech mother brand under a single brand 'Aptech Learning' to improve sales effectiveness, increase franchise returns and reduce risk. An Aptech Learning centre would offer all or a combination of products from IT (both Software Development and Hardware & Networking programs), Aviation & Hospitality, Banking and English Learning under the same roof. In addition to signing new centres under this format, the Company was successful in converting many existing centres to this one-stop-shop format by signing them up for additional products.

The international business grew on account of improved performance in Vietnam and growth in other major markets in South Asia, Africa and Middle East. The Company signed up centres in new countries such as Ethiopia and Singapore. It also launched a Centre of Excellence in IT under the tender award from Government of India in Costa Rica and Commonwealth of Dominica. The Company continued its track record of successfully adapting business models to the needs of each market, by pursuing a Certification model for the Latin American & Caribbean market and getting its first success with sign up of an Authorized Training & Testing Partner in Trinidad & Tobago. Overall it signed up 24 new locations across its major brands in the international market. The Company also signed Master Franchise agreements for Aptech Computer Education brand in ECOWAS, Africa and for three brands in Nepal. It has also made determined efforts in the current fiscal to expand its target markets from developing countries to advanced countries.

The surge in Institutional business revenue and profits was primarily on account of sales growth in the Assessment division. The Company added many new customers during the fiscal, who contributed a little more than one third of division's annual revenues. The Company expanded significantly in the Government and PSU recruitment test segment, which continues to see growing adoption of Computer Aided assessments vs. Paper & Pencil exams. The remaining growth was on account of additional business from existing clients. The Company also added a Digital Evaluation offering to its service portfolio in the Assessment space and has already established a reasonable market presence for the offering. In the Training Solutions division, there was lower traction from existing clients and hence the revenues continue to remain range bound. The Company opened two new offices within India, and significantly added to its sales and operations team strength for the Institutional business.

Overall financial results for the FY2016-17 reflect this business success with the total operating revenue increasing from Rs. 16,333 lacs in previous fiscal to Rs. 21,333 lacs, a growth of 30.6%. Operating EBITDA margins jumped from 12.3% to 13.8% on account of revenue growth, and would have been 16.6%, but for the impact of Rs. 581 lacs on account of an ESOP scheme. Profit Before Tax (PBT) after exceptional items was Rs. 2,198 lacs in FY2016-17, an increase of 69.5% from the FY2015-16 level of Rs. 1,297 lacs. Similarly, Profit After Tax and Share of Loss of Associate improved to Rs. 1,871 lacs in FY2016-17 with Basic EPS as Rs. 4.69 per share. The Company continued to have zero debt and has cash and liquid investments of Rs. 4,843 lacs as on 31<sup>st</sup> March 2017.

Digitization has been a consistent focus for the Company in the last few years and this continued to show improvement in contribution with increasing number of enrolments coming from leads sourced through digital marketing and constantly growing contribution to Retail revenue from sale of course books after adoption of Onlinevarsity as the only medium of courseware delivery. The Company has established a new function called Industry Connect and Placements (ICAP) to be able to implement its mission of fighting 'Unemployability'. This function has strengthened the dialog with the industry to have a better insight into the skill demand and adapt our courses as per the constantly shifting demand. They have had multiple successes during the year in providing quality placement opportunities for our students. This function is going to be the fulcrum of our strategy in driving growth in our domestic Retail business. The Company has also implemented many employee friendly policies such as Life Insurance cover of Rs. 1 crore minimum for each employee in addition to declaring an ESOP scheme with wide coverage.

In FY2016-17, Aptech was honored as India's Most Trusted Brand Award 2016 under the Training and Education category in the Consumer Survey Report, MRG 2016. The Company for the 14<sup>th</sup> 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 – 2016). It was also awarded as a "Pioneer in Skilling Africa" by ASSOCHAM at the India – Africa Champion-on-Biz Awards 2016. Aptech Kazakhstan center was awarded as the best training center in computer technology for the year 2016.

## **DIVIDEND**

An Interim Dividend of Rs. 3.00 per equity share was paid to the shareholders as approved by the Board of Directors at its meeting held on 24<sup>th</sup> May, 2017. The Directors have considered it financially prudent to re-invest profits into the business of the Company and therefore do not intend to recommend final dividend.

## **DIRECTORS**

During the year 2016-17, the Directors met five times on 6<sup>th</sup> May, 2016, 21<sup>st</sup> July, 2016, 19<sup>th</sup> August, 2016, 19<sup>th</sup> October, 2016 and 24<sup>th</sup> January, 2017

Mr. Ninad Karpe was appointed as an Additional Director with effect from 3<sup>rd</sup> November, 2016, who holds office upto the ensuing Annual General Meeting and being eligible offers himself for appointment.

Mr. Yash Mahajan, resigned as an Independent Director on 16<sup>th</sup> January, 2017 due to his unavoidable compulsions. The Board of Directors is on the lookout for a suitable candidate who can join the Board as an Independent Director to fill the vacancy.

Mr. Utpal Sheth, Non Executive Director, retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

## **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, during the year under review, the Board carried out the annual evaluation of its own performance. A structured questionnaire covering various aspects of functioning of the Board, Committees and Directors 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.

## **EMPLOYEE STOCK OPTIONS**

The Members of the Company at its Annual General Meeting held on 27<sup>th</sup> September, 2016 approved the Aptech Employee Stock Option Scheme 2016 ("the Scheme"), to create offer and grant upto 44,32,620 Employee Stock Options to all eligible employees, directors (excluding Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10 % of the outstanding Equity Shares) of the Company and employees of its subsidiaries with a view to attract and retain key talents working with the Company and its Subsidiary Company (ies) by way of rewarding their performance and motivate them to contribute to the overall corporate growth and profitability. All the plans are administered by the Nomination & Remuneration Committee of the Board. Disclosures as required under the SEBI (Share Based Employee Benefits) Regulations, 2014 are available on Company's Website on the link: <https://www.aptech-worldwide.com/downloads/news-and-notification/DISCLOSUREASREQUIREDUNDERSEBIESOP.pdf>

## **PARTICULARS OF LOAN, GUARANTEE OR INVESTMENTS**

Loan, guarantees and investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

In line with the requirements of the Companies Act, 2013 and the SEBI (LODR), 2015 the Company has formulated a Policy on Related Party Transactions and the same is uploaded on the Company's website: <http://www.aptech-worldwide.com/downloads/aptech-policy/Policy-Aptech-RPT.pdf> Details of Related Party Transactions are given in AOC-2 as **Annexure-V**.

## **SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES**

As on 31st March 2017, the Company had 8 Subsidiaries. During the year under review, name of Aptech Global Investment Limited was changed to Star International Training & Consultancy Pvt. Ltd. effective from 23<sup>rd</sup> December, 2016. Pursuant to Rule 5 (1) of the Companies (Accounts) Rules, 2014 the performance and financial position of the Subsidiaries is included for the financial year ended 31<sup>st</sup> March, 2017 as per **Form AOC-1** attached to the financial statements of the Company.

## NOMINATION AND REMUNERATION POLICY

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the Listing Regulations.

The Nomination and Remuneration Policy can be accessed on the website of the Company <https://www.aptech-worldwide.com/downloads/aptech-policy/Remuneration-Policy.pdf>

## CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility Committee in compliance with the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Corporate Social Responsibility Committee has formulated a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company and the same has been uploaded on the website of the Company <https://www.aptech-worldwide.com/downloads/policy-on-csr.pdf>

The Disclosure with respect to CSR activities forming part of this report is given in **Annexure-II**

## DEPOSITS

The Company does not accept any deposits from public.

## INSURANCE

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

## 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, 2017, 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, 2017 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

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

### Conservation of Energy

Adequate measures are taken to conserve energy although the Company's operations are low energy intensive.

### Technology Absorption

Your Company continues to use the latest technologies for improving the productivity and quality of its services.

## Research & Development

Technological obsolescence is certain. We encourage continuous innovation and research and development for measuring future challenges and opportunities.

## Foreign Exchange Earnings and Outgo

The details of Foreign Exchange Earnings and Outgo are given in the Notes to Accounts (Reference point No. B5 & B6 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, a statement containing details of employees is given below.

Sr No	Name	Age	Date of Joining	Remuneration paid ( in lacs)	Designation	Educational Qualification	Experience	Previous Employment
1	Anil Pant *	49	1 <sup>st</sup> July, 2016	130.25	Managing Director & CEO	B.E	27	Tata Consultancy Services
2	Ninad Karpe*	56	1 <sup>st</sup> Feb 2009 (Resigned effective 3rd November 2016)	169.35	Erstwhile Managing Director & CEO	BCom, ICAI	32	CA India

\*Employed for the part of the financial year

## STATUTORY AUDITORS

As per the provisions of Section 139 of the Companies Act 2013, the term of office of M/s. Khimji Kunverji & Co., Chartered Accountants, as Statutory Auditors of the Company will conclude from the close of the forthcoming Annual General Meeting of the Company. The Board of Directors places on record its appreciation for the services rendered by M/s. Khimji Kunverji & Co., Chartered Accountants as the Statutory Auditors of the Company. Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s Bansi S. Mehta & Co (ICAI Firm Registration No. 100991W) as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013.

## SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules framed thereunder, the Company has appointed M/s. SG and Associates, Practicing Company Secretaries to undertake its Secretarial Audit. There are no qualifications, reservations or adverse remarks in their Audit Report. The Secretarial Audit Report is annexed to the Board Report as **Annexure-III**

## COMPLIANCE WITH THE PROVISIONS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to uphold and maintain the dignity of women employees and it has in place a policy which provides for protection against sexual harassment of women at work place and for prevention and redressal of such complaints. During the financial year no such complaints were received.

## 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

**C. Y. Pal**  
Vice Chairman

**Anil Pant**  
Managing Director & CEO

Place: Mumbai  
Date: 30<sup>th</sup> June 2017

## Annexure to Directors Report

1. Extract of Annual Return in Form MGT-9, is given in Annexure-I
2. Report on CSR is given in Annexure- II
3. Secretarial Audit Report is given in Annexure – III
4. Details of remuneration is given in Annexure - IV
5. Details of related party transaction is given in Annexure – V

**ANNEXURE I TO DIRECTORS REPORT****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31<sup>st</sup> March, 2017**

[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	Company limited by Shares/ Non-govt 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	<p>Name : M/s. Karvy Computershare Pvt. Ltd.</p> <p>Address : Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad - 500 032</p> <p>Karvy Computershare Pvt. Ltd. 7th floor, 701, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Off Bandra Kurla Complex Bandra East, Mumbai - 400 051</p> <p>Contact Person : Mr. P A Varghese</p> <p>Tel. No. : 040-67162222</p>

**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/ service	% to total turnover of the company
1	Other educational services n.e.c.	85499	96.14%
2	Educational support services (Testing evaluation services)	85500	3.86%

**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 Training Limited, FZE	RAK Free Trade Zone, P.O Box 16111, Ras Al Khaimah, United Arab Emirates.	NA	Subsidiary	100%	2(87)(ii)
5	Aptech Investment Enhancers Limited	Les Cascades, Edith Cavell Street Port Louis, Mauritius	NA	Subsidiary	100%	2(87)(ii)
6	Aptech Ventures Limited	Les Cascades, Edith Cavell Street Port Louis, Mauritius	NA	Subsidiary	100%	2(87)(ii)
7	Star International Training & Consultancy Pvt. Ltd. (formerly known as Aptech Global Investment Limited)	Les Cascades, Edith Cavell Street Port Louis, Mauritius.	NA	Subsidiary	100%	2(87)(ii)
8	Aptech Worldwide Corporation, USA	969 G, Edgewater Blvd # 240, San Mateo CA 94404	NA	Subsidiary	100%	2(87)(ii)



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

## **(i) Category-wise Shareholders**

	Category of Shareholders	No. of Shares held at the beginning of the year 31st March 2016				No. of Shares held at the end of the year 31st March 2017				% Change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A</b>	<b>Promoters</b>									
<b>1)</b>	<b>Indian</b>									
a	Individuals/ HUF	9620328	0	9620328	24.11	11224068	0	11224068	28.14	4.03
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	0	0	0	0.00	0	0	0	0.00	0.00
e	Banks/ FI	0	0	0	0.00	0	0	0	0.00	0.00
f	Associate Company	8443472	0	8443472	21.17	8443472	0	8443472	21.17	0.00
	<b>Sub-Total (A) (1)</b>	<b>18063800</b>	<b>0</b>	<b>18063800</b>	<b>47.28</b>	<b>19667540</b>	<b>0</b>	<b>19667540</b>	<b>49.31</b>	<b>4.03</b>
<b>2)</b>	<b>Foreign</b>									
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
	<b>Sub-Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
	<b>Total holding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)</b>	<b>18063800</b>	<b>0</b>	<b>18063800</b>	<b>45.28</b>	<b>19667540</b>	<b>0</b>	<b>19667540</b>	<b>49.31</b>	<b>4.03</b>
<b>B)</b>	<b>Public Shareholding</b>									
<b>1)</b>	<b>Institutions</b>									
a	Mutual Funds/ UTI	1929	629	2558	0.01	1869	0	1869	0.00	-0.01
b	Banks/ FI	114503	669	115172	0.29	156408	0	156408	0.39	0.10
c	Central Govt.	0	0	0	0.00	0	0	0	0	0.00
d	State Govt.(s)	0	0	0	0.00	0	0	0	0	0.00
e	Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
f	Insurance Companies	0	0	0	0.00	0	0	0	0	0.00
g	FIs	1325445	255	1325700	3.32	171109	0	171109	0.43	-2.89
h	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
	<b>Sub-Total (B) (1)</b>	<b>1441877</b>	<b>1553</b>	<b>1443430</b>	<b>3.62</b>	<b>329386</b>	<b>0</b>	<b>329386</b>	<b>0.82</b>	<b>-2.8</b>
<b>2)</b>	<b>Non-Institutions</b>									
a	Bodies Corporates									
	i. Indian	2909285	5555	2914840	7.31	3442721	5385	3448106	8.64	1.33
	ii. Overseas	0	0	0	0	0	0	0	0	0
b	Individuals	0	0	0	0	0	0	0	0	0
	i. Individual Shareholders holding nominal share capital upto Rs. 2 lakh	12808248	733447	13541695	33.94	8995283	727985	9723268	24.37	-9.57
	ii. Individual Shareholders holding nominal share capital in excess of Rs. 2 lakh	3278108	0	3278108	8.22	6076193	0	6076193	15.23	4.01
c	NBFCs registered with RBI	0	0	0	0	12280	0	12280	0.03	0.03
d	Others (specify)									
	i. Non-Resident Indian	553828	79835	633663	1.59	173960	79631	253591	0.64	-0.95
	ii. Overseas corporate Bodies	1	0	1	0.00	0	0	0	0	0.00
	iii. Foreign Nationals	450	0	450	0.00	250	0	250	0	0.00
	iv. Clearing Members	0	0	0	0	164659	0	164659	0.41	0.41
	v. Trust	6302	0	6302	0.02	19810	255	20065	0.05	0.03
	vi. NRI Non Repatriation	0	0	0	0	186951	0	186951	0.47	0.47
	<b>Sub-Total (B) (2)</b>	<b>19556222</b>	<b>818837</b>	<b>20375059</b>	<b>51.07</b>	<b>19072107</b>	<b>813256</b>	<b>19885363</b>	<b>49.84</b>	<b>-1.23</b>
	<b>Total Public Shareholding (B)= (B)(1) + (B)(2)</b>	<b>20998099</b>	<b>820390</b>	<b>21818489</b>	<b>54.69</b>	<b>19401493</b>	<b>813256</b>	<b>20214749</b>	<b>50.66</b>	<b>4.02</b>
<b>C</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	<b>11271</b>	<b>0</b>	<b>11271</b>	<b>0.03</b>	<b>11271</b>	<b>0</b>	<b>11271</b>	<b>0.03</b>	<b>0.00</b>
	<b>Grand Total (A+B+C)</b>	<b>39073170</b>	<b>820390</b>	<b>39893560</b>	<b>100.00</b>	<b>39080304</b>	<b>813256</b>	<b>39893560</b>	<b>100</b>	<b>0.00</b>

## (ii) Shareholding of Promoters

Sr No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding 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	8443472	21.17	-	8443472	21.17	-	0
2	RAKESH JHUNJHUNWALA	4319100	10.83	-	5019100	12.58	-	700000
3	REKHA JHUNJHUNWALA	4046001	6.41	-	4574740	11.47	-	528739
4	GOPIKISHAN DAMANI	1255227	3.15	-	1255227	3.15	-	0
5	RAJESHKUMARJHUNJHUNWALA	0	0.00	-	250001	0.63	-	250001
6	SUSHILADEVI GUPTA	0	0.00	-	125000	0.31	-	125000
	<b>Total</b>	<b>18063800</b>	<b>45.28</b>	<b>0.00</b>	<b>19667540</b>	<b>49.31</b>	<b>0.00</b>	<b>1603740</b>

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

Sr. No.		No. of shares	% of total shares of the company	Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company
	At the beginning of the year	18063800	45.28		
	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):	1603740		19667540	49.31
	At the End of the year	19667540	49.31	19667540	49.31

## 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(01.04.2016)/ end of the year (31.03.2017)	% of total shares of the company				No. of shares	% of total shares of the company
1	ASHISH KACHOLIA	0	0.00	31/03/2016			0	0.00
				17/02/2017	903179	Buy	903179	2.26
		903179	2.26	31/03/2017			903179	2.26
2	SAMEER KOTICHA	743136	1.86	31/03/2016				
				23/09/2016	-400000	Sell	343136	0.86
				17/02/2017	-143136	Sell	200000	0.50
				03/03/2017	-100000	Sell	100000	0.25
		100000	0.25	31/03/2017			100000	0.25
3	LABRADOR PARTNERS L.P.	556701	1.40	31/03/2016				
				29/04/2016	-46040	Sell	510661	1.28
				17/06/2016	-133226	Sell	377435	0.95
				22/07/2016	-83272	Sell	294163	0.74
				12/08/2016	-236084	Sell	58079	0.15
				09/09/2016	-36578	Sell	21501	0.05
				21/10/2016	-21501	Sell	0	0.00
		0	0	31/03/2017			0	
		0	0	31/03/2016				
4	QUEST PORTFOLIO SERVICES PVT LTD			25/11/2016	50890	Buy	50890	0.13
				09/12/2016	-2390	Sell	48500	0.12
				16/12/2016	-48500	Sell	0	0.00
				20/01/2017	100000	Buy	100000	0.25
				27/01/2017	25000	Buy	125000	0.31
				10/02/2017	39395	Buy	164395	0.41
				17/02/2017	235605	Buy	400000	1.00
				24/03/2017	100000	Buy	500000	1.25
		500000	1.25	31/03/2017			500000	1.25

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning(01.04.2016)/ end of the year (31.03.2017)	% of total shares of the company				No. of shares	% of total shares of the company
5	SAMEER KISHORE KOTICHA	0	0.00	31/03/2016	0			
				17/02/2017	400000	Transfer	400000	1.00
		400000	1.00	31/03/2017			400000	1.00
6	NEERAJ BATRA	355000	0.89	31/03/2016				
				03/06/2016	355000	Buy	710000	1.78
				10/06/2016	-355000	Sell	355000	0.89
				08/07/2016	-15000	Sell	340000	0.85
				28/10/2016	-70000	Sell	270000	0.68
				27/01/2017	-30000	Sell	240000	0.60
				10/02/2017	-70000	Sell	170000	0.43
				24/02/2017	-10000	Sell	160000	0.40
				17/03/2017	-10000	Sell	150000	0.38
		150000	0.38	31/03/2017			150000	0.38
7	UMED AMARCHAND FIFADRA	0	0.00	31/03/2016				
				26/08/2016	344500	Buy	344500	0.86
		344500	0.86	31/03/2017			344500	0.86
8	RUCHIT BHARAT PATEL	0	0.00	31/03/2016				
				10/02/2017	220000	Buy	220000	0.55
				17/02/2017	80000	Buy	300000	0.75
				24/03/2017	-300000	Sell	0	0.00
				31/03/2017	300000	Buy	300000	0.75
		300000	0.75	31/03/2017			300000	0.75
9	INFINITY KNOWLEDGE SYSTEMS PVT. LTD.	278150	0.70	31/03/2016	0			
				03/06/2016	278150	Buy	556300	1.39
				10/06/2016	-278150	Sell	278150	0.70
				08/07/2016	-20668	Sell	257482	0.65
				29/07/2016	-7482	Sell	250000	0.63
				05/08/2016	-130404	Sell	119596	0.30
				12/08/2016	-30000	Sell	89596	0.22
				19/08/2016	-60000	Sell	29596	0.07
				26/08/2016	-20000	Sell	9596	0.02
				09/09/2016	-9596	Sell	0	0.00
		0	0.00	31/03/2017			0	0.00
10	MACQUARIE BANK LIMITED	270213	0.68	31/03/2016				
				10/02/2017	-270213	Sell	0	0.00
		0	0	31/03/2017			0	0.00
11	NEWFOUNDLAND PARTNERS L.P.	221592	0.56	31/03/2016	0			
				29/04/2016	-13804	Sell	207788	0.52
				17/06/2016	-46609	Sell	161179	0.40
				22/07/2016	-36046	Sell	125133	0.31
				12/08/2016	-100453	Sell	24680	0.06
				09/09/2016	-15551	Sell	9129	0.02
				21/10/2016	-9129	Sell	0	0.00
		0	0.00	31/03/2017			0	0.00
12	ALCHEMY CAPITAL MANAGEMENT PVT LTD	200000	0.50	31/03/2016				
				26/08/2016	200000	Buy	400000	1.00
		400000	1.00	31/03/2017			400000	1.00
13	SULOCHANA ANIL HIRANI	0	0.00	31/03/2016				
				26/08/2016	196000	Buy	196000	0.49
		196000	0.49	31/03/2017			196000	0.49
14	SUNIL ANIL HIRANI	0	0.00	31/03/2016	0			
				26/08/2016	196000	Buy	196000	0.49
		196000	0.49	31/03/2017			196000	0.49
15	SUDHIR ANIL HIRANI	0	0.00	31/03/2016			0	0.00
				26/08/2016	196000	Buy	196000	0.49
		196000	0.00	31/03/2017			196000	0.49

Sr. No.	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning(01.04.2016)/ end of the year (31.03.2017)	% of total shares of the company				No. of shares	% of total shares of the company
16	ACADIAN EMERGING MARKETS EQUITY II FUND LLC	171482	0.43	31/03/2016			171482	0.43
				09/09/2016	-166633	Buy	4849	0.01
				28/10/2016	-4849	Buy	0	0.00
		0	0.00	31/03/2017			0	0.00
17	ZEN SECURITIES LTD	132500	0.33	31/03/2016			132500	0.33
				12/08/2016	-132500	Sell	0	0.00
		0	0.00	31/03/2017			0	0.00
18	KARVY STOCK BROKING LTD(BSE)	120000	0.30	31/03/2016			120000	0.30
				08/04/2016	-5000	Sell	115000	0.29
				13/05/2016	-10000	Sell	105000	0.26
				10/06/2016	-40000	Sell	65000	0.16
				08/07/2016	-3000	Sell	62000	0.16
				12/08/2016	-15000	Sell	47000	0.12
				26/08/2016	30000	Buy	77000	0.19
				02/09/2016	-15000	Sell	62000	0.16
				09/09/2016	-20000	Sell	42000	0.11
				16/09/2016	50000	Buy	92000	0.23
				07/10/2016	-7000	Sell	85000	0.21
				28/10/2016	-30000	Sell	55000	0.14
				04/11/2016	18000	Buy	73000	0.18
				25/11/2016	7000	Buy	80000	0.20
				02/12/2016	-5000	Sell	75000	0.19
				16/12/2016	-5000	Sell	70000	0.18
				06/01/2017	-10000	Sell	60000	0.15
				03/02/2017	-5000	Sell	55000	0.14
				10/02/2017	-15000	Sell	40000	0.10
				17/02/2017	-4500	Sell	35500	0.09
				10/03/2017	10000	buy	45500	0.11
				17/03/2017	-5000	Sell	40500	0.10
				24/03/2017	5000	Buy	45500	0.11
				31/03/2017	-8500	Sell	37000	0.09
		37000	0.09	31/03/2017			37000	0.09

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

Sr. No	Name	Shareholding at the		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning(01.04.2016)/ end of the year (31.03.2017)	% of total shares of the company				No. of shares	% of total shares of the company
1.	Ramesh Damani Independent Director	25000	0.06	31/03/2016	0			
				27/05/2016	101000	Buy	126000	0.32
				10/06/2016	55000	Buy	181000	0.45
				17/06/2016	2500	Buy	183500	0.46
				30/06/2016	25000	Buy	208500	0.52
		208500	0.52	31/03/2017			208500	0.52
2.	Ninad Karpe Non Executive Director	5001	0.01	31/03/2016	0	Nil movement during the year		
		5001	0.01	31/03/2017			5001	0.01
3.	Chugh Yoginder Pal Independent Director	1	0.00	31/03/2016				
				10.06.2016	9999	Buy	10000	0.02
		10000	0.02	31/03/2017			10000	0.02

4.	Rajiv Agarwal Non-Executive Director	8100	0.02	31/03/2016	0	Nil movement during the year		
		8100	0.02	31/03/2017			8100	0.02
5.	T. K. Ravishankar Chief Financial Officer	2000	0.01	31/03/2016	0	Nil movement during the year		
		2000	0.01	31/03/2017			2000	0.01
6.	Madhu Jayakumar Independent Director	0	0.00	31/03/2016				
				20/05/2016	50000	Buy	50000	0.12
		50000	0.12	31/03/2017			50000	0.12

**v. INDEBTEDNESS – NIL**

**vi. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

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

(Rs. In lacs)

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager		
		Anil Pant (appointed as Director w.e.f 21 <sup>st</sup> July, 2016 and became Managing Director w.e.f 3 <sup>rd</sup> November, 2016)	Ninad Karpe (ceased to be Managing Director & CEO w.e.f 3 <sup>rd</sup> November and appointed as Non Executive Director w.e.f 3 <sup>rd</sup> November, 2016)	Anuj Kacker Wholetime Director
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 \$\$\$	124.66	162.44	91.49
	(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 (A)	124.66	162.44	91.49
	Ceiling as per the Act	Rs. 240 lacs	Rs. 240 lacs	Rs. 240 lacs

\$\$\$ Contribution to approved funds & Other Benefits for performing official duties as per the term of the Employment are not part to 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	Asit Koticha	
1	Independent Directors						
	· Fee for attending board committee meetings	4.00	2.20	3.40	1.00	1.00	11.60
	· Commission	4.00	3.50	3.50	2.25	2.25	15.50
	· Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	<b>8.00</b>	<b>5.70</b>	<b>6.90</b>	<b>3.25</b>	<b>3.25</b>	<b>27.10</b>
2	Other Non-Executive Directors	Ninad Karpe	Rajiv Agarwal	Utpal Sheth			Total Amount
	· Fee for attending board committee meetings	0.20	1.00	1.20			2.40
	· Commission						-
	· Others, please specify						-
	<b>Total (2)</b>	<b>0.20</b>	<b>1.00</b>	<b>1.20</b>			<b>2.40</b>
	<b>Total Remuneration(1 + 2)</b>						<b>29.50</b>
	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****(Rs. In lacs)**

Sr. No	Particulars of Remuneration	Key Managerial Personnel	
		T.K.Ravishankar (CFO )	Ketan H shah (Company Secretary)
1	Gross salary	72.35	28.56
	(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	-	-
2	Stock Option	-	
3	Sweat Equity	-	
4	Commission		
	- as % of profit		
	- others, specify...		
5	Others, please specify		
	<b>Total</b>	<b>72.35</b>	<b>28.56</b>

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**

## **ANNEXURE II 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. Anil Pant , Managing Director & CEO

**3. Average net profit of the company for last three financial years: Rs. 2263.07 lacs**

**4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above). Rs. 45.26 lacs**

**5. Details of CSR spent during the financial year;**

a) Total amount to be spent for the financial year: 45.26 lacs

b) Amount unspent, if any: Rs. 28.41 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 up to to the reporting period	Amount spent through implementing agency
1.	CSR Activity	Education	Mumbai, Maharashtra	-	-	-	(i) Antarang Foundation Rs. 12,78,422/- (ii) Udaan India Foundation Rs. 96,648/- (iii) Home for Aged Rs. 9,500/- (iv) Children's Movement For Civic Awareness Rs. 3,00,000/- <b>Total spent: Rs. 16, 84, 570/-</b>

**6. Reasons for not spending the amount:**

As required under the Companies Act, 2013, the Company was required to contribute Rs. 45.26 lacs during the financial year 2016-17. However the Company could contribute only Rs. 16.85 lacs during the said financial year. The tie-up with the NGOs is yet to gather momentum and therefore the full contribution was not completed. The efforts are nevertheless on.

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

Sd/-  
**Anil Pant**  
(Managing Director & CEO)

Sd/-  
**C. Y. Pal**  
(Chairman of CSR Committee)

Sd/-  
**Ketan H. Shah**  
(Company Secretary)

**ANNEXURE III 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, 2017**

**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, 2017 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, 2017 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;
  - g) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015;

We further report that having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the following law applicable specifically to the Company:

- a) The Information Technology Act, 2000
- b) Indian Copyright Act, 1957
- c) The Patents Act, 1970
- d) The FEMA Act, 1999

**We report that** the company has paid an amount of Rs. 430500/-to Reserve Bank of India in compliance of the order CA. No. MCO3841 dated April 26, 2016 passed by the Compounding Authority with regards to Compounding of contravention under FEMA, 1999 in the year 2004.

**We further report that** the Board of Directors of the company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. We were informed that the Board of Directors is on the lookout for a suitable candidate who can join the Board as an Independent Director to fill the vacancy caused by resignation of Mr. Yash Mahajan on 16 th January, 2017

**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.

**For SG and Associates,**

**Suhas Ganpule,**

Proprietor,

Membership No: 12122

C. P No: 5722

Date: 19<sup>th</sup> May, 2017

Place: Mumbai

#### **ANNEXURE IV TO 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 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 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 2016-17 (Rs. In lacs)	% increase in remuneration in the FY 2016-17	Ratio of remuneration to median employees remuneration	Comparison of remuneration of the KMP against the performance of the Company
1	C. Y. Pal, Vice Chairman	8.00	Nil	1.15	
2	Asit Koticha, Director	3.25	306.25	0.47	
3	Madhu Jayakumar Director	3.25	Nil	0.47	
4	Rajiv Agarwal, Director	1.00	Nil	0.14	
5	Ramesh S. Damani, Director	5.70	Nil	0.82	
6	Utpal Sheth, Director	1.00	Nil	0.33	
7	Vijay Aggarwal, Director	6.90	Nil	0.14	
8	Ninad Karpe, Director (as Non-executive Director)	0.20	NA	0.02	
9	Ninad Karpe , Erstwhile Managing Director & CEO	169.35	Nil	24.48	
10	Anil Pant, Managing Director & CEO	130.25	NA	18.85	Consolidated Net Profit increased by 69.5% in FY 2016-17
11	Anuj Kacker, Wholetime Director	97.72	5.57	114.11	
12	T. K. Ravishankar, Chief Financial Officer	78.39	5.15	Not applicable	
13	Ketan H. Shah, Group Company Secretary	30.80	8.18	Not applicable	

- (ii) The median remuneration of employees of the Company during financial year was Rs. 6.91 lacs

- (iii) In the financial year there was an increase of 3.43% in the median remuneration of employees

- (iv) There were 476 permanent employees on the rolls as on 31<sup>st</sup> March 2017

- (v) 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 2016-17: 8.86%

- (vi) The percentage increase in the managerial remuneration in the FY 2016-17: 29.90%

- (vii) It is affirmed that the remuneration paid is as per the Remuneration Policy.

**ANNEXURE V TO DIRECTORS REPORT****FORM NO. AOC -2**

**(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at Arm's length basis – Not Applicable**

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

Sr. No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	Anjali Karpe (wife of Mr. Ninad Karpe, Erstwhile Managing Director & CEO)	Airpay Payment Services Pvt Ltd
b)	Nature of contracts/arrangements/transaction	Consultant fee	Availing Payment Gateway Services
c)	Duration of the contracts/arrangements/transaction	April 2016 to July 2016	1 year
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	8.00 Lacs	0.11 Lacs
e)	Date of approval by the Board	3 <sup>rd</sup> February, 2016	3 <sup>rd</sup> February, 2016
f)	Amount paid as advances, if any	-	-

For and on behalf of the Board of Directors

**Sd/-**  
**Anil Pant**  
(Managing Director & CEO)

**Sd/-**  
**C Y Pal**  
(Vice Chairman)

## 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 therefore in terms of the norms under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), for Composition of Board of Directors, the numbers of Independent Directors shall be one-half of the total number of Directors. On 16th January 2017, Mr. Yash Mahajan, Independent Director had resigned from the Board for personal reasons. The Board of Directors is on the lookout for a suitable candidate who can join the Board as an Independent Director to fill the said vacancy.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which he is a Director.

#### Attendance at Meetings:

During the financial year ended 31<sup>st</sup> March 2017 under review, the Board of Directors met 5 times on 6<sup>th</sup> May, 2016, 21<sup>st</sup> July, 2016, 19<sup>th</sup> August, 2016, 19<sup>th</sup> October, 2016 and 24<sup>th</sup> January, 2017. 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 27<sup>th</sup> September, 2016, and also the number of Directorships and Committee Memberships held by them in other companies are given below:

Names of the Directors	Category	No. of Board Meetings attended during the year ended 31 <sup>st</sup> March 2017	Whether attended AGM held on 27 <sup>th</sup> September, 2016	No. of Directorships in other public companies incorporated in India as on 31 <sup>st</sup> March 2017	No. of Committee positions held in other public companies incorporated in India as on 31 <sup>st</sup> March 2017	
					Chairman	Member
Mr. Rakesh Jhunjhunwala, Chairman	Promoter Non-Executive	3	Yes	3	Nil	Nil
Mr. C. Y. Pal, Vice Chairman	Independent	5	Yes	3	1	3
Mr. Anil Pant, Managing Director & CEO*	Non Independent Executive	3	Yes	2	Nil	Nil
Mr. Ninad Karpe	Non – Executive Non Independent	5	Yes	3	1	2
Mr. Asit Koticha	Independent	4	Yes	Nil	Nil	Nil
Mr. Rajiv Agarwal	Non-Executive	4	Yes	2	Nil	Nil
Mr. Ramesh. S Damani	Independent	4	Yes	1	Nil	Nil
Mr. Utpal Sheth	Non-Executive	5	Yes	5	Nil	2
Mr. Vijay Aggarwal	Independent	5	Yes	5	2	3
Ms. Madhu Jayakumar	Independent	4	Yes	2	Nil	1
Mr. Yash Mahajan **	Independent	0	No	0	0	0
Mr. Anuj Kacker Wholetime Director	Non Independent and Executive	5	Yes	1	Nil	Nil

\*Mr. Anil Pant was appointed as Managing Director & CEO with effect from 3<sup>rd</sup> November, 2016

\*\*Mr. Yash Mahajan resigned as an Independent Director on 16<sup>th</sup> January, 2017

**Note:** The Committees considered for the purpose of calculation of membership and/or chairmanship as discussed above are those as specified in the Listing Regulations i.e. Audit Committee and Stakeholder Relationship Committee.

**Other Provisions:**

The Company 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 2017, 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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. The Company has a succession plan in place for appointment to the Board of Directors and senior management.

**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, 2017. 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, 2017.

**Familiarisation programmes for Independent Director:**

To familiarize new Independent Directors with the strategy, operations and functions of our Company, the Company's presentation on strategy, operations, product offerings, markets, organization structure, finance, human resources, technology, etc. is given at the time of their induction and thereafter during the Board meetings and/or committees thereof.

Note on familiarization for Independent Directors is posted on the Company's Website on the link: <http://www.aptech-worldwide.com/pages/investor-relations/investorrelations.html>

**AUDIT COMMITTEE:**

The Composition of the Audit Committee as on 31<sup>st</sup> March, 2017 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as regards composition of Audit Committee.

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 being 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 4 times on 6<sup>th</sup> May, 2016, 21<sup>st</sup> July, 2016, 19<sup>th</sup> October, 2016 and 24<sup>th</sup> January, 2017 with a gap of not more than four months. The details of the meetings attended by the Directors are given below:

Names of Members	Category	No. of Meetings attended during the year ended 31 <sup>st</sup> March 2017
Mr. C. Y. Pal – Chairman	Independent	4
Mr. Ramesh S. Damani	Independent	3
Mr. Vijay Aggarwal	Independent	4

#### 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 co-operate 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:

The term of reference of the Stakeholder's Relationship Committee include redressing shareholder and investor complaints like non – receipt of transfer and transmission of shares, non - receipt of duplicate share certificate, non - receipt of balance sheet, non - receipt of dividends etc. and to ensure expeditious share transfer process.

During the year under review, the Committee met once on 24<sup>th</sup> January, 2017

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

Names of Members	Category	No. of Meetings attended during the year ended 31 <sup>st</sup> March 2017
Mr. Ramesh S. Damani – Chairman	Independent	0
Mr. Asit Koticha	Independent	1
Mr. C. Y. Pal	Independent	1

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

#### Status of Complaints received during the year ended March 31, 2017:

Nature of Complaints	Received	Resolved	Pending
Relating to Transfer, Transmission etc.	0	0	Nil
Other / Miscellaneous	5	5	Nil
<b>TOTAL</b>	<b>5</b>	<b>5</b>	<b>Nil</b>

#### Pending Transfers:

There were no pending transfers as on 31<sup>st</sup> March 2017.

#### INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 24<sup>th</sup> January, 2017, inter alia to discuss:

- Evaluation of the performance of Non-Independent Directors
- Evaluation of the performance of Chairman of the Company
- 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.

All Independent Directores have given declarations that they meet the criteria of independence as laid down in Regulation 16(1)(b) of SEBI (LODR), Regulations, 2015 read with Section 149(6) of the Companies Act, 2013

#### 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 6<sup>th</sup> May, 2016 and 19<sup>th</sup> October, 2016

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

Names of Members	Category	No. of Meetings attended during the year ended 31 <sup>st</sup> March 2017
Mr. C. Y. Pal, Chairman of the Committee	Independent	2
Mr. Rajiv Agarwal,	Non Executive	1
Mr. Ninad Karpe,	Non-Independent, Non - Executive	2

#### STRATEGY COMMITTEE:

During the year under review, the Strategy Committee met once on 6<sup>th</sup> May, 2016 The composition of the Strategy Committee along with the details of the meeting attended by the Directors is given below:

Names of Members	Category	No of Meetings attended during the year ended 31 <sup>st</sup> March 2017
Mr. Vijay Aggarwal – Chairman	Independent	1
Mr. C. Y. Pal	Independent	1
Mr. Utpal Sheth	Non-Executive	0
Mr. Rajiv Agarwal	Non-Executive	0
Mr. Ninad Karpe	Non Executive Non Independent	1

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.

#### NOMINATION & REMUNERATION COMMITTEE:

During the year under review, the Nomination & Remuneration Committee met 6 times on 6<sup>th</sup> May, 2016, 29<sup>th</sup> June, 2016, 19<sup>th</sup> August, 2016, 27<sup>th</sup> September, 2016 19<sup>th</sup> October, 2016 and 24<sup>th</sup> January, 2017. The composition of the Committee along with the details of the meeting attended by the Directors is given below:

Names of Members	Category	No of Meetings attended during the year ended 31 <sup>st</sup> March 2017
Mr. Vijay Aggarwal – Chairman	Independent	6
Mr. Utpal Sheth	Non-Executive	3
Mr. C. Y. Pal	Independent	6
Mr. Ramesh S. Damani	Independent	4

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 Nomination and Remuneration policy is also attached as Annexure to the Board's Report.

#### Criteria for performance evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, during the year under review, the Board carried out the annual evaluation of its own performance. A structured questionnaire covering various aspects of functioning of the Board, Committees and Directors 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 Directors expressed their satisfaction with the evaluation process.

The Board of Directors at its meeting held on 21<sup>st</sup> July, 2016 appointed Mr. Anil Pant as Managing Director & CEO of the Company with effect from 3<sup>rd</sup> November, 2016 to hold office upto 20<sup>th</sup> July, 2021. Approval of shareholders at the annual general meeting held on 27<sup>th</sup> September, 2016 in respect of his appointment has been obtained.

The details of remuneration paid to Mr. Anil Pant are as follows:

Particulars of remuneration	(Period: 21st July 2016 to 31st March 2017) Amount (in Rs.lacs)
Salary & Allowances Perquisites (Club Fees)	124.66
Contribution to Provident Fund, Superannuation Fund	5.59
<b>TOTAL</b>	<b>130.25</b>

During the year under review, Mr. Ninad Karpe resigned as Managing Director & CEO with effect from 3<sup>rd</sup> November 2016. The details of remuneration paid to Mr. Ninad Karpe as Managing Director & CEO from 1<sup>st</sup> April 2016 to 2<sup>nd</sup> November 2016 are as follows:

Particulars of remuneration	(Period: 1st April 2016 to 2nd November 2016 ) Amount (in Rs.lacs)
Salary & Allowances Perquisites (Club Fees)	162.64
Contribution to Provident Fund, Superannuation Fund	6.72
<b>TOTAL</b>	<b>169.36</b>

The Shareholders had at the annual general meeting held on 30<sup>th</sup> September, 2013, approved appointment of Mr. Anuj Kacker as Wholtime Director of the Company for the period from 1<sup>st</sup> November 2012 to 31<sup>st</sup> October 2017. The Board of Directors at its meeting held on 24<sup>th</sup> May 2017, re-appointed him as Wholtime Director for

further period of 5 years, subject to approval of the shareholders at the ensuing annual general meeting of the Company.

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

Particulars of remuneration	(Period: 1st April 2016 to 31st March 2017) Amount (in Rs.lacs)
Salary & Allowances Perquisites (Club Fees)	91.69
Contribution to Provident Fund, Superannuation Fund	6.04
<b>TOTAL</b>	<b>97.73</b>

Details of shareholding of non-executive directors other than promoter directors in the Company as on 31<sup>st</sup> March 2017 are as follows:

Names of Directors	Category	No. of shares
Mr. Ramesh Damani	Independent Non-Executive	2,08,500
Mr. C. Y. Pal	Independent Non-Executive	10,000
Mrs. Madhu Jayakumar	Independent Non-Executive	50,000
Mr. Rajiv Agarwal	Non-Executive	8,100
Mr. Ninad Karpe	Non – Executive	5,001

The Shareholders at the Annual General Meeting held on 27<sup>th</sup> September, 2016 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, Rs.15.50 lacs as commission was paid to Independent Directors for the financial year 2016 -17 being 1% of net profits computed in accordance with Section 198 of the Companies Act, 2013 as under:

Name of Director	Commission for the year 2016-17 In Lacs
C.Y.Pal	4.00
Ramesh S. Damani	3.50
Vijay Aggarwal	3.50
Madhu Jayakumar	2.25
Asit Koticha	2.25
<b>Total</b>	<b>15.50</b>

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

The details of the Sitting Fees paid to the Non-Executive Directors for the year ended 31<sup>st</sup> March 2017 are as follows:

Name of Director	Sitting Fees in Lacs
C.Y.Pal	4.00
Asit Koticha	1.00
Rajiv Agarwal	1.00
Ramesh S. Damani	2.20
Utpal Sheth	1.20
Vijay Aggarwal	3.40
Madhu Jayakumar	1.00
Ninad Karpe	0.20
<b>Total</b>	<b>14.00</b>

#### Subsidiary Companies:

As on the close of the accounting year ended 31<sup>st</sup> March 2017, 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>

#### Other 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 SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 during the financial year were in the ordinary course of business and on an arms length basis. Details of Related party Transaction are given in Annexure - AOC-2 of Director's Report.

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:

The Company has paid an amount of Rs. 430500/- to Reserve Bank of India in compliance of the order CA. No. MCO3841 dated April 26, 2016 passed by the Compounding Authority.

- (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 SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 :

All the mandatory items of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, interalia as listed below, have been complied with and covered in this report:

- Brief statement on Company's philosophy on code of governance;
- Board of Directors;
- Audit Committee;

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

(e) Policy for determining 'material' subsidiaries

Details of the Policy for determining 'material' subsidiaries is available on the website and the link for the same is <http://www.aptech-worldwide.com/downloads/aptech-policy/Policy-on-Material-Subsidiaries.pdf>

#### Board Disclosures:

The Company follows adequate procedures to inform Board members about the risk assessment and minimization procedures.

#### Prevention of Insider Trading

The Company has framed and implemented a Code on Prevention of Insider Trading in accordance with the Code prescribed by SEBI (Prohibition of Insider Trading) Regulation, 2015 and disclosed on the website of the Company viz. <http://www.aptech-worldwide.com/downloads/code-of-conduct/aptech-code-of-conduct.pdf>

#### Compliance with Non – Mandatory Requirements

The Company is compliant with non Mandatory requirements of Regulation 27(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the extent it is applicable to the Company.

- The Chairperson is a non executive director and he maintains his own office.
- The position of the Chairman of the Board of Directors and the CEO is separate.
- The Internal Auditor reports directly to the Audit Committee in all functional matters.

#### CEO and CFO Certification:

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Anil Pant, 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>, 2017 .

#### GENERAL BODY MEETINGS:

Details of the last three Annual General Meetings held from the year 2014-15 to 2016-17 are given below, in the ascending order:

- 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.
- 2015-16: (ii) The Fifteenth Annual General Meeting of the company was held on 7<sup>th</sup> August 2015 at "Kamalnayan Bajaj Hall", Bajaj Bhawan, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400021 at 04:00 P.M.

- 2016-2017: (iii) The Sixteenth Annual General Meeting of the company was held on 27<sup>th</sup> September, 2016 at "M C Ghia Hall", Suryodaya baquets Pvt Ltd, 18/20, 4<sup>th</sup> floor, Bhogilal Hargovindas Building, K Dubhash Marg, Kalaghoda, Behind prince of Wales museum, Fort, Mumbai – 400001 at 04.00 P.M.

At all the above annual general meetings, 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 fourteenth Annual General Meeting held on 14<sup>th</sup> November, 2014, Special Resoluon 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 for Rs. 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.

At the fifteenth Annual General Meeting held on 7<sup>th</sup> August 2015, Special Resolution was passed pertaining to :

- (i) Amendment of Articles of Association of the Company to bring them in conformity with Companies Act 2013.
- (ii) 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 2015-16.

At the Sixteenth Annual General Meeting held on 27<sup>th</sup> September, 2016, Special Resolution was passed pertaining to:

- (i) 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.
- (ii) Appointment of Mr. Anil Pant as Managing Director with effect from 3<sup>rd</sup> November, 2016 upto 20<sup>th</sup> July, 2021



- (iii) Approval of Employee Stock option Plan 2016 and grant of 44,32,620 Employee Stock Options being 11.11 % of the paid up equity capital of the Company as on 31st March, 2016 to the permanent employees of the Company and its wholly owned subsidiaries including directors (other than Promoters of the Company, Independent Directors and Directors holding directly or indirectly more than 10% of the outstanding Equity Shares of the Company), as may be decided solely by the Board under the Plan, exercisable into not more than 44,32,620 fully paid-up Equity Shares in the Company in aggregate of face value of Rs. 10 each, at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws and regulations."
- (iv) Grant upto 13,29,780 employee stock option to the Managing Director of the Company (being 30% of the total Employee Stock Options granted)exercisable into not more than 13,29,780 fully paid-up Equity Shares in the Company in aggregate of face value of Rs. 10 each, through new issue of shares at such price or prices, in one or more tranches and on such terms and conditions, as may be determined by the Board in accordance with the provisions of the Plan and in due compliance with the applicable laws and regulations
- (v) Implementation of Aptech Limited Employee Stock Option Plan 2016 through issue of new shares to the Employees

#### Means of Communication:

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

#### General Shareholder Information:

AGM: Date, Time and : Monday , 31<sup>st</sup> July, 2017at  
Venue 04.00 p.m at " M C Ghia Hall" ,  
Suryodaya baquets Pvt Ltd, 18/20,  
4<sup>th</sup> floor, Bhogilal Hargovindas  
Building, K Dubhash Marg,  
Kalaghoda, Behind prince of Wales  
museum, Fort, Mumbai - 400001

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 31<sup>st</sup> July, 2017.

#### Financial Calendar:

- A. Next Financial Year : 1st April 2017 to 31st March 2018
- B. First Quarter results : to be published by 14<sup>th</sup> September 2017
- C. Second Quarter results : to be published by 14<sup>th</sup> December 2017
- D. Third Quarter results : to be published by 14<sup>th</sup> February 2018
- E. Results for the year ending : to be published by 30<sup>th</sup> May 2018  
31<sup>st</sup> March, 2017
- F Date of Book Closure : 28<sup>th</sup> July, 2017 to 31<sup>st</sup> July, 2017(Both days inclusive)

**Dividend Payment Date :** Within 30 days of Annual General Meeting, if declared

**Listing of Equity Shares :** The Company's equity shares are listed on the

Following Stock Exchanges in India

(i) Bombay Stock Exchange Limited,

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 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 2016-17.

#### Stock Code

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

Bombay Stock Exchange Limited : 532475

The National Stock Exchange of : APTECH  
India Limited

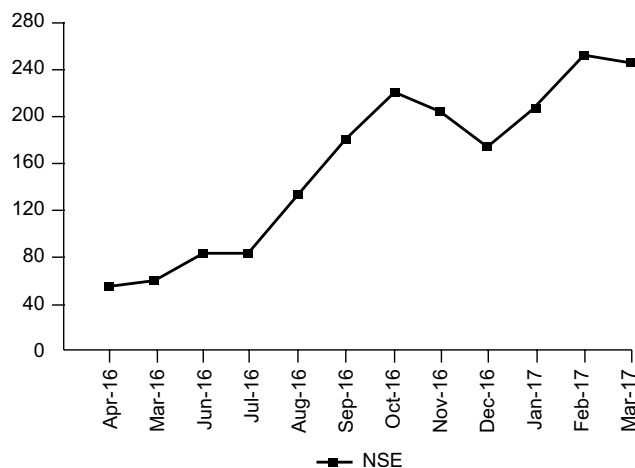
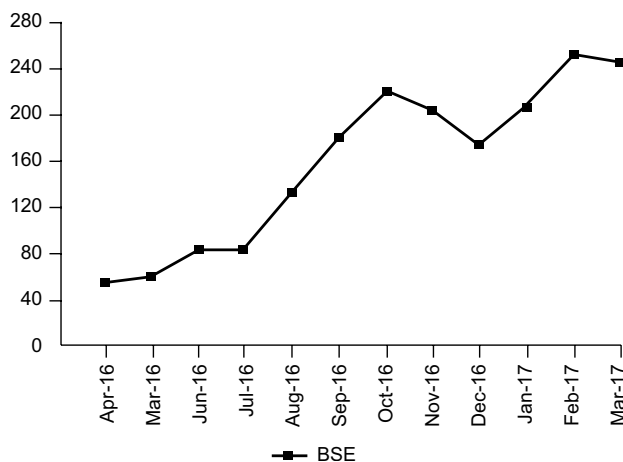
ISIN No. for Shares in : INE266F01018  
Dematerialized Mode

#### Market Information:

Aptech Share Price Data:

Month and Year	BSE Limited		The National Stock Exchange of India Limited	
	(Rs.)		(Rs.)	
	High	Low	High	Low
Apr-16	65.30	57.00	65.35	57.55
May-16	67.95	57.15	68.05	57.00
Jun-16	81.00	64.30	81.15	64.20
Jul-16	80.95	69.30	80.90	69.05
Aug-16	136.00	68.80	135.50	68.55
Sep-16	184.00	120.30	184.20	120.30
Oct-16	227.55	155.40	227.50	155.10
Nov-16	221.55	142.30	221.50	142.25
Dec-16	177.50	141.40	177.40	141.15
Jan-17	203.20	162.00	203.60	161.90
Feb-17	251.00	183.80	250.75	183.80
Mar-17	243.65	220.50	243.95	220.35

(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. Karvy Computershare Pvt. Ltd.

Karvy Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Hyderabad - 500 032

Tel No: +91 40 6716 2222

Fax No: +91 40 2342 0814

Email: einward.ris@karvy.com

Karvy Computershare Pvt. Ltd.  
7th floor, 701, Hallmark Business Plaza, Sant Dnyaneshwar Marg, Off Bandra Kurla Complex Bandra East, Mumbai - 400 051,**Share Transfer System:**

Share Transfers in physical form can be lodged with (Karvy Computershare Private Limited at any of the above mentioned address.

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
2014-15 (Interim Dividend)	29/04/2015	1.75	28/04/2022
2015-16 (Interim Dividend)	03/02/2016	1.00	02/02/2023
2016-17 (Interim Dividend)	24/05/2017	3.00	23/05/2024

**Distribution of Shareholding :**

No. of Equity shares held	As on March 31, 2017				As on March 31, 2016			
	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	75559	95.92	4868324	12.20	84031	94.13	6485172	16.25
501-1000	1619	2.06	1308168	3.28	2847	3.19	2328468	5.84
1001-2000	731	0.93	1131481	2.84	1254	1.41	1939167	4.86
2001-3000	250	0.32	639616	1.60	379	0.42	977374	2.45
3001-4000	140	0.18	509344	1.28	187	0.21	676774	1.70
4001-5000	121	0.15	580397	1.45	169	0.19	809624	2.03
5001-10000	162	0.21	1236700	3.10	236	0.26	1739761	4.36
10001 and above	195	0.25	29619530	74.25	171	0.19	24937220	62.51
<b>TOTAL</b>	<b>78777</b>	<b>100.00</b>	<b>39893560</b>	<b>100.00</b>	<b>89274</b>	<b>100.00</b>	<b>39893560</b>	<b>100.00</b>

**Categories of shareholding:**

Sr. No.	Category	As on March 31, 2017			As on March 31, 2016		
		No. of Shareholders	No. Of Shares	Voting Strength	No. of Shareholders	No. Of Shares	Voting Strength
1	Promoter & Promoter Group	6	19667540	49.31	4	18063800	45.28
2	Mutual Funds	2	1869	0.00	7	2558	0.01
3	Banks / Financial Institutions / Insurance Companies (Central / State Government Institutions / Non Government Institutions)	17	156408	0.39	41	115172	0.29
4	FIs	2	47072	0.12	15	1325700	3.33
5	NRIs	2273	253591	0.64	2517	633663	1.59
6	OCBs	0	0	0	1	1	0.00
7	Foreign National /Financial Banks	7	124287	0.31	2	450	0.00
8	Domestic Companies	913	3448106	8.64	1079	2914840	7.31
9	GDR	1	11271	0.02	1	11271	0.02
10	Trust	8	20065	0.05	2	6302	0.01
11	Indian Public	75548	16163348	40.51	85605	16819803	42.16
	<b>TOTAL</b>	<b>78777</b>	<b>39893560</b>	<b>100</b>	<b>89274</b>	<b>39893560</b>	<b>100.00</b>

**Foreign Exchange Risk and Hedging Activities**

Company is exposed to foreign exchange risk on account of import and export transactions entered. The Company is proactively mitigating risks by entering into commensurate hedging transactions with banks.

Details are given in notes to the Financial Statement.

**Dematerialization of Shares and liquidity:**

Trading in the Equity Shares of the Company is permitted only in dematerialized form. Over 97.96% of the Company's Share Capital was dematerialized as on 31<sup>st</sup> March, 2017.

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

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

22,542 Global Depository Receipts of erstwhile Aptech Limited (hereinafter "Old GDRs") (PY. 11,271) representing 11,271 underlying equity shares (2 GDR equals 1 Equity Share) of face value Rs. 10/- each are outstanding as on 31<sup>st</sup> March, 2017.

**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: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 March 31, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as 'Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and

Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

The Company is in process of regularizing its composition of Board of Directors as per the Listing Regulations.

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 Regulations.

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 **Khimji Kunverji & Co.**  
Chartered Accountants  
Firm's Registration No: 105146W

**Shivji K Vikamsey**  
Partner  
Membership No: 2242

Mumbai  
May 24, 2017

## **CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

We, Anil Pant, 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, 2017 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, 2017, which are fraudulent, illegal or violative of the Company's code of conduct..
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have to 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.

**Anil Pant**  
Managing Director  
and Chief Executive Officer

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

Place: Mumbai

Date: 24th May, 2017

## **DECLARATION BY CHIEF EXECUTIVE OFFICER (CEO)**

I, Anil Pant, Managing Director & CEO of Aptech Limited, hereby declare that, as per the requirements of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, 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, 2017 over financial reporting.

Place: Mumbai

Date: 24th May, 2017

**Anil Pant**  
Managing Director  
and Chief Executive Officer

# INDEPENDENT AUDITOR'S REPORT

## To the Members of APTECH LIMITED

### Report on the Consolidated Financial Statements

1. We have audited the accompanying Consolidated Financial Statements ('CFS') of APTECH LIMITED ("the Holding Company") its Subsidiaries and an Associate (The Holding Company, Subsidiaries and an Associate collectively referred to as the 'Group') which comprises of the Consolidated Balance Sheet as at March 31, 2017, 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 Holding Company's Board of Directors is responsible for the preparation of these CFS in terms with the requirement of the Companies Act, 2013 ("the Act") 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 accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the respective entities and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were 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. These respective financial statements have been used for the purpose of preparation of the CFS by the Directors of the Holding Company, as aforesaid.

### 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 consolidated 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. 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

### Opinion

6 In our opinion and to the best of our information and according to the explanations given to us, the CFS read with Para 10 below give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Consolidated Balance sheet, of the state of affairs of the Group as at 31st March 2017,
- In case of the Consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- In case of the Consolidated Cash Flows Statement, of the cash flows for the year ended on that date

### Emphasis of Matter

7 Attention is invited to Note No. 13.3 of the CFS about remuneration paid in excess to the Managing and Whole Time Director for Financial Year 2014-15 and 2015-16 amounting to Rs 146.31 Lakhs and Rs. 140.25 lakhs respectively for which approval of the Central Government is awaited. Our report is not qualified on the matter.

8 Attention is invited to Note No. 6.2 of the CFS, which, inter alia, mentions that financial statements from an investee in China are not received for last about two years and that based on management information and other reports received by the Company from that investee, the Management of the Company does not apprehend any concerns on the value of its said investment; our audit report is not qualified on the matter.

### Report on Other Legal and Regulatory Requirements

9 As per information and explanation furnished and as required by Section 143(3) of the Act, based on the comments in the auditor's report of the Company, Subsidiaries Companies and an Associate, which are incorporated in India (hereinafter referred to as the "Covered entities"), we report to the extent applicable that:

- 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 of the CFS;
- In our opinion proper books of account as required by law relating to preparation of the CFS have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- 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;
- 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;
- On the basis of written representations received from the directors of the company as on March 31, 2017, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act;

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A"
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditor's) Rules, 2014, In our opinion and to the best of our information and according to the explanations given to us:
- The impact of pending litigations has been duly disclosed in the CFS. Refer Point no. B-13 of Note 16 of the CFS
  - The Covered entities did not have any long term contracts including derivative contracts for which there existed any foreseeable losses. Refer Point no. B-12 of Note 16 of the CFS
  - 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 & Protection Fund.
  - The Holding Company has provided requisite disclosures in the CFS as regards the holding and dealings in Specified Bank Notes (SBN) as defined in notification S.O. 3407 (E) dated November 8, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 of the Group entities as applicable. Based on audit procedures performed and relying on the management representation, we report that the disclosures are in accordance with relevant books of account maintained by those entities for the purpose of preparation of the CFS and as produced to us by the Management of the respective Group entities- Refer point no. B-19 of Note 16 of the CFS

#### Other Matter

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

(Rs. in Lakhs)

Entities	No. of Cos.	Assets	Revenue	Net Cash Flows
Subsidiaries	5	13,746.46	4,090.64	284.46
Associate	1	1.00	-	-
<b>Total</b>	<b>6</b>	<b>13,747.46</b>	<b>4,090.64</b>	<b>284.46</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 are based solely on the reports of those respective auditors. Our audit opinion is not qualified on the matter.

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

Place: Mumbai  
Date: May 24, 2017

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

## ANNEXURE AUDITOR'S REPORT

**Annexure A referred to in paragraph 9 (f) of Our Report of even date to the members of APTECH LIMITED on the Consolidated Financial Statements of the Company for the year ended March 31, 2017**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended March 31, 2017, we report on internal financial controls over financial reporting of Aptech Limited (hereinafter referred to as "the Holding Company"), its subsidiaries and an Associate (the Holding Company, its subsidiaries and an Associate together referred to as "the Group"), incorporated in India, based on the auditor's report of respective entities.

#### Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries and an Associate, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act")

#### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Group based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal

control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error

We believe that the audit evidence we have obtained and in terms of other auditor's report referred to in paragraph of the Other Matters below, the audit evidence obtained by them, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of Group.

### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's Internal financial control over financial reporting is a process designed by the Company to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Further, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us and based on auditor's report of the respective group entities, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the respective entities considering the essential components of internal control stated in the Guidance Note.

### **Other Matters**

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 5(five) Subsidiaries and an Associate, is based on the report of the respective auditors of such covered entities.

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

Place: Mumbai  
Date: May 24, 2017

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



# CONSOLIDATED BALANCE SHEET

## as at March 31, 2017

₹ in Lakhs

Particulars	Note No.	AS AT March 31, 2017	AS AT March 31, 2016
<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	21,314.83	18,870.14
		25,304.19	22,859.50
<b>2 NON CURRENT LIABILITIES</b>			
(a) Long term Borrowing		-	-
(b) Long term provisions	3	206.21	183.46
		206.21	183.46
<b>3 CURRENT LIABILITIES</b>	4		
(a) Trade payables			
(i) Micro Enterprise & Small Enterprise		-	-
(ii) Other payables		1,392.74	1,175.83
(b) Other current liabilities		1,777.24	1,721.54
(c) Short term provisions		98.75	45.53
		3,268.73	2,942.90
<b>TOTAL</b>		<u>28,779.13</u>	<u>25,985.86</u>
<b>(II) ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(a) Fixed assets	5		
(i) Tangible assets		2,084.45	1,766.33
(ii) Intangible assets		1,216.36	1,148.74
(iii) Capital work-in-progress		-	0.35
(iv) Intangible assets under development		252.73	348.95
		3,553.54	3,264.37
(b) Non current investments	6	11,082.15	11,082.05
(c) Long term loans and advances	7	3,908.95	3,732.12
<b>2 CURRENT ASSETS</b>	8		
(a) Current investments		1,803.36	-
(b) Inventories		98.63	208.27
(c) Trade receivables		4,826.98	4,024.70
(d) Cash and Cash equivalents		3,040.03	3,319.83
(e) Short term loans and advances		465.49	354.52
		10,234.49	7,907.32
<b>TOTAL</b>		<u>28,779.13</u>	<u>25,985.86</u>
Significant accounting policies and other notes on accounts	16		

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

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

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

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

**ANIL PANT**  
Managing Director & CEO  
(Din :07565631)

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

Place : Mumbai  
Date : May 24, 2017

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

**KETAN SHAH**  
Company Secretary

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended March 31, 2017

₹ in Lakhs

Particulars	Note No.	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>REVENUE</b>			
Revenue from operations	9 (a)	21,218.22	16,100.84
Other Operating income	9(b)	114.79	231.84
Other income	10	320.47	350.94
<b>Total Revenue</b>		<b>21,653.48</b>	<b>16,683.62</b>
<b>EXPENSES</b>			
Training and education expenses	11	7,918.86	6,207.65
Marketing and advertisement expenses	12	1,101.43	1,097.27
Employee benefits expenses	13	5,362.79	4,193.90
ESOP Compensation cost (Refer point B-20 of Note 16)	13	580.53	-
Administration and other expenses	14	3,415.15	2,827.02
Finance Costs	15	4.11	27.56
Depreciation and Amortisation Expenses	5	1,072.62	1,033.38
<b>Total Expenses</b>		<b>19,455.49</b>	<b>15,386.78</b>
<b>PROFIT BEFORE TAX</b>		<b>2,197.99</b>	<b>1,296.84</b>
<b>TAX EXPENSES</b>			
Income Tax		326.79	277.52
Deferred Tax (Refer point no. B-8 of note 16)		-	-
		<b>326.79</b>	<b>277.52</b>
<b>PROFIT AFTER TAX before share of associates</b>		<b>1,871.20</b>	<b>1,019.32</b>
Add / (Less): Share of profit /(loss) of Associate		-	(2.44)
<b>Profit for the Year</b>		<b>1,871.20</b>	<b>1,016.88</b>
Earning Per Equity Share of face value ₹ 10 each (Refer point no B-6 of Note 16)			
- Basic in ₹		4.69	2.55
- Diluted in ₹		4.63	2.55
Significant accounting policies and other notes on accounts	16		

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

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

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

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

**ANIL PANT**  
Managing Director & CEO  
(Din :07565631)

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

Place : Mumbai  
Date : May 24, 2017

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

**KETAN SHAH**  
Company Secretary

## CONSOLIDATED CASH FLOW STATEMENT for the year ended March 31,2017

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax as per Statement of Profit and Loss</b>	2,197.99	1,296.84
<b>Adjustments For :</b>		
Depreciation and Amortisation expenses	1,072.62	1,033.38
Employee Stock Compensation expenses	580.53	-
Provision for doubtful debts & written off	452.29	193.60
Bad debts/Advances written off	33.66	21.47
Dividend Income	(0.15)	(1.21)
Finance Costs	4.11	27.57
Interest income	(314.70)	(330.14)
Liability no longer required written back	(114.79)	(231.84)
Net Unrealised Exchange loss/(Gain)	(91.68)	(169.45)
Net (Profit) / Loss on Sale of Fixed Assets	(4.83)	(4.33)
<b>Operating Profit Before Working Capital Changes</b>	<b>3,815.05</b>	<b>1,835.89</b>
<b>Adjustments for Working Capital Changes</b>		
Decrease/(Increase) in Inventory	109.64	6.59
Decrease/(Increase) in Trade Receivables	(1,189.49)	(747.52)
Decrease/(Increase) in Loans and Advances	(601.16)	(296.70)
Increase/(Decrease) in Current Liabilities and Provisions	460.03	662.49
Increase/(Decrease) of Foreign Currency Translation Reserve	(0.33)	2.25
<b>Cash From / (used) in Operating Activities</b>	<b>2,593.74</b>	<b>1,463.00</b>
Net Income Tax (Paid) / Refund	(17.06)	(21.00)
<b>Net Cash From / (used) in Operating Activities (I)</b>	<b>2,576.68</b>	<b>1,442.00</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(1,363.44)	(926.88)
Sale of fixed assets	6.40	11.68
(Purchase) / Sale of Investment	(1,803.47)	(1.59)
Dividend received	0.15	1.21
Dividend paid (Including DDT)	-	(1,317.87)
Interest received	309.09	344.30
Proceeds from/(Investing in) Bank Deposits (original maturity more than three months)	891.16	517.43
<b>Net Cash From / (used) in Investing Activities (II)</b>	<b>(1,960.11)</b>	<b>(1,371.74)</b>

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financing of hedging contract	(6.71)	20.17
Interest Costs	(4.11)	(27.57)
<b>Net Cash from /(Used) in Financing Activities (III)</b>	(10.82)	(7.40)
<b>Net Increase /(Decrease) in Cash &amp; Cash equivalents (I+ II+ III)</b>	605.75	62.86
Cash & Cash equivalents at the beginning of the year	941.89	879.03
Cash & Cash equivalents at the end of the year	1,547.64	941.89

**Notes :**

- 1 ) Cash and Cash equivalents include cash and bank balances in current accounts and deposit accounts. (Refer Note no. 8 (d))  
2) Previous year figures have been regrouped wherever necessary to correspond with the figures of the current year.

As per our attached report of even date.

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

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

Place : Mumbai  
Date : May 24, 2017

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

**ANIL PANT**  
Managing Director & CEO  
(Din :07565631)

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

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

**KETAN SHAH**  
Company Secretary

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## as at March 31, 2017

### NOTE 1 SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Authorised				
Equity Shares of ₹10 each	60,000,000	6,000.00	60,000,000	6,000.00
Issued, Subscribed & 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 only one class equity share having a par value of ₹ 10/- each. Each holder of equity share is entitle to same right in all aspects.

**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 2017		As at 31 <sup>st</sup> March 2016	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	39,893,560	3,989.36	39,893,560	3,989.36
Add :- Shares Issued during the year	-	-	-	-
Less :- Shares cancelled on buy back of Equity Shares	-	-	-	-
Shares outstanding at the end of the year	39,893,560	3,989.36	39,893,560	3,989.36

**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 2017		As at 31 <sup>st</sup> March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RARE EQUITY PVT. LTD.	8,443,472	21.17%	8,443,472	21.17%
RAKESH JHUNJHUNWALA	5,019,100	12.58%	4,319,100	10.83%
REKHA JHUNJHUNWALA	4,574,740	11.47%	4,046,001	10.14%

**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)				
	2016-17	2015-16	2014-15	2013-14	2012-13
<b>Equity Shares :</b>					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of bonus shares					
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 1.5** In accordance with the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 ('SEBI Regulations'), approval of shareholders of the Company was obtained at the Annual General Meeting held on 27th September 2016 to create, offer and grant upto 4432620 options under Aptech ESOP 2016 scheme to the employees of the Company and its subsidiaries. These options will vest in 3rd, 4th and 5th year based on the tenure of eligible employees and performance criteria.

## NOTE 2 RESERVES AND SURPLUS

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>a. Capital Redemption Reserve</b>		
Balances as at beginning and closing of the year	1,774.59	1,774.59
Closing Balance	1,774.59	1,774.59
<b>b. Securities Premium Account</b>		
Balances as at beginning and closing of the year	8,977.20	8,977.20
Closing Balance	8,977.20	8,977.20
<b>c. Share Options Outstanding Account</b>		
Opening Balance	-	-
Add : Current Year Transfer	580.53	-
Closing Balance	580.53	-
<b>d. Cash Flow Hedging Reserve</b>		
Opening Balance	6.71	(13.45)
Add/(Less) : Current Year Transfer	(6.71)	20.16
Closing Balance	-	6.71
<b>e. General Reserve</b>		
Balances as at beginning and closing of the year	624.98	624.98
Closing Balance	624.98	624.98
<b>f. Foreign Currency Translation Reserve</b>		
Opening Balance	0.33	(1.92)
Add/(less) : Current Year Transfer	(0.33)	2.25
Closing Balance	-	0.33
<b>g. Surplus in Statement of Profit and Loss</b>		
As per last Balance sheet	7,486.33	6,949.60
Add : Net Profit for the current year	1,871.20	1,016.88
Less : 1st Interim Dividend *	-	398.94
Less : Corporate Tax on Interim Dividend	-	81.21
Closing Balance	9,357.53	7,486.33
Total	21,314.83	18,870.14

\* The Board of Directors have recommended Interim dividend of ₹ 3 per equity share for the financial year 2016-17 on Face value of ₹ 10 (In FY 15-16, the Board of Directors have declared and paid interim dividend of ₹ 1 per equity share on face value of ₹ 10) (Refer point no. B-21 of Note 16)

## NOTE 3 NON CURRENT LIABILITIES

## Note 3 (a) Long Term Borrowings

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<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 ₹ 500 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 ₹ 336.77 lakhs from YES Bank & Andhra Bank secured by way of lien on fixed deposits at the time of utilisation of facility.		
c) Non fund based limit aggregating ₹ 99.80 Lakhs from Axis 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 2017	As at 31 <sup>st</sup> March 2016
<b>Provision for employee benefits :-</b>		
Gratuity (Funded)	22.25	-
Leave Encashment (unfunded) (Refer point no. B-7 of note 16)	183.96	183.46
<b>Total</b>	<b>206.21</b>	<b>183.46</b>

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(i) Micro enterprises & small Enterprises *		
(ii) Other payables(Refer point B-10 of note 16)	1,392.74	1,175.83
* 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, 2017, 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.		
<b>Total</b>	<b>1,392.74</b>	<b>1,175.83</b>

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(a) Advance received from Customers / Students	-	3.12
(b) Unclaimed dividends	162.96	164.92
(c) Sundry creditors for capital assets (Refer point no. B-10 of note 16)	93.60	65.96
(d) Provisions for expenses	783.94	851.62
(e) Other payables :-		
Statutory Dues	280.77	250.14
Others liabilities	290.23	227.20
Franchisee /Caution deposits	165.74	158.58
<b>Total</b>	<b>1,777.24</b>	<b>1,721.54</b>

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(a) Provision for employee benefits :-		
Gratuity (Funded)	34.29	-
Leave encashment (Unfunded) (Refer point no. B-7 of note 16)	64.46	45.53
<b>Total</b>	<b>98.75</b>	<b>45.53</b>

## NOTE 5 FIXED ASSETS

₹ in Lakhs

Particulars		Tangible Assets							Intangible Assets			Total	
		Freehold land	Buildings	Leasehold Improvements	Computer Hardware	Furniture and Fixtures	Vehicles	Office equipment	Electrical fittings	Goodwill	Computer Software		Courseware
a	<b>Gross Block</b>												
	As at 01st April 2015	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
	Additions		3.05	1.04	55.87	92.90	-	20.45	7.91	-	58.74	548.76	788.72
	Deletions				38.20	45.11	37.15	22.57	18.82		0.20		162.05
	As at 31st March 2016	262.15	1,188.10	154.05	1,659.02	752.26	106.44	381.72	176.31	1,054.41	2,601.85	7,213.56	15,549.87
	Additions		29.72		263.75	226.34	79.39	47.16	22.20	-	420.49	370.87	1,459.92
	Deletions				13.63	14.62	16.48	6.86	5.34				56.93
	As at 31st March 2017	262.15	1,217.82	154.05	1,909.14	963.98	169.35	422.02	193.17	1,054.41	3,022.34	7,584.43	16,952.86
b	<b>Accumulated Depreciation</b>												
	As at 01st April 2015	-	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
	For the year		24.55	1.57	155.72	89.57	12.92	30.08	21.71	10.20	114.06	573.00	1,033.38
	Deletions	-			38.07	42.11	37.15	21.68	15.48		0.20		154.69
	As at 31st March 2016	-	274.99	153.49	1,517.25	523.27	32.97	322.36	89.40	1,051.37	2,459.21	6,210.51	12,634.80
	For the year	-	24.78	0.52	140.10	113.48	11.93	33.31	24.75	3.04	147.15	573.54	1,072.62
	Deletions	-			13.64	14.63	16.48	5.47	5.14				55.36
	As at 31st March 2017	-	299.77	154.01	1,643.71	622.12	28.42	350.20	109.01	1,054.41	2,606.36	6,784.05	13,652.06
	Capital Work in Progress												-
	Intangible Assets under development												252.73
	Net Block as at 31st March 2017	262.15	918.05	0.04	265.43	341.86	140.93	71.82	84.16	0.00	415.98	800.38	3,553.54
	Capital Work in Progress												0.35
	Intangible Assets under development												348.95
	Net Block as at 31st March 2016	262.15	913.12	0.56	141.77	228.99	73.47	59.36	86.91	3.04	142.63	1,003.05	3,264.37

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



## NOTE 6 NON - CURRENT INVESTMENTS

Investments valued at cost, except otherwise stated

	Face Value of share	As at March 2017		As at March 2016	
		No. of Shares/ units	₹ in Lakhs	No. of Shares/ units	₹ in Lakhs
<b>A. Investments in Equity Instruments (Unquoted) :- Associate</b>					
Aptech Philippines Inc, Philippines	1 Peso	3,420,800	0.66	3,420,800	1.85
Less:- Share of loss of associate (Net)			-		1.19
Net share in equity			0.66		0.66
<b>Others</b>					
Syntea S.A. Polland JV	.20 PLN	350,000	265.24	350,000	265.24
Handy Training Technologies	₹ 10	2,500	0.25	2,500	0.25
Beijing Jadebird IT education Company (BJBC) (refer note below)	.000125 US\$	55,684,931	10,813.21	55,684,931	10,813.21
<b>Sub total (A)</b>			11,079.36		11,079.36
<b>B. Investments in Mutual Funds (Quoted)</b>					
LIC Nomura MF Income Plus Fund	₹ 10.10	23,806	2.38	22,621	2.28
<b>Sub total (B)</b>			2.38		2.28
<b>C. Investments in Equity Instrument (Unquoted)</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)			11,082.15		11,082.05

6.1 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).

6.2 The investee Company has not been furnishing its audited financial statements to its investors, for last about two years, nor has it been convening Board /General Body meetings. In order to establish investor protection and as measure of corporate democracy and transparency, some of the major investors got together and filed appropriate petitions in jurisdictional court of Caymen Islands and obtained favorable orders. From the management information reports of the investee received by the Company up to September 30, 2015, the management of the Company does not apprehend any concerns pertaining to value of its investments

## NOTE 7 LONG TERM LOANS AND ADVANCES

Particulars	As at March 2017	As at March 2016
	₹ in Lakhs	₹ in Lakhs
<b>a. Capital Advances</b>		
Unsecured, considered good except otherwise stated (Refer Point no B-10 of note 16)	13.77	5.80
	13.77	5.80
<b>b. Security Deposits</b>		
Unsecured, considered good except otherwise stated	547.39	439.53
	547.39	439.53
<b>c. Loans and advances to related parties</b>		
Unsecured, considered good except otherwise stated*	1,536.03	1,302.78
	1,536.03	1,302.78

<b>d. Other loans and advances</b>		
Advance Tax (Net of Provision for Tax ₹ 3,179.72 lakhs (PY ₹ 3,814.86 lakhs) [inclusive of MAT credit ₹ 1,354.83 lakhs (PY ₹ 1,354.83 lakhs)])	1,759.72	1,928.38
Prepaid expenses	13.22	18.44
Loans and Advances to Employees	38.82	37.19
Unsecured, considered good except otherwise stated		
	1,811.76	1,984.01
Total	3,908.95	3,732.12

\* 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 company has advanced of ₹ 1,536.03 lakhs inclusive of interest (Previous Year ₹ 1,302.78 lakhs) to AICAR.

## NOTE 8 CURRENT ASSETS

### Note 8 (a) Current Investments

₹ in Lakhs

Sr. No.	Name of the Body Corporate	Others	No. of Shares / Units		Quoted / Unquoted	Partly paid/ Fully paid	Market Value	Amount		Basis of Valuation
			Mar'17	Mar'16			As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
(a)	<b>Investments in Debenture or bonds - Quoted &amp; fully paid up</b>									
	RURAL ELECTRIFICATION TAX FREE BOND-SERIES-2A-2028	Others	5,000.00	-	Quoted	Fully Paid	602.27	602.27	-	Carried at lower of cost and quoted/fair value cost
	IRFC TAX FREE BOND SERIES 89 OPTION II-2028-8.46%	Others	50.00	-	Quoted	Fully Paid	588.60	588.60	-	Carried at lower of cost and quoted/fair value cost
	NHB TAX FREE BOND SERIES V-2018@8.46%	Others	50.00	-	Quoted	Fully Paid	612.49	612.49	-	Carried at lower of cost and quoted/fair value cost
	Total						1,803.36	1,803.36	-	

### Note 8 (b) Inventories

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>a. Work-in-progress</b>		
Film under production	280.26	280.26
Less : Diminution on sale value of Film Stock*	280.26	200.00
	-	80.26
<b>b. Finished goods (Valued at lower of cost or net realisable value)</b>		
Education and Training course materials	98.63	128.01
	98.63	208.27

\* the Film Stock has been fully written off during the year.

### Note 8 (c) Trade Receivables

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>Due for period less than six months from the due date of payment*</b>		
Unsecured, considered good	3,941.03	2,769.76
	3,941.03	2,769.76

<b>Due for period exceeding Six months from the due date of payment*</b>		
Unsecured, considered good	885.95	1,254.94
Unsecured, considered doubtful	378.41	288.56
Less: Provision for doubtful debts	378.41	288.56
	885.95	1,254.94
<b>Total</b>	<b>4826.98</b>	<b>4,024.70</b>

\* Refer point no B-10 of Note 16

#### Note 8 (d) Cash and cash equivalents

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>a. Cash and cash equivalents :-</b>		
i. Cash on hand (Refer point B-19 of note 16)	5.43	0.67
ii. Balance with banks :-		
EEFC Accounts	517.47	40.19
Bank deposits (with original maturity less than three months)	391.93	333.00
Current Accounts	632.81	568.03
	1,542.21	941.22
	1,547.64	941.89
<b>b. Other Bank balances :-</b>		
Bank deposits *(with original maturity more than three months but within twelve months)	1,286.10	2,175.00
Interest accrued	43.33	37.72
Earmarked Balances (Unclaimed dividend accounts)	162.96	164.92
	1,492.39	2,377.94
<b>Total</b>	<b>3,040.03</b>	<b>3,319.83</b>

\* Bank deposits as of March 31,2017 and March 31,2016 include restricted balances of ₹ 868.28 lakhs and ₹ 734.81 lakhs respectively. The restriction are primarily on account of cash and bank balances held as margin money deposits against guarantees and overdraft facility

#### Note 8 (e) Short-term Loans and Advances

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(Unsecured, considered good except otherwise stated)		
Prepaid expenses	160.03	101.80
Advances to Gratuity fund (Refer Point B-7 of note 16)	-	3.63
Other current assets (includes advances to vendor, service tax credit receivable etc.)	284.19	221.72
Loans and Advances to Employees	21.27	27.37
<b>Total</b>	<b>465.49</b>	<b>354.52</b>

#### Note 9(a) Revenue from operation

₹ in Lakhs

Particulars	2016-17	2015-16
Training and Education Income	15,221.45	13,829.46
Income from Testing Services Operations	5,996.77	2,271.38
<b>Total</b>	<b>21,218.22</b>	<b>16,100.84</b>

#### Note 9(b) Other Operating Income

₹ in Lakhs

Particulars	2016-17	2015-16
Liabilities No Longer Required Written Back	114.79	231.84
<b>Total</b>	<b>114.79</b>	<b>231.84</b>

**Note 10 Other Income**

₹ in Lakhs

Particulars	2016-17	2015-16
Interest Income	314.70	330.14
Exchange Rate Gain (Net)	-	14.86
Net gain on sale of assets	4.83	4.33
Other non-operating income	0.94	1.61
<b>Total</b>	<b>320.47</b>	<b>350.94</b>

**Note 11 Training And Education Expenses**

₹ in Lakhs

Particulars	2016-17	2015-16
Education, Training Expenses and Course Materials	624.55	588.80
Course Execution Charges	7,294.31	5,618.85
<b>Total</b>	<b>7,918.86</b>	<b>6,207.65</b>

**Note 12 Marketing And Advertisement Expenses**

₹ in Lakhs

Particulars	2016-17	2015-16
Advertisement expenses	1,096.03	1,089.63
Other marketing expenses	5.40	7.64
<b>Total</b>	<b>1,101.43</b>	<b>1,097.27</b>

**Note 13 Employee Benefits Expenses**

₹ in Lakhs

Particulars	2016-17	2015-16
Salaries and other allowances (Refer note 13.1 below)	4,810.38	3,771.75
Contribution to Provident and other Funds (Refer note 13.1 below)	272.15	257.54
Gratuity fund contributions (Refer point B-7 of note 16)	151.14	81.35
Staff welfare expenses	129.12	83.26
<b>Sub Total (A)</b>	<b>5,362.79</b>	<b>4,193.90</b>
Esop Compensation Cost ( Net ) (Refer point B-20 of note 16)	580.53	-
<b>Sub Total (B)</b>	<b>580.53</b>	<b>-</b>
<b>Total (A+B)</b>	<b>5,943.32</b>	<b>4,193.90</b>

**Note 13.1 Managerial Remuneration:**

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

₹ in Lakhs

Particulars	2016-17	2015-16
Salaries and Allowances	361.94	289.47
Contribution to Provident and other funds	18.35	16.40
<b>Total</b>	<b>380.29</b>	<b>305.87</b>

**Note 13.2** Liabilities for gratuity and leave encashment at the end of tenure has not been considered for calculation of Managerial remuneration as per section IV of schedule V of Companies Act 2013 .

**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 aggregating ₹ 146.31 lakhs for the year ended 31st March 2015 and ₹ 140.25 lakhs paid to the Managing Director & Wholetime Director for the Year ended 31st March'16 , approvals for which are awaited.

**Note 14 Administration And Other Expenses**

₹ in Lakhs

Particulars	2016-17	2015-16
Rent	682.55	721.47
Rates And Taxes	31.70	29.81
Travelling And Conveyance Expenses	583.04	484.47
Electricity Charges	123.70	133.54
Communication Expenses	188.84	187.95
<b>Repairs And Maintenance :-</b>		
Buildings	1.13	1.06
Plant & Machinery	49.57	49.64
Others	88.81	93.30
Insurance Premium	21.05	4.40
Legal And Professional Charges	244.07	192.19
Provision For Doubtful Debts	452.29	193.60
Bad Debts/Advances written Off	33.66	21.47
Audit Fees (Refer note 14.1 below)	55.40	54.36
Safety And Security	193.33	179.68
Exchange Difference (Net)	223.49	-
Printing and Stationery	45.74	51.24
Stamp duty charges	12.78	3.80
Bank Charges	31.92	36.15
Director's Commission provided (Refer note 14.2 below)	15.50	16.50
Director's Sitting Fees	17.20	19.40
Service tax Expenses	70.20	110.04
CSR Expenditure	16.85	5.75
Miscellaneous Expenses	232.33	237.20
<b>Total</b>	<b>3,415.15</b>	<b>2,827.02</b>

**14.1 Payments to the auditor as**

₹ in Lakhs

Particulars	2016-17	2015-16
Audit Fees	32.58	31.32
Tax Audit Fees	7.50	7.50
Limited Review	10.65	10.65
<b>Certification/ Other Fees:</b>		
Tax advisory	0.62	-
Company Law Matters	0.20	1.08
Others Services	2.10	2.15
Reimbursement of expenses	1.75	1.66
<b>Total</b>	<b>55.40</b>	<b>54.36</b>

**14.2 Directors' commission provided**

₹ in Lakhs

Particulars	2016-17	2015-16
Directors' commission calculated @ 1% as per section 198 of Companies Act' 2013	15.64	16.56
Directors' commission proposed by the Board and provided for	-	-
Commission payable to non-whole-time director for financial year 2016-17 @ 1% of net profit computed in accordance with section 198 of the Companies Act, 2013.	15.50	16.50

**14.3** Administration and other expenses are net of recoveries.

**Note 15 Finance Costs**

₹ in Lakhs

Particulars	2016-17	2015-16
Interest expense:-		
Cash Credit & Others	3.97	27.27
Commitment & Finance Charges	0.14	0.29
Total	4.11	27.56

**Note “16”**

**A. Significant Accounting Policies:**

**a) Accounting Convention**

The Consolidated Financial Statements (CFS) comprises the financial statement of Aptech Limited, (“the Company”) and its Subsidiaries, Joint Ventures and Associate (hereinafter collectively referred to as the “Aptech Group”. The CFS of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with all material aspects of the Accounting Standards (AS) notified 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 point B.1 of note 16

**d) Fixed Assets (Property, Plant, Equipment and Intangible 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 Asset are provided at the following rates based on estimated useful life as per Schedule II of the Act .

Office Premises	60 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 Rs. 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.
- i) Depreciation on furniture & fixtures, which are installed at leasehold premises, are amortised over lease period and any Capital Expenditure incurred on Building taken on lease is amortised over the period of lease

**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 or fair value, determined by category of investment.

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

**j) Inventories**

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

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

**k) Derivative instruments and hedge accounting**

The company has started hedging its risk of foreign currency fluctuations relating to receivables of highly probable forecast transactions pertaining to franchise income by entering into Exchange Traded Futures (ETF's). In accordance with Company's risk mitigating policy, it has designated these ETF's as cash flow hedge by early application of the recognition and measurement principles set out in the Accounting Standard (AS30) "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 (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.

Revenue is recognized when significant risks & rewards of the goods & services have been transferred to the buyer and when it is probable that the economic benefits flows to the Company and revenue can be reliably measured .

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. Revenue from event vouchers sales are recognized when the vouchers are redeemed and Services are rendered 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.

## **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 undiscovered 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 Fair value method as permitted by the Securities Exchange Board of India SEBI (Share Based Employee Benefits) regulations 2014 and the Guidance Note on Accounting for employee Share Based Payment issued by the ICAI, whereby the Fair 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 Employee Stock Option Account (share option outstanding account), net of any unamortised deferred employee compensation is shown separately as part of reserves.

**p) Income Tax**

Tax expense comprises of current tax 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.

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.

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

**q) Earnings Per Share**

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

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

**r) Operating Lease**

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

**s) Cash and Cash Equivalents**

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

**t) Segment Reporting Policies**

**i) Identification of segments**

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

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

**ii) Inter segment Transfers**

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

**iii) Allocation of Income and expenses**

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

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

**iv) Allocation of Assets and liabilities**

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

**u) Provisions, Contingent Liabilities and Contingent Assets**

- i) A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- ii) Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.
- iii) Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.
- iv) Contingent liabilities are possible but not probable obligations as on the balance sheet date, based on the available evidence.
- v) Department appeals, in respect of cases won by the company, are also considered as contingent Liabilities.
- vi) Contingent Assets are neither recognised, nor disclosed in the financial statements.
- vii) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

**B) OTHER NOTES ON ACCOUNTS:**

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

Name of the Company	Country of Incorporation	Ownership Interest as on March 31, 2017	Ownership Interest as on March 31, 2016
<b>Subsidiaries</b>			
Aptech Training Limited FZE	UAE	100%	100%
Attest Testing Services Limited	India	100%	100%
AGLSM SDN. BHD, Malaysia	Malaysia	100%	100%
Aptech Worldwide Corporation, USA (Refer Point No. B-18 of Note 16)	USA	100%	100%
Maya Entertainment Limited (erst while 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%
Star International Training and Consultancy Pvt. Ltd. w.e.f. 23rd Dec 2016 (Erstwhile Aptech Global Investment Limited) (Subsidiary of Aptech Training Limited FZE)	Mauritius	100%	100%
<b>Associate / Joint Venture</b>			
Aptech Philippines Incorporation	Philippines	40%	40%
Aptech Hungama Digital Learning LLP	India	0%	50%

- 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) was approved by Hon'ble High Court of Mumbai on 5th September 2014. The Scheme had 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 ceased 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 (To the extent not provided for) and counter guarantees in respect of**

₹ in Lakhs

Particulars	As at 31 March 2017	As at 31 March 2016
<b>(a) Contingent Liabilities</b>		
(i) Claims against the company not acknowledged as debt	139.41	146.77
(ii) In respect of tax matters	66.14	182.37
Sub Total (a)	205.55	329.14
<b>(b) Capital Commitments and Guarantees</b>		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	67.20	351.92
(ii) Counter Guarantees to bank for projects	509.38	176.38
Total (b)	576.58	528.30
Total (a+b)	782.13	857.44

- 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 Training limited (FZE), Star International Training & Consultancy Pvt. Ltd., (located in Mauritius) is considered as integral operation.

5) **Related Party Disclosures:**

a) Names of related parties and description of relation:

- i) Key Management Personnel :
- Mr. Anil Pant (Managing Director & CEO from 3rd Nov' 2016) (Designated CEO & Managing Director from 21st July'2016- 2nd Nov 2016)
  - Mr. Ninad Karpe (CEO and Managing Director till 2nd Nov'16)
  - Mr. Anuj Kacker (Whole Time Director)
- ii) Relatives of Key Management Personnel : Mrs. Anjali Karpe (Wife of Mr. Ninad Karpe)
- iii) Other related party : Asian Institute of Communication & Research (AICAR).
- b) Transactions with related parties:

₹ in Lakhs

Nature of Transactions	Key Management Personnel	Relative of Key Management Personnel	Other related party	Total
Expenses (Remuneration)	397.32			397.32
(previous year)	(305.87)			(305.87)
Training & Education Expenses		8.00		8.00
(previous year)		(8.00)		(8.00)
Loans & Advances (opening)	25.00		1,302.78	1,327.78
Loans & Advances (Net)	10.88		233.25	244.13
(previous year)	(25.00)		(164.42)	(189.42)
Loans & Advances (closing as at March 31, 2017)	35.88		1,536.03	1,571.91

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

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

₹ in Lakhs

Transaction	Relationship	2016-17	2015-16
<b>Managerial Remuneration</b>	Key Management Personnel		
Mr. Anil Pant (from 1st July 16)		130.25	-
Mr. Ninad Kapre (till 2nd Nov. 16)		169.36	213.49
Mr. Anuj Kacker		97.72	92.38
<b>Loans &amp; Advances (Net)</b>			
Mr. Anuj Kacker	Key Management Personnel	10.88	25.00
Asian Institute of communication & Research	Other related party	233.25	164.42
<b>Traning &amp; Education Expenses</b>			
Mrs. Anjali Karpe	Relatives of Key Management Personnel	8.00	8.00
Closing balance Loans & Advances as on 31st March 2017 to Asian Institute of Communication & Research	Other related party	1,536.03	1,302.78

#### 6. Earning per share

Particulars	2016-17	2015-16
Profit / (loss) ater tax attributable to shareholders (₹ in lakhs) (A)	1,871.20	1,016.88
weighted overage number of equity shares outstanding during the year		
Basic (No. of shares) (B)	39,893,560	39,893,560
Diluted (No. of shares) (C)	40,415,703	39,893,560
Nominal values of equity shares (₹)	10	10
Basic EPS ₹ (A/B)	4.69	2.55
Diluted EPS ₹ (A/C)	4.63	2.55

#### 7) Retirement Benefits :

##### A) Defined benefit plan

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

₹ In lakhs

Particulars	2016-17	2015-16
Present value of the defined benefit obligation at the end of the year	670.97	565.71
Fair value of the plan assets	(616.18)	(569.34)
Net Liability / (Assets)	54.79	(3.63)

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

₹ In lakhs

Particulars	2016-17	2015-16
Current Service Cost	55.55	52.98
Interest on defined benefit obligation	45.10	39.66
Expected return on plan assets	(45.40)	(36.95)
Net actuarial (Gain)/ Loss on plan Assets	98.16	25.40
Net Gratuity Cost	153.42	81.09

##### Actual Return on plan assets:

₹ In lakhs

Particulars	2016-17	2015-16
Expected Return on plan assets	45.40	36.95
Acturial Gain / ( Loss ) on plan assets	(2.58)	3.41
Actual return on plan assets	42.82	40.36

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

₹ In lakhs

Particulars	2016-17	2015-16
Opening defined benefit obligation	565.71	501.98
Current Service Cost	55.55	39.66
Interest cost	45.10	52.98
Actuarial (Gain)/ Loss	95.58	28.82
Benefit Paid	(90.98)	(57.73)
Closing defined benefit obligation	670.97	565.71

**Change in fair value plan assets:**

	₹ In lakhs	
Particulars	2016-17	2015-16
Fair value of the plan assets at the beginning of the year	569.34	467.71
Expected return on plan assets for the period	45.40	36.95
Contributions during the period	95.00	119.00
Benefits paid during the period	(90.98)	(57.73)
Actuarial Gain / ( Loss ) on plan assets	(2.58)	3.41
Fair value of the plan assets at the end of the year	616.18	569.34

**Principal Actuarial Assumptions at the balance sheet date 31.03.2017 for Gratuity:**

Particulars	2016-17	2015-16
Discount Rate	7.26%	7.80%
Estimate rate of return on plan assets	7.26%	7.99%
Rate of Salary Growth	5.75%	5.75%

**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.

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

	₹ In lakhs	
Particulars	2016-17	2015-16
Present value of the defined benefit obligation at the end of the year	248.42	228.98
Fair value of the plan assets	-	-
Net Liability / (Assets )	248.42	228.98
Current Liability	64.46	45.53
Non- Current Liability	183.96	183.46

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

	₹ In lakhs	
Particulars	2016-17	2015-16
Current Service Cost	15.19	20.83
Interest on defined benefit obligation	18.25	19.96
Expected return on plan assets	-	-
Net actuarial (Gain)/ Loss on plan Assets	52.61	(26.25)
Net Compensated absences / Leave Encashment Cost	86.05	14.54

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

	₹ In lakhs	
Particulars	2016-17	2015-16
Opening defined benefit obligation	228.98	252.66
Current Service Cost	15.19	20.83
Interest cost	18.25	19.96
Actuarial (Gain)/ Loss	52.61	(26.25)
Benefit Paid	(66.61)	(38.21)
Closing defined benefit obligation	248.42	228.99

**B) Defined Contribution Plan –**

Amount recognized as an expense and included in the Note 13 - "Contribution to Provident & Other Funds ₹ 272.15 lakhs (Previous Year ₹ 257.54 lakhs).

**8) 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 the followings:

₹ In lakhs

Particulars	As on March 31, 2017	As on March 31, 2016
Carried forward Unabsorbed Depreciation	994.80	1,370.16
Carry Forward Business Loss	335.26	512.08
Carry Forward Capital Loss	503.79	709.73
Provision For Bad Debts	52.79	81.10
Expenditure/provisions(Gratuity & Leave encashment)	102.15	76.60
Related to Fixed Assets	-	3.31
Total Deferred Tax Asset (A)	1,988.79	2,752.98
Related to Fixed Assets	111.89	-
Total Deferred Tax Liability (B)	111.89	-
Net Deferred Tax Asset (A-B) *	1,876.90	2,752.98

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

- 9) Segmental Report for the year of the group as per AS-17 is annexed.
- 10) Balances of Trade receivables, Trade payables, loans and advances are subject to confirmation and reconciliation.
- 11) 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 required to contribute ₹ 45.26 lakhs during the FY 2016-17 (Previous Year ₹ 48.43 lakhs), however till end of the financial year 2016-17, a sum of ₹ 16.85 lakhs (Previous Year ₹ 5.75 lakhs) has been spent on the said initiatives.
- 12) 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.
- 13) The Company's pending litigations comprise of claims against the Company primarily by the Civil and Consumer case pending with Courts and 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 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 recognized a contingent liability of ₹ 782.13 lakhs as at 31<sup>st</sup> March 2017 (Previous Year ₹ 857.44 lakhs).
- 14) Additional information as required under Schedule III of Companies Act'2013 of enterprises consolidated is given in the annexure attached.
- 15) **Expenditure in Foreign Currency :**

₹ In lakhs

Particulars	Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2016
a) Foreign Travel	55.19	29.61
b) Training & Education Expenses	2,644.27	2,798.59
c) Administrative and Other Expenses	531.94	408.67
d) Employee Benefit Expenses	56.77	123.20
Total	3,288.17	3,360.07

**16) Earnings in Foreign Currency:**

₹ In lakhs

Particulars	Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2016
a) F.O.B. Value of sale of Education and training course materials	134.42	118.26
b) Training and Education Income	5,126.22	4,875.78
Total	5,260.64	4,994.04

**17) Foreign Currency Exposure which are not hedged :**

₹ In lakhs

Particulars	2016-17	2015-16
a) Trade Receivables	1,292.80	69.42
Total	1,292.80	69.42

**18)** One of the wholly owned subsidiary namely Aptech Worldwide Corporation, USA is being wound up vide the resolution of the Board of the Company in its meeting held on 26th October 2015. The business operations of the said subsidiary for last several years were insignificant.

**19)** Disclosure on Specified Bank Notes: -During the year, the Company had Specified Bank Notes (SBN) or other denomination notes as defined in the MCA notification, G.S.R 308(E), dated 30<sup>th</sup> March, 2017. The details of the SBNs held and transacted during the period from November 8, 2016 to December 30, 2016. The details are as follows.

Particulars	SBN	Other Denomination Notes	Total
Closing Balance as at 8.11.2016	60,000	185,706	245,706
(+) Permitted Receipts			
(-) Permitted Payments		39,226	39,226
(-) Amount Deposited in Bank	60,000		60,000
Closing Cash on hand as on 30.12.2016		146,480	146,480

**20)** In accordance with the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 ("SEBI Regulations"), the Holding company had obtained approval of its shareholders at the Annual General Meeting held on 27th September 2016 to create, offer and grant up to 4432620 options under Aptech ESOP 2016 scheme to the employees of the Holding Company and its subsidiaries. These options will vest in 3rd, 4th and 5th year based on the tenure of eligible employees and performance criteria. The Stock options are granted at an exercise price, which is equal to Fair market price as determined by the Nomination and Remuneration committee. Based on valuation report of an Independent Valuer, the Fair value of ESOP cost is arrived at based on Black-Scholes-Merton model and a sum ₹ 581 lakhs for the Year ended March 31, 2017 which has been provided for.

The Fair value model inputs the share price at respective grant dates, exercise price of ₹ 67, volatility of 0.43, dividend yield of 1.22%, life of option being 4 year 6 month, and a risk-free interest rate of 6.95%.

Details of Option Granted under various tranches are as under:

Particulars	Tranche I	Tranche II	Tranche III
Grant Date	27-09-2016	19-10-2016	24-01-2017
Options Granted & Outstanding at the end of the Year	3730520	131620	496390
Exercise Period from the date of Grant	5 years	5 years	5 years
Exercise Price	67	67	67
Pricing Formula	As determined by Nomination & Remuneration Committee		

**21)** The Board of Directors have recommended a interim Dividend of ₹ 3 per equity share (30% face value of ₹ 10 each) for FY 2016-17 at the meeting of Board of Directors held on 24th May'2017. In view of amendment in AS-4, "Contingencies and events occurring after Balance sheet date", during the year no provision for the proposed dividend in the books of account is required to be made.

**22)** The Company does not recognise MAT credit entitlement, on account of prudence from financial year 2012-13.

**23)** The figures for the previous year have been regrouped / rearranged / reclassified wherever necessary to correspond with figures for the current year.

Notes referred to above form an integral part of the consolidated financial statements.

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 : May 24, 2017

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

**ANIL PANT**  
Managing Director & CEO  
(Din : 07565631)

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

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

**KETAN SHAH**  
Company Secretary



## 9 Segment information under AS – 17

## Primary Segment information : Business Segment

Particulars	For the Year ended 31st March 2017				For the Year ended 31st March 2016			
	Business Segments			Total	Business Segments			Total
	Retail	Institutional	Unallocable		Retail	Institutional	Unallocable	
<b>Revenue</b>								
Income from Segment	14,607.13	6,725.89	5.59	21,338.62	13,026.43	3,222.56	104.49	16,353.48
<b>Results before Interest and tax</b>	3,763.48	1,439.89	(3,316.12)	1,887.25	3,103.34	201.96	(2,311.02)	994.26
Add: Interest / Dividend Incomes	-	-	314.86	314.86	-	-	330.14	330.14
Less: Finance Cost	-	-	4.11	4.11	-	-	27.56	27.56
<b>Profit / (loss) before Tax</b>	3,763.48	1,439.89	(3,005.37)	2,197.99	3,103.34	201.96	(2,008.46)	1,296.84
Less: Provision for Current Income tax			326.79	326.79	-	-	277.52	277.52
Less: Share of loss in associates			-	-	-	-	2.44	2.44
Add / (Less) : Minority Interest			-	-	-	-	-	-
<b>Profit / (Loss) after Tax</b>	3,763.48	1,439.89	(3,332.16)	1,871.21	3,103.34	201.96	(2,288.44)	1,016.88
<b>Other Information</b>								
Carrying amount of Segment Assets	4,219.68	3,212.35	-	7,432.03	4,883.25	1,574.66	-	6,457.91
Unallocable Corporate Assets	-	-	21,347.19	21,347.19	-	-	19,527.95	19,527.95
Carrying amount of Segment Liabilities	1,617.31	1,082.24	-	2,699.55	1,771.00	681.60	-	2,452.60
Unallocable Corporate Liabilities	-	-	775.40	775.40	-	-	673.78	673.78
Capital Expenditure	601.02	435.49	423.41	1,459.92	606.22	37.79	144.72	788.72
Depreciation / Amortization	695.58	148.77	228.27	1,072.62	716.61	127.04	189.73	1,033.38
Significant Non-Cash Expenses	524.89	65.31	580.53	1,170.73	301.73	20.83	22.91	345.47

## Secondary Segment information : Geographical segment

Particulars	For the Year ended 31st March 2017				For the Year ended 31st March 2016			
	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	15,957.59	6,139.23	1,455.17		11,254.95	5,016.50	713.21	
Outside India	5,260.64	1,292.80	4.75		4,994.04	1,441.41	75.51	
<b>Total</b>	<b>21,218.22</b>	<b>7,432.03</b>	<b>1,459.92</b>		<b>16,248.99</b>	<b>6,457.91</b>	<b>788.72</b>	

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.
- 2) Previous year figures have been regrouped wherever necessary to correspond with the figures of the current year.

# INDEPENDENT AUDITOR'S REPORT

## To the Members of APTECH LIMITED

### Report on the Standalone Financial Statements

- 1 We have audited the accompanying Standalone Financial Statements of APTECH LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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 Standalone 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 & presentation 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 also 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 standalone 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. 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 on the Standalone Financial Statements

### Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 March 31, 2017, its profit and its cash flows for the year ended on that date

### Emphasis of Matter

7. Attention is invited to Note 13.3 of the Financial Statements about remuneration paid in excess to the Managing and Whole Time Director for Financial Year 2014-15 and 2015-16 amounting to Rs 146.31 Lakhs and Rs. 140.25 lakhs respectively for which approval of the Central Government is awaited. Our report is not qualified on the matter.

### Report on Other Legal and Regulatory Requirements

- 8 As required by the Companies (Auditor's Report) Order, 2016 ("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, 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 it 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 standalone 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, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the Internal Financial Control over financial reporting of the company and the operating effectiveness of such control, refer Annexure B of this report;
  - g. 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. B-15 of Note 16
    - ii. The Company did not have any long-term contracts including derivative contracts as at Balance sheet date for which there existed any foreseeable losses- Refer point no B-14 of Note 16
    - 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.
    - iv. The Company has provided requisite disclosures in the Standalone Financial Statements as regards holding and dealings in Specified Bank Notes (SBN) as defined in the notification S.O. 3407 (E) dated November 8, 2016 of the Ministry of Finance, during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016. Based on audit procedures performed and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management-Refer point no. B-16 of Note 16

For **Khimji Kunverji & Co**

Chartered Accountants

Firm Registration No 105146W

Place: Mumbai

Date: May 24, 2017

**Shivji K Vikamsey**

Partner (F - 2242)

## ANNEXURE AUDITOR'S REPORT

### **Annexure A referred to in paragraph 8 of our Report of even date to the members of APTECH LIMITED on the Standalone Financial Statements for the year ended March 31, 2017**

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 the 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;
- (c) According to the information & explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the company.
- (ii) The Management has conducted physical verification of inventory at reasonable intervals during the year; as informed to us no material discrepancies were noticed on such 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 except for the loan given to Whole Time Director aggregating Rs. 40 Lakhs, the terms and conditions whereof are, prima facie, not prejudicial to the interest of the Company. The repayment of principal and interest is as per stipulated schedule. There are no amounts overdue for more than ninety days as at March 31, 2017.
- (iv) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act
- (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 to the extent notified
- (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 for any of the services rendered by the company.
- (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, Service Tax, Cess and other material statutory dues, as applicable, with the appropriate authorities in India. There are no undisputed statutory dues remaining outstanding for the period exceeding six months as at the date of the Balance sheet. As informed, provisions of Sales tax, Value Added Tax, Customs Duty and Excise duty are not applicable to the Company during the year under report.
- (b) According to the information and explanations given to us and based on the records of the company examined by us, there are no material dues of Income Tax and Service Tax which have not been deposited on account of any disputes. As informed, provisions of Sales Tax, Value Added Tax, Customs Duty and Excise duty are not applicable to the Company during the year under report.
- (viii) According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings to any Financial Institution, Bank or Government as at the Balance sheet date. The Company has not issued any debentures and hence there are no dues to debenture holders during the year under report.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Hence, paragraph 3 (ix) of the Order is not applicable to it.
- (x) According to the information & explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the course of our audit.
- (xi) As reported in paragraph 7 of the audit report, the Managerial Remuneration paid in excess of the limits prescribed under the Act for previous years, are being regularized by seeking approval from the Central Government.
- (xii) In our opinion and based on our examination of records of the company, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Section 177 and 188 of the Act. The transactions with related parties entered into by the Company, disclosures whereof are made as per applicable Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under report. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information & explanations furnished to us and based on our examinations of the records of the Company, the Company has not entered into non cash transactions with the directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

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

Place: Mumbai  
Date: May 24, 2017

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

**Annexure B referred to in paragraph 9 (f) of Our Report of even date to the members of APTECH LIMITED on the Standalone Financial Statements of the Company for the year ended March 31, 2017**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of APTECH LIMITED ("the company") as at March 31, 2017 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting are established and maintained and whether such controls operated effectively in all material respects

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting

**Meaning of Internal Financial Controls over Financial Reporting**

Internal financial control over financial reporting is a process designed by the Company to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Further, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate owing to changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate or for other reasons

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

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

Place: Mumbai  
Date: May 24, 2017

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

## BALANCE SHEET as at March 31, 2017

₹ in Lakhs

Particulars	Note No.	AS AT March 31, 2017	AS AT March 31, 2016
<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	19,088.68	17,606.41
		23,078.04	21,595.77
<b>2 NON CURRENT LIABILITIES</b>			
(a) Long term Borrowing		-	-
(b) Long term provisions	3	139.29	140.16
		139.29	140.16
<b>3 CURRENT LIABILITIES</b>	4		
(a) Trade payables			
(i) Micro Enterprise & Small Enterprise		-	-
(ii) Other payables		1,155.99	859.38
(b) Other current liabilities		1,087.05	1,020.59
(c) Short term provisions		66.36	37.52
		2,309.40	1,917.49
<b>TOTAL</b>		25,526.73	23,653.42
<b>(II) ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(a) Fixed assets	5		
(i) Tangible assets		1,878.52	1,570.88
(ii) Intangible assets		786.13	782.88
(iii) Capital work-in-progress		-	0.34
(iv) Intangible assets under development		34.20	35.28
		2,698.85	2,389.38
(b) Non current investments	6	8,655.84	8,657.59
(c) Long term loans and advances	7	3,297.86	2,914.52
<b>2 CURRENT ASSETS</b>	8		
(a) Current investments		1,803.36	-
(b) Inventories		68.39	84.73
(c) Trade receivables		4,044.44	3,252.76
(d) Cash and Cash equivalents		2,290.50	3,007.28
(e) Short term loans and advances		2,667.49	3,347.16
		10,874.18	9,691.93
<b>TOTAL</b>		25,526.73	23,653.42
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.**  
Chartered Accountants  
(Firm Registration No. 105146W)

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

**SHIVJI K VIKAMSEY**

Partner  
(M.No 2242)

**ANIL PANT**

Managing Director & CEO  
(Din :07565631)

**C. Y. PAL**

Vice Chairman  
(Din: 00106536)

Place : Mumbai  
Date : May 24, 2017

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

**KETAN SHAH**  
Company Secretary

## STATEMENT OF PROFIT AND LOSS for the year ended March 31,2017

₹ in Lakhs

Particulars	Note No.	For the year ended March 31,2017	For the year ended March 31,2016
<b>REVENUE</b>			
Revenue from operations	9 (a)	11,641.66	8,910.96
Other Operating income	9(b)	67.04	174.12
Other income	10	400.73	335.54
<b>Total Revenue</b>		<b>12,109.43</b>	<b>9,420.62</b>
<b>EXPENSES</b>			
Training and education expenses	11	4,101.69	3,085.70
Marketing and advertisement expenses	12	776.12	654.30
Employee benefits expenses	13	3,299.64	2,299.43
ESOP Compensation Cost (Refer point no. B-18 of note 16)	13	547.84	-
Administration and other expenses	14	1,539.90	1,415.66
Finance Costs	15	4.09	27.30
Depreciation and Amortisation Expenses	5	684.70	642.20
<b>Total Expenses</b>		<b>10,953.98</b>	<b>8,124.59</b>
<b>PROFIT BEFORE TAX</b>		<b>1,155.45</b>	<b>1,296.03</b>
<b>TAX EXPENSES</b>			
Income Tax		247.00	277.00
Deferred Tax (Refer point no. B-4 of note 16)		-	-
		<b>247.00</b>	<b>277.00</b>
<b>PROFIT AFTER TAX FOR THE YEAR</b>		<b>908.45</b>	<b>1,019.03</b>
Earning Per Equity Share of face value ₹ 10 each (Refer point no B-2 of Note 16)			
- Basic in ₹		2.28	2.55
- Diluted in ₹		2.25	2.55
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.**  
Chartered Accountants  
(Firm Registration No. 105146W)

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

Place : Mumbai  
Date : May 24, 2017

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

**ANIL PANT**  
Managing Director & CEO  
(Din :07565631)

**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 31,2017

₹ in lakhs

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before tax as per Statement of Profit and Loss</b>	1,155.45	1,296.03
<b>Adjustments For :</b>		
Employee Stock Compensation expenses (Gross)	580.53	-
Depreciation and Amortisation expenses	684.70	642.20
Provision for doubtful debts written off	72.48	66.33
Bad debt / advances written off	3.13	21.47
Liability no longer required written back	(67.04)	(174.12)
Diminution of Investment	-	0.25
Dividend Income	(88.92)	(1.07)
Interest income	(268.10)	(313.67)
Finance Costs	4.09	27.30
Net Unrealised forex loss/ (gain)	(126.19)	(107.00)
Net Loss/(gain) on sale of fixed assets	(3.26)	(3.59)
<b>Operating Profit Before Working Capital Changes</b>	1,946.87	1,454.13
<b>Adjustments for Working Capital Changes</b>		
Decrease/(Increase) in Inventory	16.34	20.61
Decrease/(Increase) in Trade Receivables	(741.11)	(435.88)
Decrease/(Increase) in Loans and advances other than Subsidiaries	(682.46)	(500.23)
Increase/(Decrease) in Current liabilities and provisions	460.03	279.10
<b>Cash From / (used) in Operating Activities</b>	999.67	817.73
Income tax paid (Net)	-	(21.00)
<b>Net Cash From / (used) in Operating Activities (I)</b>	999.67	796.73
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(991.41)	(513.82)
Sale of fixed assets	0.52	10.94
Investment in bonds / Shares	(1803.36)	0.25
(Purchase )/ Redemption of Investment	1.75	(38.53)
Dividend Income	88.92	1.07
Loans and advances recovered from Subsidiaries	731.80	85.94
Interest income	268.75	328.26
Dividend paid (including DDT)	-	(1317.87)
Proceeds from / (Investing in) bank deposits (original maturity more than three months)	1,079.07	543.00
<b>Net Cash From / (used) in Investing Activities (II)</b>	(623.96)	(900.76)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Financing of hedging contract	(6.71)	20.16
Finance Costs	(4.09)	(27.30)
<b>Net Cash from /(Used) in Financing Activities (III)</b>	(10.80)	(7.14)
<b>Net Increase in Cash &amp; Cash equivalents (I+ II+ III)</b>	364.91	(111.17)
<b>Cash &amp; Cash equivalents at the beginning of the year</b>	648.63	759.89
<b>Cash &amp; Cash equivalents at the end of the year</b>	1,013.54	648.63

**Notes :**

- 1) Cash and Cash equivalents include cash and bank balances in current accounts and deposit accounts.(Refer note no. 8 (d))
- 2) Additions to fixed assets, sale of fixed assets and loans and advances given to Subsidiaries are considered as part of investing activities.
- 3) Previous year figures have been regrouped wherever necessary to correspond with the figures of the current year.

As per our attached report of even date.

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

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

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

**ANIL PANT**  
Managing Director & CEO  
(Din :07565631)

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

Place : Mumbai  
Date : May 24, 2017

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

**KETAN SHAH**  
Company Secretary



# NOTES TO FINANCIAL STATEMENTS

## as at March 31, 2017

### NOTE 1 SHARE CAPITAL

Particulars	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
	Number	₹ in Lakhs	Number	₹ in Lakhs
<b>Authorised</b>				
Equity Shares of ₹10 each	60,000,000	6,000.00	60,000,000	6,000.00
<b>Issued</b>				
Equity Shares of ₹ 10 each	39,893,560	3,989.36	39,893,560	3,989.36
<b>Issued, Subscribed &amp; Paid up</b>				
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 2017		As at 31 <sup>st</sup> March 2016	
	Number	₹ in Lakhs	Number	₹ in Lakhs
Shares outstanding at the beginning of the year	39,893,560	3,989.36	39,893,560	3,989.36
Add :- Shares Issued during the year	-	-	-	-
Less :- Shares cancelled on buy back of Equity Shares	-	-	-	-
Shares outstanding at the end of the year	39,893,560	3,989.36	39,893,560	3,989.36

**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 2017		As at 31 <sup>st</sup> March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
RARE EQUITY PVT. LTD.	8,443,472	21.17%	8,443,472	21.17%
RAKESH JHUNJHUNWALA	5,019,100	12.58%	4,319,100	10.83%
REKHA JHUNJHUNWALA	4,574,740	11.47%	4,046,001	10.14%

**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)				
	2016-17	2015-16	2014-15	2013-14	2012-13
Equity Shares :					
Fully paid up pursuant to contract(s) without payment being received in cash	-	-	-	-	-
Fully paid up by way of Bonus Shares	-	-	-	-	-
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 Rs.10 each fully paid up are represented by 22,542 (Previous year 22,542) Global Depository Receipts (GDRs) of USD 7.175 each.

**Note 1.5** In accordance with the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 ('SEBI Regulations'), approval of shareholders of the Company was obtained at the Annual General Meeting held on 27th September 2016 to create, offer and grant upto 4432620 options under Aptech ESOP 2016 scheme to the employees of the Company and its subsidiaries. These options will vest in 3rd, 4th and 5th year based on the tenure of eligible employees and performance criteria.

**NOTE 2 RESERVES AND SURPLUS**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>a. Capital Redemption Reserve</b>		
Balances as at beginning and closing of the year	1,774.59	1,774.59
Closing Balance	1,774.59	1,774.59
<b>b. Securities Premium Account</b>		
Balances as at beginning and closing of the year	8,977.20	8,977.20
Closing Balance	8,977.20	8,977.20
<b>c. Share Options Outstanding Account</b>		
Balances as at beginning of the year	-	-
Add: Current Year Transfer	580.53	-
Closing Balance	580.53	-
<b>d. Cash Flow Hedging Reserve</b>		
Balances as at beginning and closing of the year	6.71	(13.45)
Add: Current Year Transfer	(6.71)	20.16
Closing Balance	-	6.71
<b>e. General Reserve</b>		
Balances as at beginning and closing of the year	624.98	624.98
Closing Balance	624.98	624.98
<b>f. Surplus in Statement of Profit and Loss</b>		
Balances as at beginning of the year	6,222.93	5,684.05
Add : Net Profit for the current year	908.45	1,019.03
Less : 1st Interim Dividend *	-	398.94
Less : Corporate Tax on Interim Dividend	-	81.21
Closing Balance	7,131.38	6,222.93
<b>Total</b>	<b>19,088.68</b>	<b>17,606.41</b>

\* The Board of Directors have recommended Interim dividend of ₹ 3 per equity share for the financial year 2016-17 on Face value of ₹ 10 (In FY 15-16, the Board of Directors have declared & paid interim Dividend of ₹ 1 per equity share on face value of ₹ 10) (Refer point no. B-19 of note 16)

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<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 ₹ 500 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 ₹ 236.50 lakhs from YES Bank & ₹27 lakhs from Andhra 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 2017	As at 31 <sup>st</sup> March 2016
<b>Provision for employee benefits :-</b>		
Gratuity (Funded)	-	-
Leave Encashment (Unfunded) (Refer point no. B-3 of note 16)	139.29	140.16
<b>Total</b>	<b>139.29</b>	<b>140.16</b>

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>Trade Payable</b>		
(i) Micro enterprises & small Enterprises *		
(ii) Other payables(Refer point B-12 of note 16)	1,155.99	859.38
* 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, 2017, 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.		
<b>Total</b>	<b>1,155.99</b>	<b>859.38</b>

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(a) Unclaimed dividends	162.96	164.92
(b) Sundry creditors for capital assets (Refer point no. B-12 of note 16)	36.59	9.26
(c) Provisions for expenses	519.76	485.72
(d) Other payables :-		
Statutory Dues	213.27	190.83
Others liabilities	7.27	23.01
Franchisee /Caution deposits	147.20	146.85
<b>Total</b>	<b>1,087.05</b>	<b>1,020.59</b>

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(a) Provision for employee benefits :-		
Gratuity (Funded)	13.34	-
Leave encashment (Unfunded) (Refer point no. B-3 of note 16)	53.02	37.52
<b>Total</b>	<b>66.36</b>	<b>37.52</b>

## NOTE 5 FIXED ASSETS

₹ in Lakhs

Particulars	Tangible Assets						Intangible Assets				Total	
	Freehold land	Buildings	Leasehold Improvements	Computer Hardware	Furniture and Fixtures	Vehicles	Office equipment	Electrical fittings	Goodwill	Computer Software		Courseware
<b>a</b>												
<b>Gross Block</b>												
As at 01st April 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
Additions	-	3.04	-	35.65	75.04	-	20.34	7.91	-	44.11	357.20	543.29
Deletions	-	-	-	34.72	40.36	37.15	22.57	18.82	-	0.20	-	153.82
As at 31st March 2016	262.15	1,188.09	37.50	827.51	414.21	89.97	216.93	81.15	952.61	1,519.02	5,610.87	11,200.01
Additions	-	29.72	-	194.93	178.86	79.39	43.65	11.84	-	189.94	267.74	996.07
Deletions	-	-	-	13.63	14.62	-	6.86	5.34	-	-	-	40.45
As at 31st March 2017	262.15	1,217.81	37.50	1,008.81	578.45	169.36	253.72	87.65	952.61	1,708.96	5,878.61	12,155.63
<b>b</b>												
<b>Accumulated Depreciation</b>												
As at 01st April 2015	-	250.45	37.50	700.46	251.88	40.72	171.77	41.51	952.61	1,348.96	4,554.65	8,350.49
For the year	-	24.55	-	76.66	51.67	12.92	21.97	10.83	-	73.42	370.18	642.20
Deletions	-	-	-	34.60	37.36	37.15	21.68	15.48	-	0.20	-	146.47
As at 31st March 2016	-	275.00	37.50	742.52	266.19	16.49	172.05	36.86	952.61	1,422.18	4,924.83	8,846.22
For the year	-	24.78	-	87.33	71.62	11.93	25.56	9.04	-	75.02	379.42	684.70
Deletions	-	-	-	13.62	14.61	-	6.58	5.13	-	-	-	39.94
As at 31st March 2017	-	299.78	37.50	816.23	323.20	28.42	191.03	40.77	952.61	1,497.20	5,304.25	9,490.98
Intangible assets under development												34.20
Net Block as at 31st March 2017	262.15	918.03	-	192.58	255.25	140.94	62.69	46.88	-	211.76	574.36	2,698.85
Capital Work in Progress												0.34
Intangible assets under development												35.28
Net Block as at 31st March 2016	262.15	913.09	-	84.99	148.01	73.48	44.87	44.29	-	96.84	686.04	2,389.38

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

## NOTE 6 NON - CURRENT INVESTMENTS

Investments valued at cost, except otherwise stated

Particulars	Face Value of share	As at March 2017		As at March 2016	
		No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
<b>A. Investments in Equity Instruments (Unquoted) :-</b>					
<b>Subsidiaries</b>					
Attest Testing Services Limited	₹ 10	82,841	8.28	82,841	8.28
Maya Entertainment Limited (Refer Point no B-11 of Note 16)	₹ 10	27,642,107	6,074.35	27,642,107	6,074.35
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	7	66.61
Aglsn Sdn. BHD Malaysia	1 RM	773,788	105.45	773,788	105.45
Aptech Worldwide Corporation, USA (Refer point no B- 17 of Note 16)	1 US\$	900,000	409.50	900,000	409.50
			6,895.59		6,895.59
Less : Provision for dimunition in the value of Investments:-					
Aptech Worldwide Corporation, USA			409.50		409.50
<b>Sub total (A)</b>			6,486.09		6,486.09
<b>Joint Venture</b>					
Aptech Hungama Digital learning LLP			-		2.00
Less : Provision for dimunition in the value of Investments:-			-		0.25
<b>Sub total (B)</b>			-		1.75
<b>Others</b>					
Syntea Polland JV	.20 PLN	350,000	265.24	350,000	265.24
Handy Training Technologies	₹ 10	2,500	0.25	2,500	0.25
<b>Sub total (C)</b>			265.49		265.49
<b>B. Investments in Preference Shares (Unquoted) :-</b>					
<b>Subsidiary</b>					
Aptech Venture Limited	1 Euro	2,841,093	1,904.26	2,841,093	1,904.26
<b>Sub total (D)</b>			1,904.26		1,904.26
<b>Total Non Current Investment (A+B+C+D)</b>			8,655.84		8,657.59

## NOTE 7 LONG TERM LOANS AND ADVANCES

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>a. Capital Advances</b>		
Unsecured, considered good, except otherwise stated	9.49	4.50
	9.49	4.50
<b>b. Security Deposits</b>		
Unsecured, considered good, except otherwise stated	307.23	153.96
	307.23	153.96
<b>c. Loans and advances to related parties</b>		
Unsecured, considered good, except otherwise stated*	1,536.03	1,302.78
	1,536.03	1,302.78
<b>d. Other loans and advances</b>		
Advance Tax (Net of Provision for Tax ₹ 2819.21 lakhs (PY ₹ 3374.22 lakhs) [inclusive of MAT credit ₹1354.83 lakhs (PY ₹1354.83 lakhs)])	1,399.25	1,401.73
Prepaid expenses	9.91	18.44
Loans and advances to employees	35.95	33.11
Unsecured, considered good, except otherwise stated	1,445.11	1,453.28
<b>Total</b>	<b>3,297.86</b>	<b>2,914.52</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 company has advanced of ₹ 1536.03 lakhs inclusive of interest (Previous Year ₹ 1302.78 lakhs) to AICAR.

## NOTE 8 CURRENT ASSETS

### Note 8 (a) Current Investments

₹ in Lakhs

Sr. No.	Name of the Body Corporate	Others	No. of Shares / Units		Quoted / Unquoted	Partly/ Fully paid	Market Value	Amount		Basis of Valuation
			As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016			As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
(a)	Investments in Debenture or bonds -Quoted & fully paid up									
	RURAL ELECTRIFICATION TAX FREE BOND-SERIES-2A-2028	Others	5,000.00	-	Quoted	Fully Paid	602.27	602.27	-	Carried at lower of cost and quoted/ fair value cost
	IRFC TAX FREE BOND SERIES 89 OPTION II-2028-8.46%	Others	50.00	-	Quoted	Fully Paid	588.60	588.60	-	Carried at lower of cost and quoted/ fair value cost
	NHB TAX FREE BOND SERIES V-2018@8.46%	Others	50.00	-	Quoted	Fully Paid	612.49	612.49	-	Carried at lower of cost and quoted/ fair value cost
	<b>Total</b>						<b>1,803.36</b>	<b>1,803.36</b>	<b>-</b>	

### Note 8 (b) Inventories

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>Finished goods (Valued at lower of cost or net realisable value)</b>		
Education and Training course materials	68.39	84.73
<b>Total</b>	<b>68.39</b>	<b>84.73</b>

### Note 8 (c) Trade Receivables

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
<b>Due for period less than six months from the due date of payment*</b>		
Unsecured, considered good	1,496.51	2,267.77
	1,496.51	2,267.77
<b>Due for period exceeding Six months from the due date of payment*</b>		
Unsecured, considered good	2,547.93	984.99
Unsecured, considered doubtful	-	0.14
Less: Provision for doubtful debts	-	0.14
	2,547.93	984.99
<b>Total</b>	<b>4,044.44</b>	<b>3,252.76</b>

\*Refer point no. B-12 of note 16

**Note 8 (d) Cash and Cash equivalents**

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017		As at 31 <sup>st</sup> March 2016	
<b>a. Cash and cash equivalents :-</b>				
i. Cash on hand (Refer point no B-16 of note 16)		5.43		0.67
ii. Balance with banks :-				
EEFC Accounts	61.59		34.33	
Bank deposits (with original maturity less than three months)	391.93		333.00	
Current Accounts	554.59	1,008.11	280.63	647.96
		1,013.54		648.63
<b>b. Other Bank balances :-</b>				
Bank deposits *(with original maturity more than three months but within twelve months)	1,077.92		2,157.00	
Interest accrued	36.08		36.73	
Earmarked Balances (Unpaid dividend accounts)	162.96	1,276.96	164.92	2,358.65
<b>Total</b>		2290.50		3,007.28

\* Bank deposits as of March 31, 2017 and March 31, 2016 include restricted balances of ₹ 658.20 lakhs and ₹ 717 lakhs respectively. The restriction are primarily on account of cash and bank balances held as margin money deposits against guarantees.

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

₹ in Lakhs

Particulars	As at 31 <sup>st</sup> March 2017	As at 31 <sup>st</sup> March 2016
(Unsecured, considered good, except otherwise stated)		
Prepaid expenses	131.06	92.22
Other current assets (Includes advances to Vendor, Service tax Credit Receivable, etc.)	158.73	114.64
Travel advances and loan to employees	37.55	58.25
Advances to Gratuity fund (Refer point no B-3 of note 16)	-	10.11
Loans and advances to related parties (Refer point no B-10 of note 16)	2340.15	3071.94
<b>Total</b>	2,667.49	3,347.16

**Note 9 (a) Revenue from operations**

₹ in Lakhs

Particulars	2016-17	2015-16
Training and Education Income	8,176.28	8,108.70
Income from Testing Services Operations	3,465.38	802.26
<b>Total</b>	11,641.66	8,910.96

**Note 9(b) Other Operating Income**

₹ in Lakhs

Particulars	2016-17	2015-16
Liabilities No Longer Required Written Back	67.04	174.12
Total	67.04	174.12

**Note 10 Other Income**

₹ in Lakhs

Particulars	2016-17	2015-16
Interest Income	268.10	313.67
Exchange Rate Gain (Net)	39.80	17.01
Net gain on sale of assets	3.26	3.59
Dividend on non current investment from a Foreign Subsidiary	88.92	-
Other non-operating income	0.65	1.27
Total	400.73	335.54

**Note 11 Training and Education Expenses**

₹ in Lakhs

Particulars	2016-17	2015-16
Education, Training Expenses and Course Materials	223.81	256.90
Course Execution Charges	3,877.88	2,828.80
Total	4,101.69	3,085.70

**Note 12 Marketing and Advertisement Expenses**

₹ in Lakhs

Particulars	2016-17	2015-16
Advertisement expenses	772.12	648.66
Other marketing expenses	4.00	5.64
Total	776.12	654.30

**Note 13 Employee Benefits Expenses**

₹ in Lakhs

Particulars	2016-17	2015-16
Salaries and other allowances (Refer note 13.1 below)	2,876.62	1,988.58
Contribution to Provident and other Funds (Refer note 13.1 below)	209.91	188.60
Gratuity fund contributions (Refer point B-3 of Note 16)	115.91	66.44
Staff welfare expenses	97.20	55.81
<b>Sub Total (A)</b>	3299.64	2299.43
ESOP Compensation Cost (Net) (Refer point B-18 of Note 16)	547.84	-
<b>Sub Total (B)</b>	547.84	-
<b>Total (A + B)</b>	3,847.48	2,299.43



**Note 13.1 Managerial Remuneration:**

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

₹ in Lakhs

Particulars	2016-17	2015-16
Salaries and Allowances	361.94	289.47
Contribution to Provident & other funds	18.35	16.40
Total	380.29	305.87

**Note 13.2** Liabilities for gratuity and leave encashment at the end of tenure has not been considered for calculation of Managerial remuneration as per section IV of schedule V of Companies Act 2013.

**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 aggregating ₹ 146.31 lakhs for the year ended 31st March 2015 and ₹ 140.25 lakhs paid to the Managing Director & Wholetime Director for the Year ended 31st March'16, approvals for which are awaited.

**Note 14 Administration and Other Expenses**

₹ in Lakhs

Particulars	2016-17	2015-16
Rent	201.94	194.67
Rates And Taxes	23.81	21.68
Travelling And Conveyance Expenses	456.47	329.83
Electricity Charges	54.06	58.06
Communication Expenses	129.77	141.60
<b>Repairs And Maintenance :-</b>		-
Buildings	0.82	0.23
Plant & Machinery	36.08	35.59
Others	58.87	67.88
Insurance Premium	20.49	3.67
Legal And Professional Charges	168.83	160.67
Bad Debts/Advances written Off	3.13	21.47
Provision For Doubtful Debts	72.48	66.33
Audit Fees (Refer note 14.1 below)	30.51	29.73
Safety And Security	119.91	109.78
Printing and Stationery	32.89	36.94
Diminution of Investment	-	0.25
Director's Commission provided (Refer note 14.2 below)	15.50	16.50
Director's Sitting Fees	14.00	17.80
CSR Expenditure	16.85	5.75
Miscellaneous Expenses	83.49	97.23
Total	1,539.90	1,415.66

**14.1 Payments to the auditor as**

₹ in Lakhs

Particulars	2016-17	2015-16
Audit Fees	14.80	14.80
Tax Audit Fees	5.50	5.50
Limited Review	6.00	6.00
<b>Certification/ Other Fees:</b>		
Tax advisory	0.62	-
Company Law Matters	0.20	1.08
Others Services	2.11	1.15
Reimbursement of expenses	1.28	1.20
Total	30.51	29.73

**14.2 Directors' commission provided**

₹ in Lakhs

Particulars	2016-17	2015-16
Directors' commission calculated @ 1% as per section 198 of Companies Act' 2013	15.64	16.56
Directors' commission proposed by the Board and provided for	-	-
Commission payable to non-whole-time director for financial year 2016-17 @ 1% of net profit computed in accordance with section 198 of the Companies Act, 2013.	15.50	16.50

**14.3** Administration and other expenses are net of recoveries.**Note 15 Finance Costs**

₹ in Lakhs

Particulars	2016-17	2015-16
Interest expense:-		
Working Capital Demand Loans Facility	3.97	27.28
Commitment & Finance Charges	0.12	0.02
Total	4.09	27.30

**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 (Property, Plant & Equipments & Intangible 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 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.
- Goodwill arising on acquisition of business unit is amortised over a period of ten years.
- Depreciation on Fixed Assets are provided at the following rates based on estimated useful life as per the Act.

Office Premises	60 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 Rs 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.

Revenue is recognized when significant risks & rewards of the goods and services have been transferred to the buyer & when it is probable that the economic benefits will flows to the Company and revenue can be reliably measured.

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's makes defined contribution to Government Employee Provident Fund, Government Employee Pension Fund, Employee Deposit Linked Insurance, ESI and Superannuation Schemes, which are recognised in the Statement of Profit and Loss on accrual basis.

**Defined benefit plan**

The Company's liabilities under Payment of Gratuity Act (funded) and long term compensated absences are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method except for short term compensated absences, which are provided on estimates. Actuarial gain & losses are recognized immediately in the statement of profit and loss as income or expenses. Obligation is measured at the present value of estimated future cash flows using the discounted rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation

**(m) 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 Fair value method as permitted by the Securities Exchange Board of India SEBI (Share Based Employee Benefits) regulations 2014 and the Guidance Note on Accounting for employee Share Based Payment issued by the ICAI, whereby the Fair 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 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 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) Segment Reporting Policies****(i) Identification of segments**

The Company 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 Company 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 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.
- (iv) 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

#### (s) 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" 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 (to the extent not provided for) and Counter Guarantees in respect of:

₹ in Lakhs		
Particulars	As at 31 March 2017	As at 31 March 2016
<b>(a) Contingent Liabilities</b>		
(i) Claims against the company not acknowledged as debt	105.30	116.77
Total (a)	105.30	116.77
<b>(b) Capital Commitments and Guarantees</b>		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for	53.44	268.66
(ii) Counter Guarantees to bank for projects	309.58	166.38
Total (b)	363.02	435.04
Total (a+b)	468.32	551.81

##### 2) Earnings per Share ('EPS'):

Particulars	2016-17	2015-16
Profit after tax attributable to Shareholders (₹ in lakhs) (A)	908.45	1,019.03
Weighted average number of equity shares outstanding during the year :-		
Basic (No. of Shares) (B)	39,893,560	39,893,560
Diluted (No. of Shares) (C)	40,415,703	39,893,560
Nominal value of equity shares (₹)	10	10
Basic EPS (₹) (A/B)	2.28	2.55
Diluted EPS (₹) (A/C)	2.25	2.55

##### 3) Retirement Benefits :

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

(I) The amount recognised in the balance sheet in respect of the gratuity:

₹ In lakhs		
Particulars	2016-17	2015-16
Present value of the defined benefit obligation at the end of the year	559.00	448.42
Fair value of the plan assets	545.66	458.53
Net Liability / (Assets)	13.34	(10.11)

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

	₹ In lakhs	
Particulars	2016-17	2015-16
Current Service Cost	40.16	38.77
Interest on defined benefit obligation	35.83	31.92
Expected return on plan assets	(36.64)	(31.33)
Net actuarial (Gain)/ Loss on plan Assets	79.10	27.08
Net Gratuity Cost	118.45	66.44

**Actual Return on plan assets:**

	₹ In lakhs	
Particulars	2016-17	2015-16
Expected Return on plan assets	36.64	31.33
Actuarial Gain / ( Loss ) on plan assets	(0.96)	1.54
Actual return on plan assets	35.68	32.87

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

	₹ In lakhs	
Particulars	2016-17	2015-16
Opening defined benefit obligation	448.42	404.06
Current Service Cost	35.83	31.92
Interest cost	40.16	38.77
Actuarial (Gain)/ Loss	78.15	28.63
Benefit Paid	(43.56)	(54.96)
Closing defined benefit obligation	559.00	448.42

**Change in fair value plan assets:**

	₹ In lakhs	
Particulars	2016-17	2015-16
Fair value of the plan assets at the beginning of the year	458.53	396.62
Expected return on plan assets for the period	36.64	31.33
Contributions during the period	95.00	84.00
Benefits paid during the period	(43.56)	(54.96)
Actuarial Gain / ( Loss ) on plan assets	(0.96)	1.54
Fair value of the plan assets at the end of the year	545.65	458.53

**Principal Actuarial Assumptions at the balance sheet date 31.03.2017 for Gratuity:**

Particulars	2016-17	2015-16
Discount Rate	7.26%	7.80%
Rate of Salary Growth	5.75%	5.75%
Estimated rate of return on plant assets	7.26%	7.99%

**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	2016-17	2015-16
Present value of the defined benefit obligation at the end of the year	192.31	177.68
Fair value of the plan assets	-	-
Net Liability / (Assets)	192.31	177.68
Current Liability	53.02	37.52
Non- Current Liability	139.29	140.16

**The amount recognised in salary and employee benefits in the statement of profit & loss as follows in respect of the Leave Encashment/Compensated Cost:**

₹ In lakhs		
Particulars	2016-17	2015-16
Current Service Cost	8.26	12.90
Interest on defined benefit obligation	14.20	15.89
Net actuarial (Gain)/ Loss on plan Assets	39.73	(20.33)
Net Leave encashment Cost	62.19	8.46

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

₹ In lakhs		
Particulars	2016-17	2015-16
Opening defined benefit obligation as on 1.04.2016	177.68	201.12
Current Service Cost	8.26	12.90
Interest cost	14.20	15.89
Actuarial (Gain)/ Loss	39.73	(20.33)
Benefit Paid	(47.55)	(31.90)
Closing defined benefit obligation as on 31.03.2017	192.32	177.68

**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 – ₹ 209.91 lakhs (Previous Year – ₹ 188.60 lakhs)

**4) 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, 2017	As on March 31, 2016
Carried forward Unabsorbed Depreciation	757.95	1,111.92
Carried forward Capital Loss	503.79	709.73
Provision For Bad Debts	-	0.05
Expenditure/provisions(Gratuity & Leave encashment)	69.90	56.96
<b>Total Deferred Tax Asset (A)</b>	<b>1,331.64</b>	<b>1,878.66</b>
Related to Fixed Assets	167.77	146.80
<b>Total Deferred Tax Liability (B)</b>	<b>167.77</b>	<b>146.80</b>
<b>Net Deferred Tax Asset (A-B) *</b>	<b>1,163.87</b>	<b>1,731.86</b>

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

**5) Expenditure in Foreign Currency:**

₹ In lakhs		
Particulars	Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2016
a) Foreign Travel	55.19	29.61
b) Training & Education Expenses	193.23	274.81
c) Administrative and Other Expenses	17.82	21.59
<b>Total</b>	<b>266.24</b>	<b>326.01</b>

**6) Earnings in Foreign Currency:**

₹ In lakhs		
Particulars	Year ended 31 <sup>st</sup> March 2017	Year ended 31 <sup>st</sup> March 2016
a) F.O.B. Value of sale of Education and training course materials	134.42	118.26
b) Training and Education Income	1,552.83	1,769.25
<b>Total</b>	<b>1,687.25</b>	<b>1,887.51</b>

**7)** The Company does not recognise MAT credit entitlement, on account of prudence from financial Year 2012-13.

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

**9) Foreign Currency exposures which are not hedged:**

		₹ In lakhs	
Particulars	Currency	2016-17	2015-16
a) Trade Receivables	USD	1,404.75	-
Total		1,404.75	-

**10) Disclosure in respect of Related Parties pursuant to AS-18 :-****I. List of Related Parties:****Parties where control exists:****Company /firm whose control exists :****Subsidiaries:**

Aptech Training Limited FZE Dubai  
Aptech Worldwide Corporation, USA (Refer Point no. B-17 of Note 16)  
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 (Subsidiary of Aptech Ventures)  
Aptech Ventures Ltd, Mauritius  
Star International Training and Consultancy Pvt. Ltd. (W.e.f 23rd dec'2016)  
(Erstwhile Aptech Global Investment Limited) (Subsidiary of Aptech Training Limited FZE )

**Others/ Joint Venture:**

Asian Institute of Communication & Research (AICAR)

**Key management personnel:**

Mr. Anil Pant - Managing Director & CEO (From 3rd Nov 2016)  
(Designate CEO & MD : from 21st July 2016 to 2nd Nov 2016)

Mr. Ninad Karpe - Managing Director (Till 2nd Nov 2016)

Mr. Anuj Kacker - Whole Time Director

**Relative of Key Management personnel:**

Mrs. Anjali Karpe (Wife of Mr. Ninad Karpe)

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

₹ In lakhs

Nature of transaction	Subsidiaries/ JV	Key Management Personnel	Relatives of Key Management Personnel	Total
Training and Education expenses	39.80	-	8.00	47.80
(Previous year)	(63.65)	-	(8.00)	(71.65)
Training & Education Income	434.88	-	-	434.88
(Previous year)	(490.73)	-	-	(490.73)
Reimbursement of Expenses received	821.13	-	-	821.13
(Previous year)	(879.42)	-	-	(879.42)
Managerial Remuneration	-	397.32	-	397.32
(Previous year)	-	(305.87)	-	(305.87)
Dividend Income	88.92	-	-	88.92
(Previous year)	(-)	-	-	(-)
Amount Invested During the Year	-	-	-	-
(Previous year)	(38.28)	-	-	(38.28)
<b>Loans granted</b>				
Loans and advances (opening Bal.) April 1,2016	4,374.71	25.00	-	4,399.71
(Previous year)	(4,296.45)	(25.00)	-	(4,321.45)
<b>Loans and advances</b>				
Net loans and advances given/ (returned)	(498.53)	10.88	-	(487.65)
(Previous year)	(78.27)	(25.00)	-	(103.27)
<b>Balance at the End of the Year (March 31,2017)</b>				
Loans and Advances	3,876.18	35.88	-	3,912.06
(Previous year)	(4,374.71)	(25.00)	-	(4,399.71)
Investments	9,065.35	-	-	9,065.35
(Previous year)	(9,067.35)	-	-	(9,067.35)
Trade Receivable	803.16	-	-	803.16
(Previous year)	(642.37)	-	-	(642.37)
Trade Payable	2.92	-	-	2.92
(Previous year)	(10.41)	-	-	(10.41)



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 7 and note 8(e)].

**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	2017	2016
a)	<b>Training &amp; Education expenses :-</b> Attest Testing Services Ltd.	Subsidiary	39.80	61.58
b)	<b>Training &amp; Education Income :-</b> Aptech Training Limited FZE Dubai Maya Entertainment Ltd. (w.e.f 1.4.2013)	Subsidiary Subsidiary	316.64 117.19	456.03 -
c)	<b>Dividend Income</b> AGLSM SDN BHD - Malaysia	Subsidiary	88.92	-
d)	<b>Reimbursement of Expenses received</b> Attest Testing Services Ltd. Maya Entertainment Ltd. (w.e.f 1.4.2013)	Subsidiary Subsidiary	391.14 429.99	351.45 447.34
e)	<b>Managerial Remuneration</b> Mr. Anil Pant (From 1st July'2016 onwards) Mr. Ninad Karpe ( Till 2nd Nov'2016) Mr. Anuj Kacker	Key Management Personnel	130.25 169.35 97.72	- 213.49 92.38
f)	<b>Net Loans &amp; Advances given / (returned)</b> Aptech Training Ltd. FZE, Dubai Attest Testing Services Ltd. Maya Entertainment Ltd. (w.e.f 1.4.2013) Asian Institute of Communication & Research (AICAR) Mr. Anuj Kacker	Subsidiary Subsidiary Subsidiary Others Key Management Personnel	(47.38) 109.70 (769.96) 233.25 10.88	(11.64) 139.17 (220.41) 164.42 25.00
g)	<b>Loans &amp; advances</b> Maya Entertainment Ltd. (w.e.f 1.4.2013) Attest Testing Services Ltd. Asian Institute of Communication & Research (AICAR)	Subsidiary Subsidiary Others	1,331.19 1,002.23 1,536.03	2,101.15 892.53 1,302.78
h)	<b>Amount Invested during the Year</b> AGLSM SDN BHD - Malaysia	Subsidiary	-	38.28
i)	<b>Investments</b> Maya Entertainment Ltd. Aptech Ventures Ltd.	Subsidiary Subsidiary	6,074.35 2,135.67	6,074.35 2,135.67
j)	<b>Trade Receivable</b> Aptech Training Ltd. FZE, Dubai	Subsidiary	790.03	588.06
k)	<b>Trade Payable</b> Aptech Training Ltd. FZE, Dubai Attest Testina Services Ltd.	Subsidiary Subsidiary	2.92 -	2.92 7.49

- 11) 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 filing 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.
- 12) Balances of Trade Receivables, Trade payables and loans and advances are subject to confirmation and reconciliation.
- 13) 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 required to contribute ₹ 45.26 lakhs during the FY 2016-17 (Previous Year ₹ 48.43 lakhs), however till end of the financial year 2016-17, a sum of ₹ 16.85 lakhs (Previous Year ₹ 5.75 lakhs ) has been spent on the said initiatives.
- 14) 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.
- 15) 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 Note B-1 of point 16 for details on contingent liabilities. In respect of litigations, where the management assessment of a financial outflow is probable, the Company has recognised Contingent liabilities of ₹ 468.32 lakhs as at 31 March 2017 (Previous Year ₹ 551.81 lakhs).

- 16) Disclosure on Specified Bank Notes: - During the year, the Company had Specified Bank Notes (SBN) or other denomination notes as defined in the MCA notification, G.S.R 308(E), dated 30th March, 2017. The details of the SBNs held and transacted during the period from November 8, 2016 to December 30, 2016. The details are as follows.

₹ In lakhs			
Particulars	SBN	Other Denomination notes	Total
Closing Balance as at 8.11.2016	60,000	185,706	245,706
(+) Permitted receipts	-	-	-
(-) Permitted Payments	-	39,226	39,226
(-) Amount deposited in Banks	60,000	-	60,000
Closing cash in hand as on 30.12. 2016	-	146,480	146,480

- 17) One of the wholly owned subsidiary namely Aptech Worldwide Corporation, USA is being wound up vide the resolution of the Board of the Company in its meeting held on 26th October 2015. The business operations of the said subsidiary for last several years were insignificant.
- 18) In accordance with the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014 ('SEBI Regulations'), the company had obtained approval of its shareholders at the Annual General Meeting held on 27th September 2016 to create, offer and grant up to 4432620 options under Aptech ESOP 2016 scheme to the employees of the Holding Company and its subsidiaries. These options will vest in 3rd, 4th and 5th year based on the tenure of eligible employees and performance criteria. The Stock options are granted at an exercise price, which is equal to Fair market price as determined by the Nomination and Remuneration committee. Based on valuation report of an Independent Valuer, the Fair value of ESOP cost is arrived at based on Black- Scholes – Merton model and a sum of ₹ 548 lakhs for the year ended March 31, 2017 which has been provided for. The Company reimburses the cost incurred by it in granting option or benefits to the employees of the Subdiary Companies.

The Fair value model inputs the share price at respective grant dates, exercise price of ₹ 67, volatility of 0.43, dividend yield of 1.22%, life of option being 4 year 6 month, and a risk-free interest rate of 6.95%.

Details of Option Granted under various tranches are as under.

Particulars	Tranche I	Tranche II	Tranche III
Grant Date	27-09-2016	19-10-2016	24-01-2017
Options Granted & Outstanding at the end of the Year	3730520	131620	496390
Exercise Period from the date of Grant	5 years	5 years	5 years
Exercise Price	67	67	67
Pricing Formula	As determined by Nomination & Remuneration Committee		

Pursuant to Securities and Exchange Board of India (share based employee benefits) regulations, 2014, the details of receipt from subsidiaries are as under:

Name of Subsidiaries	For the year ended 31.03.2017	For the year ended 31.03.2016
Attest Testing services Limited	15.86	-
Maya Entertainment Limited	16.82	-
Total	32.68	-

- 19) The Board of Directors have recommended a interim Dividend of ₹ 3 per equity share (30% face value of ₹ 10 each) for FY 2016-17 at the meeting of Board of Directors held on 24th May'2017. In view of amendment in AS-4, "Contingencies and events occurring after Balance sheet date", during the year no provision for the proposed dividend in the books of account is required to be made.
- 20) The figures for the previous year have been regrouped / rearranged / reclassified wherever necessary to correspond with figures of current year.

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

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

Place : Mumbai  
Date : May 24, 2017

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

**ANIL PANT**  
Managing Director & CEO  
(Din :07565631)

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

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

**KETAN SHAH**  
Company Secretary

## 8 Segment information under AS – 17

## Primary Segment information : Business Segment

Particulars	For the Year ended 31st March 2017				For the Year ended 31st March 2016			
	Business Segments				Business Segments			
	Retail	Institutional	Unallocable	Total	Retail	Institutional	Unallocable	Total
<b>Revenue</b>								
Income from Segment	7,412.12	4,263.98	165.23	11,841.33	7,204.73	1,793.26	108.96	9,106.94
<b>Results before Interest and Tax</b>	2,632.45	840.25	(2,581.26)	891.44	2,497.66	215.24	(1,703.24)	1,009.66
Add: Interest income	-	-	268.10	268.10	-	-	313.67	313.67
Less: Finance Cost	-	-	4.09	4.09	-	-	27.30	27.30
<b>Profit/(Loss) before Tax</b>	2,632.45	840.25	(2,317.25)	1,155.45	2,497.66	215.23	(1,416.86)	1,296.03
<b>Exceptional Items</b>								
<b>Profit / (Loss) before Tax</b>	2,632.45	840.25	(2,317.25)	1,155.45	2,497.66	215.23	(1,416.86)	1,296.03
Add /(Less): Taxation	-	-	247.00	247.00	-	-	277.00	277.00
<b>Profit / (Loss) after Tax</b>	2,632.45	840.25	(2,564.25)	908.45	2,497.66	215.23	(1,693.86)	1,019.03
<b>Other Information</b>								
Carrying amount of Segment Assets	3,326.26	2,050.44	-	5,376.70	3,567.54	762.18	-	4,329.72
Unallocable Assets	-	-	20,150.04	20,150.04	-	-	19,323.70	19,323.70
Carrying amount of Segment Liabilities	1,026.91	705.46	-	1,732.37	1,195.92	203.96	-	1,399.88
Unallocable Liabilities	-	-	716.32	716.32	-	-	657.77	657.77
Cost incurred to acquire Segment Fixed Assets during the year(net of inter Company transactions)	397.41	175.25	423.41	996.07	396.84	1.73	144.72	543.29
Depreciation / Amortization expenses	425.28	30.75	228.67	684.70	423.04	18.39	200.77	642.20
Significant Non- Cash Expenditure	93.60	0.74	547.84	642.18	94.97	0.01	23.16	118.14

## Secondary Segment information : Geographical segment

Particulars	For the Year ended 31st March 2017				For the Year ended 31st March 2016			
	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	9,954.41	4,758.24	996.07		7,023.45	3,698.85	542.49	
Outside India #	1,687.25	618.46	-		1,887.51	630.87	0.80	
<b>Total</b>	<b>11,641.66</b>	<b>5,376.70</b>	<b>996.07</b>		<b>8,910.96</b>	<b>4,329.72</b>	<b>543.29</b>	

# Excluding receivable from Subsidiaries

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.
- 2) Previous year figures have been regrouped wherever necessary to correspond with the figures of the current year.

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

Name of the Enterprise	Reporting Currency	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
<b>Parent</b>					
Aptech Limited	₹	92.83	23,490.36	43.80	819.53
<b>Subsidiaries</b>					
<b>Indian</b>					
Maya Entertainment Limited (Merged with Avalon Aviation Academy Private Limited w.e.f 1st April'13) (Refer Point no B-2 of Note 16 )	₹	(26.23)	(6,636.75)	28.91	540.89
Attest Testing Services Limited	₹	0.47	119.30	16.99	317.97
<b>Foreign</b>					
AGLSM SDN.BHD , Malaysia	MYR	0.13	31.81	10.93	204.61
Aptech Worldwide Corporation, USA	USD (\$)	(1.63)	(411.35)	0.13	2.40
Aptech Training Limited FZE	USD (\$)	1.71	433.63	(0.71)	(13.23)
Aptech Investment Enhancers Limited (Subsidiary of Aptech Ventures Limited )	Euro (€)	34.31	8,680.62	(0.11)	(2.12)
Aptech Ventures Limited	Euro (€)	(0.14)	(34.83)	(0.12)	(2.28)
Star International Training & Consultancy Pvt. Ltd. (w.e.f. 23rd Dec' 2016) (Erstwhile Aptech Global Investment Limited) (Subsidiary of Aptech Training Limited FZE)	Euro (€)	(1.46)	(369.27)	0.18	3.42
<b>Other Investment</b>					
Aptech Philippines Incorporation	Peso	-	0.67	-	-
<b>Total</b>	₹	100.00	25,304.19	100.00	1,871.20

**SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY/ASSOCIATES/JOINT VENTURES AS PER COMPANIES ACT, 2013 (Form AOC-1)**

₹ In Lakhs

Particulars	Maya Entertainment Limited	Attest Testing Service Limited	Agism Sdn.bhd. Malasiya	Aptech Worldwide Corporation USA	Aptech Training Limited.Fze, Dubai	Aptech Investment Enhancers Limited. Mauritius	Aptech Ventures Limited. Mauritius	Star International Training & Consultancy Private Limited	Total Subsidiary	Aptech Philippines Incorporation
Equity capital	2,764.21	8.28	105.45	409.50	66.61	209.46	209.46	362.70	4,135.69	1.68
Preference capital		-	-	-	-	1,908.26	1,908.26	-	3,816.52	
Reserves	(3,326.61)	119.30	31.90	(410.03)	29.63	8,693.47	15.83	(386.30)	4,767.21	
Total Assets (exclude investments)	1,347.71	1,520.72	261.98	(0.12)	906.58	0.32	0.37	84.18	4,121.74	7.06
Total Liabilities (excluding capital and reserves)	1,912.90	1,393.14	124.63	0.40	810.61	2.33	2.54	71.74	4,318.30	5.38
Investment other than Investment in subsidiary	2.79	-			0.28	10,813.21	2,135.73	(36.04)	12,915.97	
Income	3,752.00	2,539.00	568.62	-	3,448.63	-	-	73.40	10,381.65	
Profit / (loss) before tax	540.89	333.97	268.00	2.81	(13.23)	(2.12)	(2.28)	3.42	1,131.46	-
Provision for taxation	-	16.00	63.38	0.40	-	-	-	-	79.79	
Exceptional items									-	
Profit after tax	540.89	317.97	204.61	2.40	(13.23)	(2.12)	(2.28)	3.42	1,051.67	-
Proposed/ Interim dividend	-	-	88.92	-	-	-	-	-	88.92	
Reporting currency (other than INR)			MYR	USD (\$)	USD (\$)	Euro	Euro	Euro		
Closing rate			14.64	64.84	64.84	69.25	69.25	69.25		
% Holding	100	100	100	100	100	100	100	100		40

\* The Annual Accounts for 2016-17 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.

## NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of APTECH LIMITED will be held on Monday, 31st July 2017 at 4.00 p.m. at M.C. Ghia Hall, Suryodaya Banquets, 18/20, 4th Floor, Bhogilal Hargovindas Building, K. Dubash Marg, Kalaghoda, Fort, Mumbai 400001 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (including Audited Consolidated Financial Statement) of the Company for the Financial Year ended 31st March 2017, and the Reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Utpal Sheth having DIN: 00081012 who retires by rotation and is eligible for re-appointment.
3. Appointment of Statutory Auditors

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modifications or re-enactments thereof for the time being in force, M/s Bansi S. Mehta & Co. Chartered Accountants (Firm registration no. 100991W) be and are hereby appointed as the Statutory Auditors of the Company (in place of M/s Khimji Kunverji & Co., Chartered Accountants, Mumbai, the retiring Auditors) for a term of 5 years commencing from the financial year 2017-18 to hold office from the conclusion of the Seventeenth Annual General Meeting till the conclusion of the Twenty-second Annual General Meeting (subject to ratification of their appointment by the members at every intervening Annual General Meeting held after this Annual General Meeting) on such remuneration plus service tax, out of pocket expenses etc. as may be agreed upon by the Board of Directors of the Company.

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 ("Rules") including any statutory modifications or re-enactments thereof for the time being in force, Mr. Ninad Karpe, having DIN:0030971 who was appointed by the Board of Directors, as an Additional Director of the Company with effect from 3rd November 2016, pursuant to Section 161 of the Act and the Articles of Association of the Company and who holds office upto this Annual General Meeting, who being eligible offers himself for appointment be and is hereby appointed as a Director on the Board of Directors of the Company."

5. To consider and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED that pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactment(s) thereof for the time being in force) and subject to such other consent and approvals, as may be required and subject to such conditions as may be imposed by the authority granting such consent or approvals, the Company hereby approves the re-appointment of Mr. Anuj Kacker [DIN:00653997] who is eligible for re-appointment, as 'Wholtime Director' with effect from 1st November 2017 upto 31st October 2022 (subject to Retirement Policy of the Company), upon the terms as set out in the Explanatory Statement annexed to this Notice, which is specifically sanctioned with authority to the Board of Directors (which term shall be deemed to include any duly authorized committee thereof for the time being authorized to exercise power conferred on the Board by this Resolution) to alter and vary the terms and conditions of the said appointment and/ or agreement in such manner as the Board may deem fit and as may be agreed to between the Board of Directors and Mr. Kacker.

RESOLVED FURTHER that the Board of Directors of the Company on recommendation from the Nomination & Remuneration Committee of the Board be and is hereby authorised and empowered to approve annual increments and to make such improvements in the terms of remuneration to Mr. Kacker, as may be permissible under Schedule V of the Companies Act, 2013 (as may be amended from time to time) or by way of any government guidelines or instructions."

RESOLVED FURTHER THAT in the absence or inadequacy of profits in any financial year, the remuneration payable to Mr. Kacker be not reduced and the recovery of excess remuneration paid, if any, be waived subject to the approval of the Central Government and / or the shareholders and if such approval in that regard is not received, then the maximum permissible remuneration under Schedule V of the Companies Act, 2013 as may be in force shall be the remuneration payable to him."

RESOLVED FURTHER that the Board be and is hereby authorised to take all such steps as may be necessary, proper and expedient to give effect to this Resolution."

6. To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act and the Memorandum and Articles of Association of the Company and subject to the approval of the Central Government as may be required, consent of the Company be and is hereby accorded for payment of remuneration made to Mr. Ninad Karpe of Rs. 2,54,01,109/- during the financial year ended 31st March 2015 and Rs. 2,13,49,328/- during the financial year ended 31st March 2016 and to waive recovery of remuneration paid to Mr. Karpe in excess of the limits prescribed under the provisions of the Act read with Schedule V of the Act of Rs. 1,46,31,125/- for the financial year ended 31st March 2015 and Rs. 1,30,68,285/- for the financial year ended 31st March 2016.”

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

7. To consider and if thought fit, to pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and all other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of the said Act and the Memorandum and Articles of Association of the Company and subject to the approval of the Central Government as may be required, consent of the Company be and is hereby accorded for payment of remuneration made to Mr. Anuj Kacker of Rs. 92,37,272/- during the financial year ended 31st March 2016 and to waive recovery of remuneration paid to Mr. Kacker in excess of the limits prescribed under the provisions of the Act read with Schedule V of the Act of Rs. 9,56,229/- for the said financial year.”

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

#### NOTES:

1. 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 authorized 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 28th July, 2017 to 31st July, 2017 (both days inclusive)
6. Details under SEBI (Listing Obligations and Disclosure Requirements), Regulation, 2015 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 for 2016-17 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 2016-17 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. 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), 31st March 2015 (two interim), 31st March, 2016 (interim) 31st March, 2017 (interim) may approach the Company or Registrar and Share Transfer Agents for the payment thereof.

## 11. Voting through electronic means

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting) will be provided by Karvy Computershare Private Limited ("Karvy").
- ii. The facility for voting through polling paper shall be made available at the AGM and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Meeting through polling paper.
- iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. The remote e-voting period commences on 28th July, 2017 (9:00 am) and ends on 30th July, 2017 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th July, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- v. . The process and manner for remote e-voting are as under:
  - A In case a Member receives an email from Karvy (for Members whose email Ids are registered with the Company/ Depository Participant(s):
    - i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
    - ii) Enter the login credentials ( i.e..User ID and password mentioned). Your Folio No.DP ID – Client ID will be your User ID. However, if you are already registered with Karvy for E-voting, you can use your existing User ID and password for casting your vote.
    - iii) After entering these details appropriately, click on "LOGIN".
    - iv) You will now reach password change Menu wherein you are required to mandatory change your password. The new password shall comprise minimum characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@#s.etc). The system will prompt you to update your contact details like mobile number, email ID.etc.on first login. You may also enter a secret question and answer of your choice to retrieve password and that you take utmost care to keep your password confidential.
    - v) You need to login again with the new credentials.
    - vi) On successful login, the system will prompt you to select the E-Voting Event
    - vii) Select 'EVENT' of "APTECH LIMITED" and click on submit
    - viii) Now you are ready for e-voting as "Cast Vote" page opens
    - ix) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/ demat accounts.
    - x) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
    - xi) You may then cast your vote by selecting an appropriate option and click on "Submit".
    - xii) Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(S).
    - xiii) Upon confirmation, the message "Vote cast successfully" will be displayed
    - xiv) Corporate/ Institutional Members (i.e other than Individuals, HUF,NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(S) of the duly authorized representative(S), to the Scrutinizer at e-mail ID:[jaymehtaandassociates@gmail.com](mailto:jaymehtaandassociates@gmail.com). They may also upload the same in the E-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVENT NO".



- B In case a Member receives physical copy of the Annual General Meeting Notice by post (for members whose email Ids are not registered with the Company/Depository Participant(s).
- i. User ID and initial password are provided overleaf.
  - ii. Please follow all steps from Sr.No.(i) to (xii) as mentioned in (A) above, to cast your vote
2. In case of any query pertaining to E-voting, please visit Help & FAQ's section available at Karvy's website <https://evoting.karvy.com>.
  3. The facility for voting through electronic means (Insta Poll) shall be made available at the Annual General Meeting (AGM) and the members attending AGM who have not cast their vote by remote E-voting shall be able to vote at the AGM through "Insta Poll"
  4. The members who have cast their vote by remote E-voting may also attend AGM , but shall not be entitled to cast their vote again.
  5. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date i.e.the record date), being, 24th July, 2017.
  6. A person ,whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories at the close of business hours on July 23rd ,2017 shall be entitled to avail the facility of remote E-voting/Insta Poll
  7. Any person who becomes member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e 24th July, 2017 may obtain the User Id and password by in the manner as mentioned below :
    - a. If the mobile number of the member is registered against Folio No./ DPID Client ID, the member may send SMS:  
 MYEPWD<space> E-Voting Event Number +Folio no. or DPID Client ID to +91-9212993399 Example for NSDL :  
 MYEPWD<SPACE>IN12345612345678  
 Example for CDSL : MYEPWD<SPACE>1402345612345678  
 Example for Physical: MYEPWD<SPACE> XXXX1234567890
    - b. if e-mail address or mobile number of the member is registered against Folio No. / DPID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click " Forgot Password" and enter Folio No. or DPID Client ID and PAN to generate a password.
    - c. Member may Call Karvy's Toll free number 1-800-3454-001
    - d. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com)
  8. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of AGM shall unblock the votes cast by remote E-voting and Insta-Poll, in the presence of at least two(2) witness not in the employment of the Company and will make a Consolidated Scrutinizer's Report of the votes cast in favour or against, forthwith to the Chairman of the meeting.
  9. The Results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the Resolutions.
  13. The Results declared along with the Scrutinizer's Report(s) will be available on website of the Company ([www.aptech-worldwide.com](http://www.aptech-worldwide.com)) and on Karvy's website (<https://evoting.karvy.com>). The results shall simultaneously be communicated to Stock Exchanges.

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

#### **Item 4.**

Pursuant to the provisions of Sections 152, 161(1) and other applicable provisions of the Act read with applicable Rules framed thereunder and the Articles of Association of the Company, the Board of Directors has, on the recommendation of the Nomination & Remuneration Committee, appointed Mr. Ninad Karpe as an Additional Director of the Company with effect from 3rd November 2016. as an Additional Director, Mr. Ninad Karpe holds office upto the date of this Annual General Meeting but is eligible for appointment as a Director of the Company.

Mr. Karpe was a Managing Director & CEO of the Company from 1st February 2009 to 2nd November 2017. The Board considers that Mr. Karpe's continued association would be of immense benefit to the Company and it is desirable to avail services of Mr. Karpe as a Director. Accordingly, the Board recommends the Ordinary Resolution set out at Items No. 4 of the Notice for approval by the Members.

Mr Ninad Karpe is interested in the Resolution mentioned at Item No. 4 of the Notice with regard to his appointment. Other than Mr. Karpe as appointee, no other Director, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the said resolution. This Explanatory Statement may also be regarded as a disclosure under Regulation 26(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **Item no. 5**

Mr. Anuj Kacker has been with Aptech since 2003. He has been the Chief Operating Officer (COO) at Aptech since 2010 and currently heads the Individual (Retail) Training Businesses of Aptech India. In his earlier roles at Aptech he has been head of International Business (2005-09) and Head of Marketing (2003-04).

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

Recognizing his talent and contribution, Mr. Kacker was awarded the 'Indira Super Achiever Award' for 2007 by the Indira Group of Institutes.

Mr. Kacker was also Chairman, International Franchising Committee and Member of the Core Council in Franchising Association of India in 2008.

His appointment as the Wholtime Director upto 31st October 2017 was approved at the Annual General Meeting held on 30th September 2013. He has been re-appointed by the Board of Directors at its meeting held on 24th May 2017 for a further term of five years upto 31st October 2022 or upto Retirement Age, whichever is earlier subject to approval of the shareholders at the ensuing Annual General Meeting. The Nomination & Remuneration Committee has approved the following terms and conditions of re-appointment of Mr. Kacker:

Remuneration: CTC Rs. 1,10,66,218/- per annum. In addition to this, Mr. Kacker will be provided the following:

- A chauffeur driven company maintained car provided by the company.
- Medclaim for Rs.7,50,000/- for self and 3 dependents as per company rule. The premium will be borne by the Company.
- Official Mobile Bills (Rent + Usage) at actuals will be paid by the company
- Group Term Life Insurance Coverage of five time of CTC

Mr. Kacker has given a declaration to the Company that he is not disqualified under Section 164 of the Act for appointment as a director under the Act.

As required under Clause 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, additional information required to be furnished in respect of Mr. Kacker is set out in the Annexure to the Notice.

As per the provisions of Section 196, 197, 203 read with Schedule V of the Act, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the terms of re-appointment and remuneration are required to be approved by the Members of the Company.

The Board recommends the Special Resolution set out in the Notice for approval by the Members.

Except Mr. Kacker, none of the Directors and Key Managerial Personnel of the Company or their relatives are interested in the Resolution set out in Item No. 5 of the Notice

**Item no. 6.**

Mr. Ninad Karpe was the Managing Director & CEO of the Company from 1st April 2009 to 2nd November 2016. His remuneration was approved by the shareholders in the Annual General Meeting held on 14th November 2014.

Even though the Company earned net profits on standalone basis as well as on consolidated basis in each of the years mentioned in the Special Resolution, the remuneration paid to Mr. Ninad Karpe exceeded the prescribed percentage of profits computed in the manner laid down in Section 196, 197 of the Act and hence exceeded the limits prescribed under the Act read with Schedule V. Accordingly consent of the shareholders is being sought subject to the applicable regulatory and government approvals as may be required, for remuneration paid to Mr. Ninad Karpe during the said financial years and waive recovery of excess remuneration paid to him as computed under the provisions of Schedule V of the Act.

Taking into account the consistent performance and dedication of Mr. Ninad Karpe, who has justified the position assigned to him, the Board of Directors of your Company has approved waiver of recovery of excess remuneration paid to him during the said financial years. The Board therefore recommends the resolution for approval of the shareholders.

Mr Ninad Karpe is interested in the Resolution mentioned at Item No. 6 of the Notice. Other than Mr Karpe, no other Director, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the said resolution.

The specified information as per sub clause (iv) of Clause (B) of Section II of Part – II of Schedule V to the Act is listed out hereinbelow:

I	General Information																																													
1.	Nature of industry	Training and Education																																												
2	Date or expected date of commencement of commercial production	Not applicable. (The Company is an existing company)																																												
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable																																												
4.	Financial performance based on given indicators																																													
	Particulars	<table><tr><th colspan="2">Standalone (Rs in lacs)</th><th colspan="2">Consolidated(Rs in lacs)</th></tr><tr><th></th><th>Year ended March, 2016</th><th>Year ended March, 2015</th><th>Year ended March, 2016</th><th>Year ended March, 2015</th></tr><tr><td>Operating Revenue</td><td>9085.08</td><td>10,042.09</td><td>16332.68</td><td>17,048.65</td></tr><tr><td>Dividend and other income</td><td>335.54</td><td>480.49</td><td>350.94</td><td>467.08</td></tr><tr><td>Total Revenue</td><td>9420.62</td><td>10,522.58</td><td>16683.62</td><td>17,515.73</td></tr><tr><td>Total Expenditure</td><td>8124.59</td><td>8531.79</td><td>15386.78</td><td>14,590.37</td></tr><tr><td>Net Profit</td><td>1296.03</td><td>1990.79</td><td>1296.84</td><td>1910.79</td></tr><tr><td>Profit After Tax</td><td>1019.03</td><td>1,648.79</td><td>1019.32</td><td>1,568.30</td></tr><tr><td>Profit After Tax &amp; Share of Associates</td><td>1019.03</td><td>1648.79</td><td>1016.88</td><td>1,564.73</td></tr></table>	Standalone (Rs in lacs)		Consolidated(Rs in lacs)			Year ended March, 2016	Year ended March, 2015	Year ended March, 2016	Year ended March, 2015	Operating Revenue	9085.08	10,042.09	16332.68	17,048.65	Dividend and other income	335.54	480.49	350.94	467.08	Total Revenue	9420.62	10,522.58	16683.62	17,515.73	Total Expenditure	8124.59	8531.79	15386.78	14,590.37	Net Profit	1296.03	1990.79	1296.84	1910.79	Profit After Tax	1019.03	1,648.79	1019.32	1,568.30	Profit After Tax & Share of Associates	1019.03	1648.79	1016.88	1,564.73
Standalone (Rs in lacs)		Consolidated(Rs in lacs)																																												
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Profit After Tax & Share of Associates	1019.03	1648.79	1016.88	1,564.73																																										
5.	Foreign investments or collaborations, if any.	The company has no direct foreign collaboration. The Company has made investment in its overseas subsidiaries viz., (i) Aptech Training Limited FZE, UAE; (ii) AGLSM Sdn Bhd, Malaysia; (iii) Aptech Ventures Limited, Mauritius																																												
II	Information about the appointee																																													
1	Background details	<p>Ninad represents Aptech Ltd as Non-Executive Director on the Board. He led the company as MD &amp; CEO for seven plus years. Conceptualised rapid international expansion across suitable emerging markets and consolidated Aptech Ltd's position as a global training and education companies.</p> <p>Before joining as Managing Director &amp; CEO of Aptech Limited, Ninad Karpe served CA Technologies, the world's fourth largest software vendor, as Managing Director covering India and SAARC countries and was responsible for extending the company's technology reach and building strategic partnerships.</p> <p>Earlier in his career, Karpe worked as a consultant, advising companies seeking to invest in India. He authored books on taxation and foreign investment in India.</p>																																												
2	Past remuneration	Mr. Ninad Karpe was paid remuneration of Rs. 197.62 lacs during the year 2013-14.																																												
3	Recognition or awards	Mr Ninad Karpe achieved an all-India rank in his CA exam. Aptech Ltd won various national and international awards under his leadership during the last seven years. Mr. Karpe is presently the Chairman of the Western Region of CII, which is a honorary position.																																												

4	Job profile and his suitability	During his seven year stint at Aptech, Ninad Karpe turned around the Company and expanded its footprint to 42 emerging countries, with its brands of Arena Animation, Aptech IT and other Aptech brands. By adding new product portfolios, he made Aptech a multi-product, multi-geography company; probably the only Indian company with a retail B2C presence in many emerging countries.
5	Remuneration proposed	As mentioned in the resolution at item no. 6.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	In the past few years, the remuneration of senior executives in the industry in general has gone up manifold. The remuneration payable to the managerial personnel is purely on merit. Considering the background, competence and experience of Mr. Karpe, the Nomination & Remuneration Committee considered payment of remuneration to Mr. Karpe to be fair, just and reasonable.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None.
<b>III Other Information</b>		
1	Reasons of loss or inadequate profits	The Company has been able to remain profitable at the standalone as well as consolidated level in each of the financial years 2014-15 and 2015-16 as mentioned in 4 above. The remuneration paid to the managerial persons exceeded the prescribed percentage of profits computed in the manner laid down in Section 196/197 of the Companies Act, 2013 and hence exceeded the limits prescribed under the Act read with Schedule V.
2	Steps taken or proposed to be taken for improvement	The company is focusing majorly on revenue growth to increase the profits. It is cautiously optimistic about the demand environment going forward in its major markets, including India, which was subdued during the previous years. This is likely to have a positive impact on the business volumes. In the Retail segment, it has launched new products such as Aptech Banking & Finance Academy, Lakme Academy Powered by Aptech and Aptech Montana International Pre-school to improve leverage its strengths in asset light franchise education format. The Company has flipped its model from 'Enrolment Driven Employment' to 'Employment Driven Enrolment' to attract a larger pool of students to its existing brands. It has also started offering a single brand franchise format 'Aptech Learning' for a combination of five of its products which use Aptech mother brand. This will not only drive sales effectiveness and improve franchise economics, but it is also expected to help improve marketing efficiencies for the Company. Given the asset light model and operating leverage, these measures are expected to result in good revenue growth with minimal investment and hence, higher profits. The demand environment had a negative impact on new center sign-ups and renewal fees in the International market in said period. These revenue items are highly profitable. With the revenue mix tilting towards projects income that have relatively lower profit margins, the profits went down in spite of revenue growth. With the economic scenario improving to a certain extent and concerted efforts from the Company, these profitable income streams are expected to go up. The Company has also developed a much stronger order book and pipeline for its Assessment & Testing business. This will lead to higher revenue growth in the Institutional business and turnaround in profits.
3	Expected increase in productivity and profits in measurable terms	The economic and demand environment are expected to improve thus helping the Company grow its retail businesses across all markets. The Company also expects higher traction in the Assessment & Testing business with greater adoption of Computer Aided Testing across the country. Coupled with the measures adopted by the Company as stated in III (2), these factors are expected to lead to good growth in revenue and improvement in profit margins. Hence, the profit growth is likely to be higher than revenue growth.

**Item no. 7.**

Mr. Anuj Kacker's remuneration was approved by the shareholders in the Annual General Meeting held on 30th September 2013.

Even though the Company earned net profits on standalone basis as well as on consolidated basis in the financial year ended 31st March 2016, the remuneration paid to Mr. Kacker exceeded the prescribed percentage of profits computed in the manner laid down in Section 196, 197 of the Act and hence exceeded the limits prescribed under the Act read with Schedule V. Accordingly consent of the shareholders is being sought subject to the applicable regulatory and government approvals as may be required, for remuneration paid to Mr. Kacker during the said financial year and waive recovery of excess remuneration paid to him as computed under the provisions of Schedule V of the Act.

Taking into account the consistent performance and dedication of Mr. Kacker, who has justified the position assigned to him, the Board of Directors of your Company has approved waiver of recovery of excess remuneration paid to him during the year ended 31st March 2016. The Board therefore recommends the resolution for approval of the shareholders.

Mr Kacker is interested in the Resolution mentioned at Item No. 7 of the Notice. Other than Mr Kacker, no other Director, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested in the said resolution.

The specified information as per sub clause (iv) of Clause (B) of Section II of Part – II of Schedule V to the Act is listed out hereinbelow:

<b>I</b>	<b>General Information</b>	Same as per item no.6
<b>II</b>	<b>Information about the appointee</b>	
1	Background details	An Electronics Engineer from the premier Indian Institute of Technology (IIT), Kanpur and a management graduate from the Indian Institute of Management (IIM), Kolkata, Mr. Anuj Kacker has over 30 years of experience in a variety of highly competitive industries like Pharmaceuticals, Paints, Consumer Durables and Education. Besides Aptech, his experience includes successful tenures in multinationals like ICI as well as other well known brands like Akai and Jenson & Nicholson.
2	Past remuneration	Mr. Anuj Kacker was paid remuneration of Rs. 99.13 lacs during 2014-15
3	Recognition or awards	Mr. Kacker was awarded the 'Indira Super Achiever Award' for 2007 by the Indira Group of Institutes. He was also Chairman, International Franchising Committee and Member of the Core Council in Franchising Association of India in 2008.
4	Job profile and his suitability	Mr. Kacker who was appointed as Wholetime Director effective 31st October 2012, has been with Aptech since 2003. He has been the Chief Operating Officer (COO) at Aptech since 2010 and currently heads the Individual (Retail) Training Businesses of Aptech India. In his earlier roles at Aptech he has been head of International Business (2005-09) and Head of Marketing (2003-04).
5	Remuneration proposed	As mentioned in Special Resolution at item no.7
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	In the past few years, the remuneration of senior executives in the industry in general has gone up manifold. The remuneration payable to the managerial personnel is purely on merit. Considering the background, competence and experience of Mr. Kacker, the Nomination & Remuneration Committee considered payment of remuneration to Mr. Kacker to be fair, just and reasonable.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	None
<b>III</b>	<b>Other Information</b>	Same as mentioned in item no.6 above.

By Order of the Board of Directors

Place: Mumbai  
Date: 30<sup>th</sup> June, 2017

Ketan H. Shah  
Company Secretary

**Details of directors seeking appointment required under Clause 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015**

<b>Name of Director</b>	<b>Mr. Utpal Sheth</b>	<b>Mr. Ninad Karpe</b>	<b>Mr. Anuj Kacker</b>
Date of Birth	28th June, 1971	4th March, 1961	8th October, 1961
Date of Appointment	28th October, 2006	3rd November, 2016	31st October, 2012
Qualification	Cost Accountant and Chartered Financial Analyst	Bcom, CA, LLB	B Tech
Nature of his expertise in specific functional areas	Investment research, Investment Management and Investment Banking	General Management including strategy, Operations, Marketing, HR, Finance & Technical	General Management
Relationship inter-se with other directors/ key managerial personnel	-	-	-
Directorship in other listed Indian companies	1. Metro Shoes Limited	1. Savita Oil Technologies limited	Maya Entertainment Limited
	2. NCC Limited	2. IDBI Bank Limited	
	3. Concord Biotech Ltd		
	4. Cineline India Limited		
	5. Dharti Dreging & Infrastructure limited		
Chairman/Member of any committee of the board of directors	Cineline India Limited:  Audit Committee – Member	Savita Oil Technologies Ltd : -Audit Committee – Member -Stakeholders Relationship Committee – Chairman	Maya Entertainment Limited:  Audit Committee – Member
-	Dharti Dedging & Infrastructure Limited :		
-	Audit Committee Member	IDBI Bank: Audit Committee – Member	
Shareholding, if any in the Company	NIL	NIL	NIL

## Route Map





## 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](http://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 Seventeenth Annual General Meeting of APTECH LIMITED will be held on Monday, 31st July, 2017 at M.C. Ghia Hall, Suryodaya Banquets, 18/20, 4th Floor, Bhogilal Hargovindas Building, K. Dubash Marg, Kalaghoda, Fort, Mumbai 400001 at 4.00 p.m.

\_\_\_\_\_  
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.







Unleash your potential

## 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

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him
2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_ Signature: \_\_\_\_\_  
or failing him
3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_ Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the the Sixteenth Annual General Meeting of APTECH LIMITED will be held on Monday, 31st July, 2017 at M.C. Ghia Hall, Suryodaya Banquets, 18/20, 4th Floor, Bhogilal Hargovindas Building, K. Dubash Marg, Kalaghoda, Fort, Mumbai 400001 at 4.00 p.m and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Audited Standalone and Consolidated Accounts, Report of Board of Directors and Auditors for year ended 31st March, 2017.
2. Re-appointment of Mr. Uptal Sheth as Director retiring by rotation.
3. Appointment of M/s. Bansi S Mehta & Co. as Statutory Auditor.
4. Appointment of Mr. Ninad karpe as a Non Executive Director.
5. Re-appointment of Mr. Anuj Kacker as Wholetime Director upto 31st October, 2022.
6. Waiver of excess remuneration paid to Mr. Ninad Karpe for the financial years 2014-15, 2015-16.
7. Waiver of excess remuneration paid to Mr. Anuj Kacker for the financial year 2015-16.

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

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

Affix  
Revenue  
Stamp

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.



**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 forwardlooking statements, whether as a result of new information, future events or otherwise.



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