



Geometric

People Building Partnerships

Annual Report | 2013 - 14

CHANGING
gears



CHANGING gears

Over the past couple of years, the Company has gone through a transformation to build a strong engine for growth. Last year, we **changed gears** and redefined the way we deliver, the way we sell, the way we manage data, the way we track progress, etc. The change has been with the underlying focus on partnering with our customers, building internal competencies, and creating a culture of collaboration across all levels. But no matter what gear we drive in, our fundamentals remain unchanged, and we continue to be true to our Philosophy of 'People Building Partnership' and our Vision, Mission and Values:

Vision

Be a world leader in digital product realization by 2020

Mission

To be among the top 3 engineering solutions partners that help leading companies in the world achieve their business objectives through best in class solutions

Values

- Strive to make our customers successful
- Work as a team globally to create an environment which encourages innovation, empowerment and enthusiasm
- Ensure integrity in all our dealings, personal or corporate

Changing Gears has given us more confidence, and we enter FY15 with a sense of pride and optimism, and the knowledge that having gone through fire in the last couple of years, we can now take on anything!



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Safe Harbour Provision

Certain statements in this report concerning our future growth prospects are forward looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT Services including those factors which may affect our cost advantage, wage increases in India, our ability to manage our international marketing and sales operations, reduced demand for technology in our key focus areas, disruptions in telecommunications networks, liability for damages on our service contracts and product warranty, the success of the companies in which the Company has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. The Company may, from time to time, make additional written and oral forward looking statements and our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company.



Jamshyd N. Godrej
Chairman



Manu M. Parpia
Managing Director
and CEO



Dr. Richard Riff
Director



Anita Ramachandran
Director



Dr. Kyamas A. Palla
Director



Ajay Mehra
Director



Milind S. Sarwate
Director

**Company Secretary &
Compliance Officer**
Maria Monserrate

Auditors
Kalyaniwalla & Mistry
Chartered Accountants

Registrars & Share Transfer Agents
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LETTER TO THE shareholders



FY14 has not been the best year for your Company. We saw a severe decline in revenues from our largest industrial customer by

around US\$ 15 Million. In addition, the integration of our acquisition in Germany has been far from smooth, causing us to delay the leveraging of their capability across our other accounts.

Nonetheless, FY14 has been a year of transformation, wherein we have invested heavily in building a scalable enterprise. These changes have been across six dimensions as under:

1. Customer Focus: As stated in my note last year, we have adopted a strategy of concentrating on a defined set of customers. In line with this, we reduced the number of customers we served from around 140, down to just over 70. Our objective is to spend more time understanding key drivers of their business and proposing tailored solutions to give these customers a competitive edge.

2. Organization Structure: From 1st April 2013, we shifted P&L responsibility to the verticals with a view to make them more accountable as well as empowering them. We continued with our approach viz. **Power of Two**, whereby the Client Partners and Sales work together to understand the customers' needs and craft solutions which add more value.

“We’ve also invested in strengthening our horizontal organization to ensure that the right talent is available at the right time.”

During the year, we’ve also invested in strengthening our horizontal organization to ensure that the right talent is available at the right time. There is now significant emphasis on further cementing and growing competencies within the Company through trainings. We have integrated our most recent acquisition by creating an Embedded Software horizontal; the objective being to leverage the competency and the acquired customer base.

3. Information back-bone: A sound information backbone is essential in order to scale, as otherwise processes are person dependent and prone to error as well as delay. In April 2013, we commenced our journey to re-implement our ERP backbone sticking to the ‘out of the box’ approach, which has helped us harmonize processes across all Geometric entities. The new ERP went live on 3rd February 2014, worldwide; and today, for the first time, the entire Company is on one system!

4. Sales Methodology: We initiated and completed a comprehensive sales training program to enable our sales team to ‘value sell’ rather than just take orders. Our go-to-market approach is evolving from a ‘transaction’ focus to a more ‘process’ or ‘business’ focus, which means becoming a ‘problem solver’ or ‘business advisor’ to the customer. This training also means the entire sales team talks ‘one language’, so sharing of learning’s and best practices becomes possible.



5. Solution Offerings: We refined our offerings to focus on six, which we believe help to differentiate us, add value to customers, and bring about sustainable revenues. Moving forward, the 'go to market' and delivery metrics for each offering will undergo continuous 'upgrades' to maintain relevance.

6. Large Deals Tracker: Finally, we set up a program to intensively support 'large deals', ensuring attention at top management level for removing bottlenecks and sustaining momentum. These are strategic deals that have the potential to be multi-million dollar engagements.

The underlying objective for all of these actions is to build a sustainable, scalable growth engine. I am pleased to report that the early signs are positive. Our large deal closure rate improved from 21% in Q3FY14 to 35% in Q4FY14 and our new business pipeline has also shown steady growth, up 15% in the same period.

Thus, the **change in gears** is gathering momentum. We are beginning to get invited to participate in larger opportunities as companies appreciate our attention and desire to understand their business so they see us helping them solve their problems.

Furthermore, our Intellectual Property is seeing acceptance in our customer base. In the last quarter, we clocked in our first large order of about US\$ 3 Million. What is even more encouraging is

“Our large deal closure rate improved from 21% in Q3FY14 to 35% in Q4FY14 and our new business pipeline has also shown steady growth, up 15% in the same period.”

the number of evaluations that are underway by world leading companies as our technology promises to make significant improvements in productivity, in a measurable manner. We see revenues from technologies accelerating in the period ahead.

We have made substantial changes in FY14. The emphasis is on execution; as in any transformation, there will be teething issues, refinements, and the like. We look at FY15 with a sense of optimism as we see increasing traction, directly linked to the direction

we have taken. We believe we can match industry growth, which in turn will enable us to improve our margins as we leverage the investments we have made in FY14. Our goal is that Geometric (excluding 3D PLM) must grow each quarter and set the base for outgrowing the industry in the years to come.

Manu M. Parpia
Managing Director & CEO



Nitin Tappe
Chief Operating Officer

FY14 has been a year of transformation, wherein we have focused on launching initiatives to build a scalable enterprise. While we remained focused on our customer success and parameters of quality, time and cost, we continued transforming the delivery organization to structurally enable

customer intimacy, competency development through learning culture, and delivery excellence by leveraging 'Lean' methodology.

With this transformation in global operations, in FY15 we will focus on enabling transition of our go-to-market strategy, to deliver higher value to our customers and build profitable and sustainable growth. We will do so:

1. By creating dedicated bandwidth in our delivery team closer to customer (Client Partner), which will help us understand customer business and hence their transformational (and not transactional) imperatives in terms of Engineering (Mechanical, Electrical and Embedded) and PLM
2. By continuously improving our value proposition through our offerings to deliver higher value to customers to help them transform their business
3. Through a competency-based organization structure, which will help us scale capacity in growing geographies like Europe and China
4. By driving direct cost initiative, especially in high cost delivery centers to enable us to invest back into offering development and competency development
5. By deploying 'Lean' methodology to increase value added activities for our customers

While these changes will take some time to settle down, there would be rigor and intensity to make further improvement and more importantly completing this change to enable profitable and sustainable growth.



John Leney
Vice President and Global Head - Sales & Marketing

FY14 was a year of significant change for Geometric and for many of the customers we serve. While we continued to see growth opportunities in several industry segments such as Automotive and Aerospace, the uncertainties in economic, business and geopolitical conditions of our Industrial sector continued to present challenges.

Despite these challenges, we completed the alignment of the global sales organization to industry verticals with a targeted portfolio of strategic, enterprise clients; formed a dedicated organization focused on the addition of new customers; and re-affirmed the global market growth opportunities in our targeted segments.

With this fundamental base established, in FY15 we are shifting gears to the next phase of our sales and marketing transformation. Over the next 18 – 24 months, we will transition our go-to-market strategy to a higher level of business and process enablement in order to deliver greater value to our customers and further differentiate us from our competition. This transformation will have profound impact on all parts of the organization. As we align the Company with this strategy, we are making strategic investments to:

1. Evolve our portfolio of offerings to fully leverage our capabilities in engineering, technology, software services, and consulting
2. Expand our global sales and delivery coverage to better serve our customers around the world (especially in Europe and China)
3. Strengthen our sales and account management processes, and the capabilities of our sales team
4. Ensure global marketing initiatives are aligned and focused to enable growth
5. Strengthen our information backbone to enhance efficiencies, improve collaboration, and ensure scalability to enable growth

As we embark on this next phase of our journey, I believe Geometric is well positioned to deliver greater value to our strategic customers and capitalize on the global growth opportunities in our targeted markets.

During FY14, we laid down the foundation for a strong integrated information system, thus enhancing our ability to make decisions faster, eliminate non-value added activities, and standardize processes across businesses globally.

As we build further on our earlier initiatives, the focus during FY15 will be to build the finance function, and introduce processes to enable the organization to stay ahead.

Goals of the Finance Function:

1. Today's business environment requires and demands deep insights into variables, and needs collaborative and well engaged business finance partners to help assess risks, provide proactive insights, and enable business leaders to stay focused on right areas and for timely decision making.
2. Metrics-driven reporting of key performance indicators and cull out the deviations to accepted level of tolerance
3. Simplify transactional processes by eliminating non-value added steps/ approvals without compromising on underlying controls. This will enable us to optimize time, bring efficiencies, increase empowerment, and achieve best-in-class, measurable cycle time and accuracy
4. Compliance needs and changes in governance in the various geographies that we work in requires constant vigilance and dynamic process to identify, assess and implement changes within prescribed time frame. We will continue to strengthen the controllership, legal and compliance functions to stay ahead on this

The Finance team is geared to enable proactive business decision making at right levels, bring process efficiencies, and help us stay focused on delivering increased value to our customers, employees and investors.



Neeraj Dutt
CFO

development by strengthening our horizontal organization; thus ensuring our talent is relevant and future ready. We have identified and created domain specific career paths for employees across various horizontals, giving employees a sense of where they are, where they can be, and what needs to be done to achieve their personal growth goals.

HR's goal for the current fiscal is to help transform our business to deliver for our customer, and invest in our employees to achieve sustained value by.

1. Providing a safe and inclusive workplace for our employees around the globe to attract and retain the best talent
2. Ensuring the sustenance of a culture of openness and participation, that has been the hallmark of Geometric
3. Developing the competency of our workforce to create the needed talent pool and guiding managers to groom talent to advance in the career paths, while aligning to business growth needs.
4. Harmonization of HR processes (that are not governed by local laws) globally, and explore avenues of bringing in more employee friendly benefits and policies

With these objectives, we are geared towards helping business in their actions that will fuel our financial growth and increase employee stickiness and thereby, stability in a people intensive organization such as ours.



Shashank Patkar
Chief Mentor

In the year gone by, the transformation office focused on re-implementation of our enterprise information backbone. This implementation has helped the Company in harmonising its business and human capital management processes, across its offices worldwide. This is a major step towards building a global and

scalable organisation.

On 3rd February 2014, we successfully went live with the new system. Our focus this year will be to stabilise our processes through this new system, and realise value to our customers and the company from the implementation.

The new system should help us (i) eliminate mistakes that may occur due to variability in important business process across various geographies; (ii) give the management more control and visibility of operational performance; and (iii) make it easier to compare performance of different business verticals.



Anwesa Sen
Global Head, Human
Resources & Organization
Development

FY14 for Geometric was the year of transformation, in people management, process, structure and mindset. This needed the HR function to work, as one global team, to help manage the transformation, and to ensure a healthy acceptance of the change at every level in every geography.

This year, we institutionalized a structured approach to competency

This year, I have taken up a new responsibility as a mentor and a coach to our senior and mid management team. One of the key success factors for building a scalable organisation is alignment of the management team towards the company's goals and objectives. I will be closely working with our global management team, in building leadership competencies and helping us win. This will include development of a framework and delivering management and leadership programs to people playing key roles across the organisation.

We will also be focusing on reaching out to local universities / colleges with a view to promote careers in engineering services, PLM, and software product development; thus enriching the talent pool of skilled resources for our domain, while also increasing the interest in the field and giving young students the opportunity to explore options beyond vanilla IT.



Rinku Basu
Global Head, Productivity
Services Group

The year has been busy, with a lot of activity around building a stronger information backbone at Geometric. We have taken some strategically critical steps in the direction of building a scalable organization and strengthening our global reach. We foresee some of our current efforts yielding closer client connect, greater cross country collaboration, and unique business opportunities.

The largest of those projects has been 'OneGeometric', which witnessed mammoth efforts to harmonize processes across geographies and improve productivity. The most significant step was the re-implementation of ERP, making us an integrated digital enterprise. With this exercise, we have been able to cut down as many as nine standalone tools, integrating their functioning within the ERP. In the coming years, we look forward to enhanced productivity, and easy availability of information in run time with minimum scope for errors.

In addition, a global team of cross-functional system experts called Operations Support Team (OST) has been established, which is a new concept for Geometric. The group contains experts from areas of finance, legal, project analysts, resource management, etc. Many revenue-critical support activities, which were earlier happening in pockets, are now consolidated under one umbrella of OST. This group also frees up the bandwidth of project managers from transactional activities, helping them focus on quality and productivity in projects.

Another milestone for us has been building our own premises in Hinjewadi, Pune. We moved all STPI projects from a leased office space to our own building. Apart from the feel good factor and

flexibility, it certainly is going to help us reduce our SGA tremendously in the long run. There have been some expansions in SEZ Pune as well. Moreover, to optimize our facilities further, Geometric's Mumbai office shifted to a new location.

This year, we will continue to stress on 'OneGeometric', and building up better and more meaningful collaborations across all levels of the organization.

FY14 was an excellent year for 3DPLM. This year, we not only grew in R&D, but expanded our business into non R&D areas within Dassault Systèmes (DS) as well.



Sudarshan Mogasale
CEO, 3D PLM Software
Solutions Ltd. (3DPLM)*

In R&D, we started a team for DS's new brand called GEOVIA. GEOVIA is the brand created out of DS's acquisition of Gemcom. This brand primarily focuses on modeling and simulation of the planet and its products are very popular with the mining industry. Apart from this, almost all R&D teams grew in different proportions during the year. 3D PLM also improved its maturity and innovation that resulted in patents for DS.

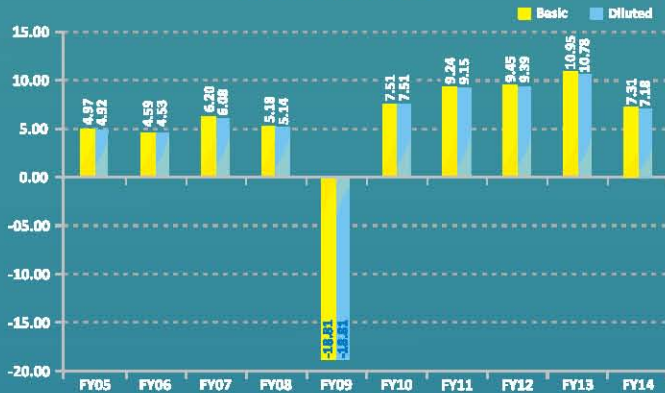
We expanded beyond R&D and started Financial and Business Support functions for DS and its subsidiaries. DS, being a global and fast growing company, requires assistance in the financial and business support functions to scale its operations. The trust and credibility that is built by 3D PLM over the years has given confidence to DS to start this new line of business/team. We have been quick in setting up the team and deliver, and that has given further confidence to DS to expand this service in the coming years.

DS has a bold new vision of 3DEXPERIENCE, and is poised to grow rapidly, both in their portfolio of products, and by acquisitions. With our lean, efficient model, and innovative, motivated team, 3D PLM is well placed to grow along with DS. 3D PLM continues in its endeavor to add more value to DS and help DS in meeting its objective/mission; thus keeping 3D PLM very relevant and integral in the DS ecosystem. This will bring new business and new possibilities to 3D PLM, and will benefit both Geometric and Dassault Systèmes, while taking the relationship to the next level.

* 3D PLM is a joint venture between Geometric and Dassault Systèmes (DS), engaged in the development of various DS products and technologies.

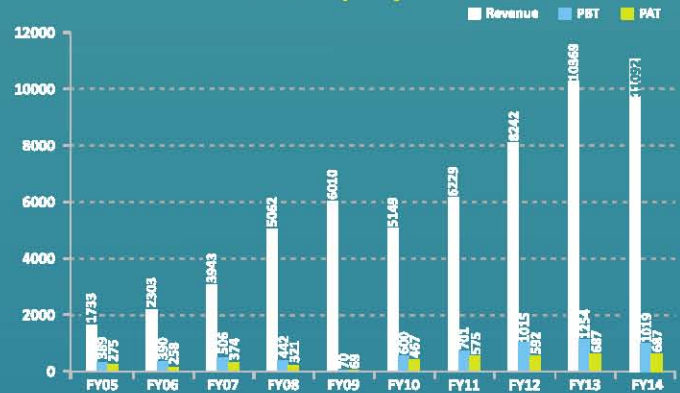
FINANCIAL Highlights (consolidated)

EPS Consolidated

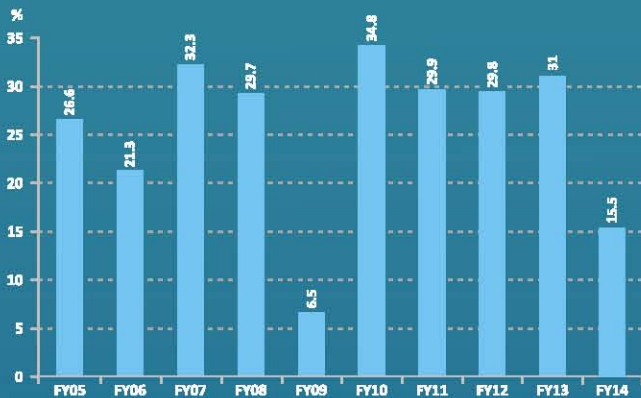


Note: For years FY04 to FY05, the face value of share was Rs. 10 each and later Rs.2 each. Accordingly, EPS is calculated for FY04 to FY05.

Revenue/PBT/PAT



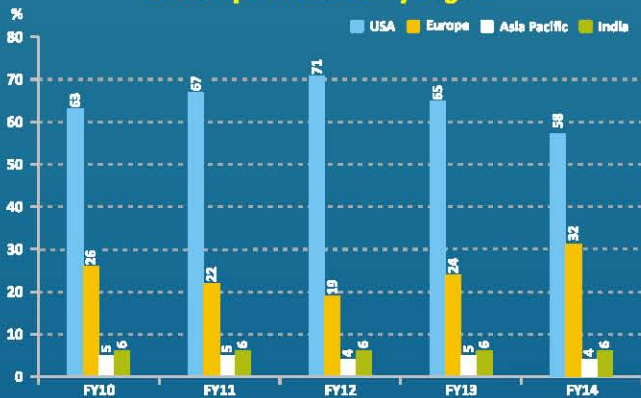
Return Net Worth



Operating Profit as % to Operating Revenue



Break up of Revenue by Region



Share Price Movement





Financial Highlights (Consolidated)

(amount in ₹ 000 except Share price)

Particulars	Year ended March 31			
	2014		2013	
	INR	US\$	INR	US\$
Revenue	10,954,523	182,880	10,203,634	187,912
Other Income	137,068	2,288	164,926	3,037
Total Revenue	11,091,592	185,168	10,368,560	190,950
Expenses	9,692,227	161,807	8,749,827	161,139
EBITDA	1,399,365	23,362	1,618,733	29,811
Depreciation	345,639	5,770	329,398	6,066
Interest Expenses	34,765	580	35,568	655
Income Tax	387,876	6,475	386,214	7,113
Minority Interests	168,656	2,816	180,085	3,316
Other prior period items	-	-	-	-
Profit After Tax (PAT)	462,429	7,720	687,468	12,661
Basic EPS	7.31	0.12	10.95	0.20
Diluted EPS	7.18	0.12	10.78	0.20
Dividend (%)	100%	100%	85%	85%
PAT as % of total income	4.17%	4.17%	6.63%	6.63%
Share Price (BSE)				
- High	129.9	2.17	125.50	2.31
- Low	61.4	1.03	60.50	1.11
- Closing	116.3	1.94	99.90	1.84
US \$ Exchange Rate (₹)		59.90		54.30

Directors' Report to the Members

The Directors have pleasure in presenting their report on the business and operations of the Company for the year ended March 31, 2014.

1A. FINANCIAL RESULTS: (STANDALONE)

The Company's operating performance during the year ended March 31, 2014 as compared to the previous year is summarized below:
(₹ in Millions)

	Current Year	Previous Year
Revenue from Operations and Other Income	4,099.76	3,716.33
Profit before Interest, Depreciation and Tax	825.43	564.04
Less : Finance Costs	(3.46)	(2.70)
Less : Depreciation and Amortization Expense	(127.54)	(123.55)
Profit before Exceptional Items and Taxes	694.43	437.79
Add: Exceptional Items	-	6.12
Less : Tax adjustment in respect of earlier years	(4.69)	(3.35)
Less : Tax Expense	137.36	103.06
Net profit before Extraordinary Items	561.77	344.20
Add: Extraordinary Items and Prior Period Items	-	-
Net Profit	561.77	344.20
Surplus brought forward	1,675.19	1,479.63
Profit available for Appropriation	2,236.96	1,823.83
APPROPRIATIONS		
Proposed Dividend	127.17	107.24
Dividend Tax	20.60	18.21
Transfer To General Reserve	56.50	34.42
Reversal of excess provision for dividend distribution tax of previous years	(18.21)	(11.23)
Surplus carried forward	2,050.90	1,675.19
TOTAL	2,236.96	1,823.83

1B. FINANCIAL RESULTS: (CONSOLIDATED)

The Company's operating performance during the year ended March 31, 2014 as compared to the previous year is summarized below:
(₹ in Millions)

	Current Year	Previous Year
Revenue from Operations and Other Income	11,091.59	10,368.56
Profit before Interest, Depreciation and Tax	1,399.36	1,618.73
Less : Finance Costs	34.77	35.57
Less : Depreciation and Amortization Expense	345.64	329.40
Profit before tax	1,018.96	1,247.64
Less : Provision for tax	387.88	386.21
Net profit before Extraordinary Items and Minority Interest	631.09	867.55
Net Profit before Minority Interest	631.09	867.55
Less: Minority Interest	(168.66)	(180.09)
Net Profit	462.43	687.47
Surplus brought forward	2,416.67	1,926.44
Profit available for Appropriation	2,878.60	2,613.91
APPROPRIATIONS		
Proposed Dividend	127.16	107.24
Dividend Tax	20.60	18.21
Transfer To General Reserve	83.76	60.81
Corporate Dividend Tax Paid By Subsidiary	65.95	19.39
Translation of reserves of non-integral foreign operations	(3.18)	3.32
Reversal of excess provision for dividend distribution tax of previous years	(18.21)	(11.23)
Surplus carried forward	2,602.52	2,416.17
TOTAL	2,878.60	2,613.91



Directors' Report to the Members (Contd.)

2. DIVIDEND:

The Directors recommend payment of dividend to the shareholders for the year at the rate of ₹ 2 per Equity Share of ₹ 2 each, compared to ₹ 1.70 dividend per Equity Share, paid last year.

3. BUSINESS REVIEW:

The Industrial vertical market which we serve showed a lot of uncertainty throughout the financial year. Our largest accounts particularly from the off-highway equipment sector showed significant slowdown in business. The Automotive industry stayed positive and we saw trends sustaining in global engineering, driving a gradual increase in demand for our key offerings in engineering and PLM IT. Our business from the Aerospace industry continued on the expected growth path as our three flagship customer groups renewed their faith in our capabilities through long term contracts.

Operating revenues in rupee terms for the consolidated financials increased from INR 10,203.60 Mn in FY13 to INR 10,954.52 Mn in FY14, a growth of 7.37%. For the same period, profit-after-tax decreased from INR 687.5 Mn FY 13 to INR 462.6 Mn FY14 (after adjustment for extraordinary items), a de growth of 32.71%.

The business segments of the Company - software services, engineering services, and products recorded the following trends in the year FY14:

- Software services contribution to the top line increased from 55.29% in FY13 to 59.81% in FY14.
- Engineering services contribution to the top line decreased from 39.02 % in FY13 to 34.05 % in FY14.
- Products business contribution to the top line increased from 5.7% in FY13 to 6.14% in FY14.

The Company's performance in the four regions in which we operate can be summarized as follows:

- USA's share decreased from 65.10% in FY13 to 57.64% in FY14; a de growth of 4.9% in absolute terms.
- Europe's share of revenue increased from 23.89% in FY13 to 32.16% in FY14; a growth of 44.5% in absolute terms which includes revenue of Geometric GmbH for the full year.
- APAC's share decreased from 4.53% in FY13 to 3.74% in FY14.
- India's share decreased from 6.48% in FY13 to 6.46 % in FY14.

Europe continues to be our focus growth market with a positive demand environment particularly for our software services. The business environment in China continues

to be very promising and we have made good inroads resulting in the gradual increase of revenue contribution from the region.

Trends in various customer segments that the Company caters to were as follows:

- Direct Industrial: Segment share of business increased from 61.93% in FY13 to 62.30% in FY14. In absolute terms, this segment recorded de-growth of 2.7% over the previous year. (USD 113.02 Mn in FY14 Vs USD 116.17 Mn in FY13)
- Strategic Partners: Segment share of business reduced from 5.35% in FY13 to 2.72% in FY14; showing a reduction of 49.23% % in absolute terms. (USD 4.93 Mn in FY14 Vs USD 9.71 Mn in FY13)
- Software ISVs: Segment share of business increased from 34.01% in FY13 to 34.98% in FY14. In absolute terms, this segment recorded a growth of 2.85% over the previous year. (USD 63.45 Mn in FY14 Vs USD 61.69 Mn in FY13)

In the coming financial year, our vertical organization with P&L accountability and continued business development focus on hunting accounts, will help us build closer customer relationships. Our horizontal organization with bulk of the delivery capacity will ensure the focus on innovation, quality and competency to build customer intimacy and drive predictable revenue. Our investments in sales transformation for value selling, in building differentiated offerings intertwining our IP solutions and in bringing the focus to chase large deals are poised to provide the right solutions for our accounts globally.

4. DIRECTORS:

In terms of Section 152 of the Companies Act, 2013, Dr. Richard Riff retires by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

In terms of Section 149 of the Companies Act, 2013, Ms. Anita Ramachandran, Mr. Milind Sarwate and Mr. Ajay Mehra, Independent Directors have been appointed for a term of 5 (five) consecutive years upto March 31, 2019.

5. AUDITORS:

M/s. Kalyaniwalla & Mistry, Chartered Accountants, Statutory Auditors of the Company, retire on the conclusion of the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The Audit Committee and the Board of Directors recommends the re-appointment of M/s. Kalyaniwalla & Mistry, Chartered Accountants, Statutory Auditors of the Company.

Directors' Report to the Members (Contd.)

6. AUDIT COMMITTEE:

The Company has an Audit Committee consisting of five Non-Executive Directors of the Company, viz Mr. Milind Sarwate – Chairman, Dr. K A Palia, Dr. Richard Riff, Ms. Anita Ramachandran and Mr. Ajay Mehra. The accounts have been duly reviewed by the Audit Committee.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956, read with Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are set out in the Annexure "A" to this Report.

8. SUBSIDIARIES:

The Company has the following wholly-owned Subsidiary Companies:

- a) Geometric Americas, Inc., USA
- b) Geometric Asia Pacific Pte. Ltd., Singapore
- c) Geometric Europe GmbH, Germany

The Company has the following other Subsidiary Companies:

- a) 3D PLM Software Solutions Ltd., in which the Company holds 58% stake.
- a) Geometric China Inc. (A WOS of Geometric Asia Pacific Pte. Ltd., Singapore)
- a) Geometric Japan K.K. (A WOS of Geometric Asia Pacific Pte. Ltd., Singapore)
- a) Geometric S.R.L., Romania (A WOS of Geometric Europe GmbH w.e.f April 1, 2013.)
- a) Geometric SAS, France (A WOS of Geometric Europe GmbH w.e.f April 1, 2013.)
- a) Geometric GmbH (Formerly known as "3cap technologies GmbH" - A WOS of Geometric Europe GmbH, Germany)

As required under Section 212 of the Companies Act, 1956, the subsidiaries' statements of accounts for the year ended March 31, 2014 are attached to the Balance Sheet.

10. PARTICULARS OF EMPLOYEES:

As required by the provisions of Section 217 (2A) of the Companies Act, 1956, as amended, read with Companies (Particulars of Employees) Rules, 1975, the names and other particulars of the employees are set out in the Annexure 'B' to this Report.

11. STOCK OPTIONS:

The disclosures required to be made under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 are given in the Annexure "C" to this report.

12. CORPORATE GOVERNANCE:

As required under the Listing Agreement with Stock Exchange a report on Corporate Governance is given in the Annexure "D" to this report.

13. EMPLOYEE RELATIONS:

The Company continued to have cordial relations with its employees.

14. DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 217(2AA) of the Companies Act, 1956, the Directors based on the representation received from the Operating Management, and after due enquiry confirm;

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- (ii) that the selected accounting policies were applied consistently and the Directors 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 as at March 31, 2014 and of the profit of the Company for the year ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis.

15. ACKNOWLEDGEMENT:

The Directors gratefully acknowledge the contribution made by the employees towards the success of the Company. The Directors are also thankful for the co-operation, support and assistances received from the Customers, Banks, Investors, Central and State Government departments and local authorities.

On behalf of the Board of Directors

J.N. Godrej
Chairman

Place: Mumbai

Date: April 29, 2014



Annexure 'A' to Directors' Report

Particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

1. Conservation of Energy:

The Company's operations are not energy-intensive. However, significant measures are taken to reduce energy consumption by using energy-efficient computers and purchasing energy-efficient equipment. During the year, the Company has adopted various measures for optimal utilization of electricity by stringent control on area of utilization, re-scheduling of working hours, using energy efficient equipment, using natural lighting, additionally stringent control on air-conditioning and lighting during the off working hours and days. The Company is also planning to implement certain recommendations received from the Energy Audit, with a view to optimize the utilization and avoid loss of energy.

The Company constantly evaluates new technologies and invests to make its infrastructure more energy-efficient. Currently, the Company uses CFL fittings and electronic ballasts to reduce the power consumption of fluorescent tubes. Air-conditioners with energy-efficient screw compressors for central air-conditioning and with split air-conditioning for localized areas are used. In order to further accentuate our commitment towards developing energy efficient facility, we are deploying contemporary measures like Sandwich glass glazing, mechanical terracotta tiled cladding for facade, cavity walls, Eco Carpet Floor & adoption of North-South orientation of building, in our upcoming facility at Phase 1 – Hinjewadi Pune. As energy costs comprise a very small part of the total expenses, the financial impact of these measures is not material.

Further all the lights in the new building are LED base. This is as per GO Green initiative that we have taken. This will help in further efficiency of the premises.

2. Technology Absorption:

The particulars with respect to Technology Absorption are given below:-

A. Research and development (R & D):

1) Specific areas in which R & D carried out by the Company:

Software products development in the Product Lifecycle Management (PLM) domain covering design, manufacturing, visualization and also interoperability of multiple PLM systems.

Along with the new-age multi-platform visualization product line called Glovius and cloud-based fully automated translation services through an online portal called Babel3d.com, Geometric continues to work on emerging technologies like 3d printing. It has launched

new module called as "Design for 3d printability" as extension of its product line Geometric DFX.

2) Benefits derived as a result of the above R & D:

Glovius is an easy to use and customizable tool to enable non-CAD users to view high fidelity 3d data in an affordable manner from anywhere, anytime. Babel3d.com provides ability to its user to translate data between various visualization formats as well as make it available for access from anywhere on mobile devices. New 3d printability analysis module of Geometric DFX will be particularly useful for its customers in aerospace segment, where 3d printing adoption is getting traction.

3) Future plan of action:

The Company continues to focus its efforts on innovations in products and software development processes.

4) Expenditure on R & D:

The Company's R & D activities are part of its normal software development process. There is no separate R & D department and hence there is no specific capital or recurring R & D expenditure. It is not practicable to identify R & D expenditure out of the total expenditure incurred by the Company.

B. Technology Absorption, Adaptation and Innovation:

1) Efforts made towards Technology Absorption, Adaptation and Innovation:

The Company is focused on innovation. It has established practice streams in specific technologies. It has also established a PLM Institute to impart training and encourage innovation. These steps will lead to greater innovation and adaptation of new technologies.

2) Benefits derived as a result of the above efforts:

High product quality and increased business potential.

3) Technology imported during the last 5 years:

Not applicable, as no imported technology is put to use by the Company.

3. Foreign Exchange Earnings and Outgo:

a) Activities relating to Exports:

The Company is in the business of software exports. All efforts of the Company are geared to increase the business of software exports in different products and markets.

b) Total Foreign Exchange Earnings used and earned:

Particulars	Current Year (₹)	Previous Year (₹)
Total Foreign Exchange used	726,676,756	540,100,012
Total Foreign Exchange earned	3,346,828,712	3,043,949,597

Annexure 'B' to Directors' Report

Particulars as prescribed under section 217 (2A) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars of Employees) Rules, 1975.

The following table states the details of employees worked with the Company for the year.

S r .	Name of the Employee	Position	Age	Date of Joining	Main Qualification	Total Exp Years	Gross Remuneration	Last Company Name
1	Manu Parpia	Managing Director & CEO	64	8-Apr-11	BE (Chemical Engineering), MBA	34	23,852,298	Geometric Limited
2	Arvind Kakar	Chief Financial Officer	51	7-Oct-11	B.Com (Hons.), CA	23	11,353,879	Max Healthcare Institute Limited
3	Shashank Patkar	Chief Transformation Officer	52	1-Jan-12	BE, MBA	28	8,003,288	3D PLM Software Solutions Limited
4	Nitin Tappe	Chief Operating Officer	41	19-Feb-96	BE, MTECH	18	6,922,303	-
5	Venkatesh Jagannath	Senior Vice President, Consulting and Technology	46	1-Jul-94	BE, MTECH	20	6,898,359	Godrej & Boyce Mfg. Co. Ltd.

Notes:

- 1 The Gross remuneration shown above is subject to tax and comprises salary, allowances, monetary value of perquisites as per Income Tax Rules and Company's contribution to Provident Fund & Superannuation Fund.
- 2 Remuneration above excludes contribution to Provident Fund for MD & CEO and the CTO.
- 3 In addition to the above remuneration, employees are entitled to medical benefits etc., in accordance with the Company's rules.
- 4 All appointments are non-contractual, except in case of the MD& CEO, CFO and CTO of the Company.
- 5 The employees are not related to any Director of the Company.

Place: Mumbai

Date: April 29, 2014



Annexure C to Directors' Report

Disclosure under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999

A. Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under -

Sr. No.	Particulars	Scheme VIII ESOP Scheme 2009	Scheme IX ESOP Scheme 2009 - Directors	Scheme X ESOP Scheme 2009 - Employees	Scheme XI ESOP Scheme 2011	Scheme XII ESOP Scheme 2013 - Directors	Scheme XIII ESOP Scheme 2013 - Employees
1	Details of the Meeting	Extraordinary General Meetings (April 6, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (July 25, 2011)	Annual General Meeting (July 29, 2013)	Annual General Meeting (July 29, 2013)
2	Approved	1,000,000	300,000	600,000	1,800,000	300,000	3,150,000
3	The Pricing Formula	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.
4	Options Granted	1,116,950	250,000	600,000	2,004,350	250,000	2,751,500
5	Options Vested	44,600	150,000	141,605	679,171	-	-
6	Options Exercised	561,900	100,000	265,365	435,121	-	-
7	Options Forfeited / Surrendered (Note 1)	510,450	-	193,030	442,000	-	163,000
8	Options Unexercised	44,600	150,000	141,605	1,127,229	250,000	2,588,500
9	Options Lapsed	-	-	-	-	-	-
10	Total Number of Options in force	44,600	150,000	141,605	1,127,229	250,000	2,588,500
11	Variation in terms of ESOP	NA	NA	NA	NA	NA	NA
12	Total Number of Shares arising as a result of Exercise of Options	561,900	100,000	265,365	435,121	-	-
13	Money realised by exercise of Options (₹ in Lakhs)	109.82	47.20	125.25	200.76	-	-

Note :

- 1 The surrendered options can be reissued as per the terms of Schemes.

Annexure C to Directors' Report (Contd.)

B. Employee-wise details of options granted during the financial year 2013-14 to:

(i) Senior managerial personnel

Name	No. of options granted
Nitin Tappe	100,000
John Leney	65,000
Sudarshan Mogasale	60,000
Venkatesh Jagannath	50,000
Nitin Tappe	50,000
Shashank Patkar	50,000
Surapaneni Kalidas	50,000
Arvind Kakar	50,000
Narendra Pitre	35,000
John Leney	35,000
Milind Shastri	35,000
Anwesa Sen	25,000
Narendra Pitre	20,000

(ii) Employees who were granted, during any one year, options amounting to 5% or more of the options granted during the year

NONE

(iii) Identified employees who were granted option, during any one year, equal or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant

NONE

C. Diluted Earnings Per Share pursuant to issue of shares on exercise of options calculated in accordance with Accounting Standard (AS) 20

8.72

D. Weighted average exercise price of Options granted during the year whose

(a) Exercise price equals market price	78.21
(b) Exercise price is greater than market price	NA
(c) Exercise price is less than market price	NA

Weighted average fair value of options granted during the year whose

(a) Exercise price equals market price	35.95
--	-------

(b) Exercise price is greater than market price

NA

(c) Exercise price is less than market price

NA

E. The stock-based compensation cost calculated as per the intrinsic value method for the financial year 2013-14 is Nil. If the stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognised in the financial statements for the year 2013-14 would be (₹ 156,128,352). The effect of adopting the fair value method on the net income and earnings per share is presented below:

Pro Forma Adjusted Net Income and Earning Per Share

Particulars	₹
Net Income	
As Reported	561,766,957
Add: Intrinsic Value Compensation Cost	-
Less: Fair Value Compensation Cost	(156,128,352)
Adjusted Pro Forma Net Income	405,638,605

Earning Per Share: Basic

As Reported	8.88
Adjusted Pro Forma	6.41

Earning Per Share: Diluted

As Reported	8.72
Adjusted Pro Forma	6.30

F. Method and Assumptions used to estimate the fair value of options granted during the year:

The fair value has been calculated using the Black Scholes Option Pricing model.

The Assumptions used in the model on a weighted average basis are as follows:

Variables	29-Apr-13	21-Oct-13	3-Feb-14
1. Risk Free Interest Rate	7.51%	8.49%	8.65%
2. Expected Life	4.40	4.80	4.80
3. Expected Volatility	49.29%	50.68%	48.98%
4. Dividend Yield	1.45%	1.45%	1.45%
5. Price of the underlying share in market at the time of the option grant.	99.10	76.10	99.30



Annexure 'D' - to the Directors' Report

The Members of
Geometric Limited.
Unit No. 703-A, 7th floor,
B Wing, Reliable Tech Park,
Airoli, Navi Mumbai 400 708.

We have examined the compliance of conditions of Corporate Governance by Geometric Limited (the Company) for the year ended on March 31, 2014, as stipulated in Clause 49 of the Listing Agreements of the said Company with the Stock Exchanges in India.

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 compliance with the conditions of Corporate Governance. It is neither an audit, nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W

Farhad Bhesania
PARTNER
M. No.: 127355

Place: Mumbai
Date: April 29, 2014

Report on Corporate Governance

1. Company's Philosophy on Corporate Governance:

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and integrity. The Company has implemented the mandatory requirements of the 'Code of Corporate Governance' as mentioned in the Clause 49 of the Listing Agreement. The Compliance Report of the Company vis-à-vis the Stock Exchange Listing Agreement is presented below.

2. Board of Directors:

a) Composition of Board

Geometrics' Board has an optimum combination of Executive and Non-Executive Directors, to ensure independent functioning. During the financial year ended March 31, 2014, the Board comprised of seven Directors out of which six were Non- Executive. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the stock exchanges. The Chairman of the Board is a Non-Executive Director.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees across all the companies in which he/she is a Director as detailed below. Necessary disclosures regarding committee positions in other public companies as of March 31, 2014 have been made by the Directors.

Except the Executive Director, all other directors are liable to retire by rotation as per the provisions of Companies Act, 1956.

The names and categories of the Directors on the Board, their attendance at the four Board Meetings held during the year and the number of Directorships and Committee Chairmanships/Memberships held by them in other companies are given herein below:

Name of the Director	Designation	Category	No. of Board Meetings attended during the year	Attendance at the last AGM	No. of other Directorships held as at March 31 2014*	Committee Position in other public Ltd Companies as at March 31 2014 #	
						Member	Chairman
Mr. Jamshyd Godrej	Chairman	Non-Executive; Non-Independent	3	Absent	7	2	-
Mr. Manu Parpia	MD & CEO	Promoter; Executive; Non-Independent	4	Present	3	-	-
Dr. Kyamas Palia	Director	Non-Executive; Non-Independent	4	Present	4	2	-
Ms. Anita Ramachandran	Director	Non-Executive; Independent	4	Present	3	1	-
Mr. Milind Sarwate	Director	Non-Executive; Independent	4	Present	2	-	1
Dr. Richard Riff	Director	Non-Executive; Independent	3	Present	-	-	-
Mr. Ajay Mehra	Director	Non-Executive; Independent	4	Present	1	-	-

* Directorships in Private, Foreign Companies and Section 25 Companies are excluded.

Memberships/Chairmanship of only Audit Committee and Shareholders' Grievance Committee have been considered.

b) Board Procedures

The Board meets at least once a quarter to review the quarterly performance and financial results. Board Meetings are governed with structured agenda. All major agenda items, backed up by comprehensive background information, are



Report on Corporate Governance (Contd.)

generally sent well in advance of the date of the Board Meeting to the Directors to enable the Board to take an informed decision. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. The Chief Financial Officer is normally invited to the Board Meetings to provide necessary insights into the working of the Company and for discussing corporate strategies.

The Minutes of the meetings of the Board are individually circulated to all Directors and confirmed at the subsequent Board Meeting. The finalized copies of the Minutes of the various Committees of the Board are also individually given to the Members of the Board and thereafter tabled at the subsequent Board Meeting for the Board's view thereon.

The Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

Four Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held and the number of Directors present were as follows:

Sr. No.	Dates on which the Board Meetings were held	Total strength of the Board	No. of Directors present (Physical)
1	April 29, 2013	7	6*
2	July 29, 2013	7	6
3	October 21, 2013	7	7
4	February 3, 2014	7	7

*1 on teleconference

Equity Shares of the Company held by Directors as on March 31, 2014:

Name of Director	Number of Shares held	Percentage
Mr. Jamshyd Godrej	-	-
Mr. Manu Parpia	4,307,925	6.79
Dr. Kyamas Palia	95,000	0.15
Ms. Anita Ramachandran	35,000	0.06
Mr. Milind Sarwate	-	-
Dr. Richard Riff	-	-
Mr. Ajay Mehra	-	-

c) Re-appointment of Directors

Dr. Richard Riff is retiring by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment in the Annual General Meeting. Ms. Anita Ramachandran, Mr. Milind Sarwate and Mr. Ajay Mehra, Independent Directors have been appointed for a term of 5 (five) consecutive years upto 31 March, 2019 as per the provisions of the Companies Act, 2013.

The brief resumes of the Directors proposed to be re-appointed/appointed are given in Notice of the Annual General Meeting.

3. Committees of the Board

A. Audit Committee:

a) The terms of reference of the Audit Committee as defined by the Board are as under:

- Hold discussions with the auditors periodically about internal control systems, the scope of audit including the observations of the auditors and review the quarterly, half-yearly and annual financial statements before submission to the Board and also ensure compliance of internal control systems.
- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

Report on Corporate Governance (Contd.)

- iii) Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- iv) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- v) Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956.
 - (b) Changes, if any, in accounting policies and practices and reasons for the same.
 - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure of any related party transactions.
 - (g) Qualifications in the draft audit report.
- vi) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- vii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- viii) 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.
- ix) Discussion with internal auditors on any significant findings and follow up thereon.
- x) 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.
- xi) 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.
- xii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- xiii) To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- xiv) Approve the appointment of any other accountant to review the financials of the Company as the Audit Committee may deem fit.
- xv) Reviewing and discussing with management significant risks and exposures to the Company and the steps management has taken to minimize or manage such risks on a regular basis.

b) Powers of the Audit Committee:

The Board delegated the following powers to the Audit Committee:

- i) Investigating any activity within its terms of reference as above, or in relation to the items specified in Section 292A of the Companies Act, 1956, or as may be referred to it by the Board, from time to time and for this purpose, it shall have full access to information contained in the records of the Company and external professional advice, if necessary.
- ii) Seek information from any employee.
- iii) Obtain outside legal or other professional advice, if necessary.
- iv) Secure attendance of outsiders with relevant expertise, if it considers necessary.



Report on Corporate Governance (Contd.)

The composition of the Audit Committee and the details of meetings attended by the members of the said Committee are given below:

Name of the Member	Category	No. of Meetings attended
Mr. Milind Sarwate (Chairman)	Non-Executive, Independent	8
Dr. Kyamas Palia	Non-Executive, Non-Independent	8
Dr. Richard Riff*	Non-Executive, Independent	1
Ms. Anita Ramachandran\$	Non-Executive, Independent	5
Mr. Ajay Mehra#	Non-Executive, Independent	-

*2 on teleconference and 4 on videoconference and Independent upto March 31, 2014.

\$ 2 on videoconference

Appointed w.e.f February 3, 2014

Audit Committee meetings were held on April 18, 2013, April 24, 2013, July 17, 2013, July 29, 2013, October 11, 2013, October 17, 2013, January 06, 2014 and January 29, 2014. The necessary quorum was present at all the meetings.

The Audit Committee Meetings are usually held at the Registered Office of the Company and are attended by Chief Financial Officer/ Financial Controller of the Company and the representatives of Statutory Auditors and Internal Auditors. The operation heads are also invited to the meetings as required. The Company Secretary acts as Secretary of the Committee.

The previous Annual General Meeting of the Company was held on July 29, 2013 and it was attended by Mr. Milind Sarwate, Chairman of the Audit Committee.

B. Compensation Committee:

The terms of reference of the Compensation Committee, inter-alia consists of conducting periodic reviews of the remuneration payable to the Senior Management of the Company and also considering the Employee Stock Option Plans, which the Company may wish to offer to its employees and reports the same to the Board of Directors.

The composition of the Compensation Committee and the details of meetings attended by the members of the said Committee are given below:

Name of the Member	Category	No. of Meetings Attended
Mr. Jamshyd Godrej (Chairman)	Non-Executive, Non-Independent	3
Mr. Milind Sarwate	Non-Executive, Independent	5
Ms. Anita Ramachandran	Non-Executive, Independent	5
Mr. Ajay Mehra	Non-Executive, Independent	5

Compensation Committee meetings were held on April 29, 2013, May 4, 2013, July 29, 2013, October 21, 2013 and February 3, 2014. All Members were present and necessary quorum was present at all the meetings.

Compensation Policy

i) Management Staff:

Compensation of employees largely consists of basic remuneration, perquisites and other benefits and Employee Stock Option Plan as per SEBI Guidelines. The components of the total compensation vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled, and individual performance of the employee.

ii) Non-Executive Directors:

Pursuant to the Members' approval at the Annual General Meeting held on July 25, 2011, the Company has obtained approval from the Central Government for payment of commission upto 3% of the Net Profits of the Company restricted to 1.5% of the Profit before Tax based on Audited Consolidated Financial Accounts of the Company per annum to Non-Executive Directors. Accordingly, the Company pays commission to all the Non-Executive Directors within the said limits. The total Commission payable for the year ended March 31, 2014, to the Non-Executive Directors, amounted to ₹ 72,00,000 /-.

Report on Corporate Governance (Contd.)

The details of commission payable and sitting fees paid to the Non-Executive Directors for the financial year 2013-14 are summarized below:-

Name of the Director	Commission (₹)	Sitting Fees (₹)
Mr. Jamshyd Godrej	1,200,000	90,000
Mr. Milind Sarwate	1,200,000	290,000
Dr. Richard Riff	1,200,000	160,000
Ms. Anita Ramachandran	1,200,000	270,000
Dr. Kyamas Palia	1,200,000	240,000
Mr. Ajay Mehra	1,200,000	130,000
Total	7,200,000	1,180,000

The Commission paid to the Non-Executive Directors is based on roles and responsibilities as well as the attendance at Board and Committee Meetings.

Under ESOP Scheme 2009 – Directors and ESOP Scheme 2013 - Directors, the eligible Directors were granted stock options on October 26, 2009 @ ₹ 47.20 and October 21, 2013 @ ₹ 76.10 respectively and vested stock options are exercisable within five years from date of grant. The details of shares and Employee Stock Options held by the Non-Executive Directors as on March 31, 2014, were as given below:

Name of the Director	No. of Shares held	No. of Stock Options Held*
Mr. Jamshyd Godrej	-	-
Mr. Manu Parpia	4,307,925	-
Dr. Kyamas Palia	95,000	50,000
Ms. Anita Ramachandran	35,000	100,000
Mr. Milind Sarwate	-	100,000
Dr. Richard Riff	-	50,000
Mr. Ajay Mehra	-	100,000

* The above options were issued at fair market value. The options granted will vest after one year and within a maximum period of three years from the date of the grant on such dates as will be specified by the Compensation Committee in its entire discretion.

iii) Executive Directors:

Mr. Manu Parpia has been re-appointed as Managing Director and Chief Executive Officer w.e.f. April 8, 2013 for a period of two years with the approval of Members.

His remuneration for the period commencing from that date, has been approved by the Compensation Committee of the Board of Directors and is subject to approval of the Members in the General Meeting as required under the Companies Act, 1956.

The Company has made an application to the Central Government for its approval for payment of remuneration to Mr. Manu Parpia, Managing Director and CEO of a consolidated amount (inclusive of perquisites) not exceeding ₹ 3.25 Crores per annum for the year ended March 31, 2013.

Remuneration to Executive Directors –

The details of remuneration paid/payable to Mr. Manu Parpia, for the period from April 1, 2013 to March 31, 2014, are given below:

Particulars	Amounts (in ₹)
Salary	11,289,078
Performance & Service Bonus	6,955,000
Others	779,517
Total	19,023,595



Report on Corporate Governance (Contd.)

C. Investor Grievances Redressal Committee:

The Company has constituted an Investor Grievances Redressal Committee of Directors to look into and investigate into investor's complaints like transfer of shares, non-receipt of declared dividends etc. and take necessary steps for redressal thereof.

The composition of the Investor Grievances Redressal Committee is given below:

Name of the Member	Category
Mr. Jamshyd Godrej (Chairman)	Non-Executive, Non-Independent
Mr. Manu Parpia	Promoter, Executive, Non- Independent
Dr. Kyamas Palia	Non-Executive, Non-Independent

Investor Grievances Redressal Committee meetings were held on April 29, 2013, July 29, 2013, October 21, 2013 and February 3, 2014. All Members were present and necessary quorum was present at all the meetings. The Company Secretary acts as Secretary of the Committee.

Share Transfers in Physical Mode:

In order to expedite the process of share transfers, the Directors delegated the power to the Company's Registrar & Share Transfer Agent (The RTA), Link Intime India Pvt. Ltd.

The RTA transfers the shares received in the physical mode on a fortnightly basis. Summary of the shares transferred is noted/ratified at the next Board Meeting.

Requests/Grievances/Complaints received & resolved during the year 2013-2014:

Nature of Requests / Grievances / Complaints	Opening Balance as on April 1, 2013	Received during the year	Resolved during the year	Closing Balance as on March 31, 2014
Non-receipt of Dividend Warrants	Nil	13	13	Nil
SEBI Complaints	Nil	4	4	Nil
Total	Nil	17	17	Nil

4. General Body Meetings

a) Details of location and time, of General Meetings & Special Resolutions passed in last three years:

Annual General Meetings:

Year	Date	Time	Location	Special Resolutions passed
2012-13	July 29, 2013	11.30 a.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	1. Re-appointment of Dr. Richard Riff as Consultant of Geometric Americas Inc. 2. Re-appointment of Mr. Manu Parpia, Managing Director & CEO for two years w.e.f April 8, 2013 and payment of remuneration. 3. Approval of issue of 3,00,000 stock options under ESOP Scheme 2013 – Directors. 4. Approval of issue of 3,150,000 stock options under ESOP Scheme 2013 - Employees. 5. Extending the benefits of ESOP Scheme 2013 - Employees to the employees of the direct and indirect subsidiaries of the Company. 6. Alter the existing Article Nos. 140, 141 and 145 in the Articles of Association of the Company
2011-12	July 23, 2012	11.30 a.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	None

Report on Corporate Governance (Contd.)

Year	Date	Time	Location	Special Resolutions passed
2010-11	July 25, 2011	11.00 a.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	1. Approval of remuneration to the Non-Executive Directors of the Company by way of commission. 2. Appointment of Dr. Richard Riff as Consultant of Geometric Americas Inc. 3. Appointment of Mr. Manu Parpia, Managing Director & CEO for two years w.e.f April 8, 2011 and payment of remuneration. 4. Approval of issue of 1,800,000 stock options under ESOP Scheme – 2011. 5. Extending the benefits of ESOP Scheme 2011 to the senior employees of the direct and indirect subsidiaries of the Company.

These resolutions were put to vote by show of hands and were passed with the requisite majority.

b) Postal Ballot

During the year, a postal ballot was conducted as set out in the notice dated October 10, 2013 for Shifting of Registered Office of the Company from “Plant 6, Pirojshanagar, Vikhroli (West), Mumbai 400 079” to “Unit No. 703-A, 7th Floor, B Wing, Reliable Tech Park, Airoli, Navi Mumbai – 400 708” within the State of Maharashtra.

The aforesaid special resolution was passed with requisite majority as of November 20, 2013.

Mr. Himanshu Kamdar, practicing Company Secretary, was appointed as Scrutinizer for conducting the Postal Ballot exercise.

Procedure for Postal Ballot

After receiving the approval of the Board of Directors, the Notice, Explanatory Statement alongwith the Postal Ballot Form and reply-paid self-addressed envelope were dispatched to the shareholders to enable them to consider and vote for or against the proposals within a period of 30 days from the date of dispatch. Calendar of Events was filed with the Registrar of Companies, Maharashtra within the stipulated period. The Scrutinizer, after due verification, submitted his report and the results of the Postal Ballot were declared by the Managing Director. The same was posted on the website of the Company.

5. Disclosures

- a) The particulars of transactions between the Company and its related parties as per the Accounting Standard 18 “Related Party Disclosures” issued by the ICAI are set out in the Annual Report separately. However, these transactions are not likely to have any conflict with the Company’s interest.
- b) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets during the last three years.
- c) The Company has complied with all the mandatory requirements of Clause 49 pertaining to Corporate Governance of the Listing agreement with the Stock Exchanges. Other than the Whistle Blower Policy, the Company has not complied with any of the Non-Mandatory requirements of Clause 49 of the Listing Agreement.
- d) The Code of Conduct for Prevention of Insider Trading has also been amended from time to time in line with the amended Securities and Exchange Board of India (SEBI) Regulations in this regard. All the Directors on the Board as well as senior level employees/officers of the Company who could be privy to unpublished price sensitive information of the Company are governed by this Code.
- e) The Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code is hosted on the website of the Company, and a declaration on affirmation of compliance of the Code annexed herewith and forms part of this report.
- f) The Notice convening the Annual General Meeting of the Company has necessary disclosures relating to the appointment/re-appointment of Directors.



Report on Corporate Governance (Contd.)

- g) Annual Report has a detailed chapter on Management Discussion and Analysis.
- h) The Company has paid the Listing fees of the Stock Exchanges, where the shares of the Company are listed.

6. Means of Communication

The Un-audited/Audited quarterly/half yearly/yearly financial statements are announced within 45 days of the end of the quarter. The aforesaid financial statements are taken on record by the Board of Directors and are communicated to the Stock Exchanges where the Company's securities are listed. Once the Stock Exchange have been intimated, these results are given by way of a press release to various news agencies/analyst and published within 48 hours in one National English newspaper (Free Press Journal, Business Standard) and one Marathi newspaper (Nav Shakti).

The quarterly/half yearly and the annual results as well as the press releases of the Company are put on the Company's website www.geometricglobal.com. The website also displays official news releases.

The Company also informs by way of intimation to the Stock Exchanges all price- sensitive matters or such other matters which in its opinion are material and of relevance to the shareholders.

7. General Information for Shareholders

i) Annual General Meeting:

Date and Time : Wednesday, July 23, 2014 at 11.30 a.m.
 Venue : Conference Room no. 307, 3rd Floor, Godrej & Boyce Manufacturing Co Ltd, Plant 13 (Annexe), Gate No 8 (Industries gate), Pirojshanagar, Vikhroli (East), Mumbai-400 079

ii) The financial year covers the period from 1st April to 31st March.

The Company follows April – March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter.

iii) Name & contact details of the Compliance Officer:

Ms. Maria Monserrate
 Company Secretary & Compliance Officer,
 Tel No. 67056500 Fax No. 67056891
 Email: investor-relations@geometricglobal.com

iv) Book Closure:

The Registrar of Members and the Share Transfer Books of the Company will remain closed from Thursday, July 17, 2014 to Wednesday, July 23, 2014 (both days inclusive).

v) Dividend:

The Board has recommended Dividend on equity shares.

vi) Listing on Stock Exchanges:

The Company's securities are listed on the following Stock Exchanges.

Equity Shares
Bombay Stock Exchange Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
National Stock Exchange of India Ltd. (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051

Stock/Scrp Code & ISIN/Common Code Number

The Bombay Stock Exchange (BSE)	532312
National Stock Exchange Ltd. (NSE)	GEOMETRIC
ISIN Number with NSDL & CDSL	INE797A01021

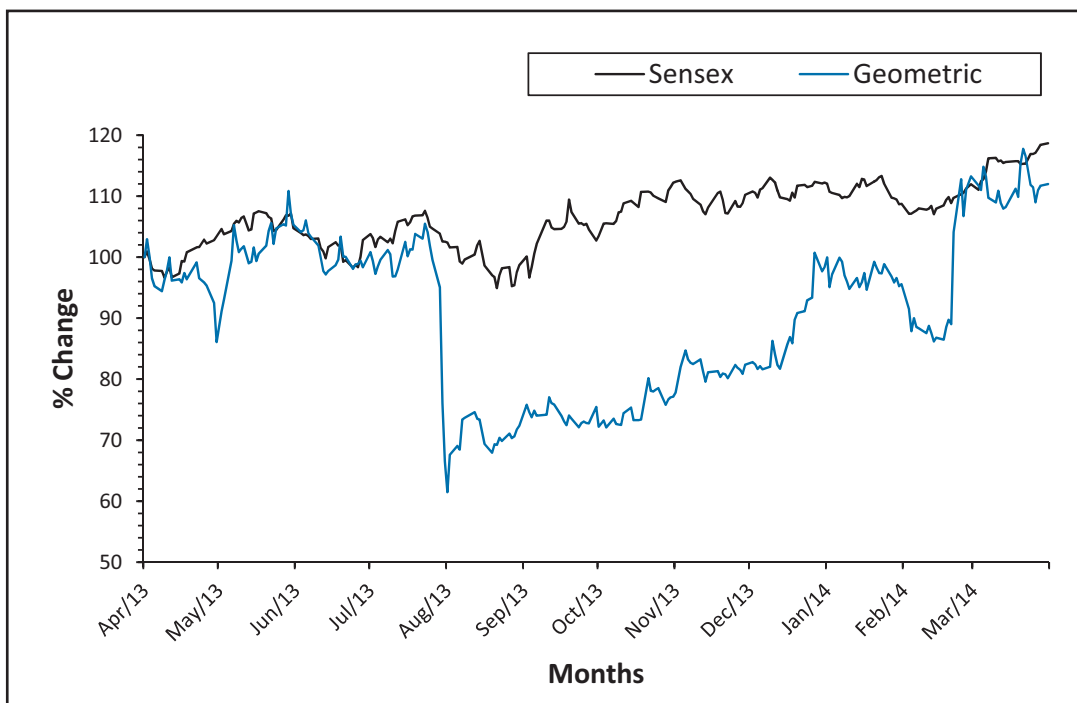
Report on Corporate Governance (Contd.)

vii) Market Price Data:

Monthly High, Low and Volume of the Company's shares during 2013-14 at BSE & NSE

Month	Bombay Stock Exchange			National Stock Exchange		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
Apr-13	107.60	86.65	701,202	107.40	86.50	2,053,103
May-13	116.50	89.50	1,591,036	116.30	89.95	5,536,510
Jun-13	112.90	99.00	514,045	112.70	99.25	1,520,253
Jul-13	113.00	67.90	1,650,309	111.80	68.20	5,188,507
Aug-13	79.25	61.40	2,067,937	79.25	61.65	2,425,885
Sep-13	87.00	74.20	541,200	85.90	73.30	1,574,659
Oct-13	84.00	74.10	2,223,954	83.90	74.10	6,603,993
Nov-13	90.55	80.00	1,032,676	90.45	79.50	3,664,238
Dec-13	106.15	84.20	3,022,583	106.30	84.00	9,219,355
Jan-14	106.90	96.50	1,518,611	106.65	96.45	5,774,673
Feb-14	123.60	87.65	4,749,971	123.65	87.40	17,108,338
Mar-14	129.90	109.10	5,653,519	129.65	109.55	18,375,412

viii) Performance in comparison to broad based indices such as BSE INDEX:





Report on Corporate Governance (Contd.)

ix) Registrar & Transfer Agents Investor Service:

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West), Mumbai-400078.

x) Share Transfer System:

99.36% of the shares of the Company are in electronic form. Transfer of these shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with Link Intime at the above mentioned address. Transfer of shares in physical form is normally processed within ten to fifteen days from the date of receipt if the documents are complete in all respects.

xi) Distribution of Shareholding as on March 31, 2014:

Category of Shares	Number of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Total
1 – 5000	25206	97.68	8,274,787	13.04
5001 – 10000	264	1.02	1,909,316	3.01
10001 – 20000	146	0.57	2,148,572	3.38
20001 – 30000	61	0.24	1,540,684	2.43
30001 – 40000	32	0.12	1,142,795	1.80
40001 – 50000	24	0.09	1,093,961	1.72
50001 – 100000	35	0.14	2,495,899	3.93
100001 and above	37	0.14	44,870,722	70.69
Total:	25805	100	63,476,736	100

xii) Categories of Shareholders as of March 31, 2014:

CATEGORY	SHARES	PERCENT
Promoters & Promoter Group	24,693,933	38.90
Clearing Members	850,385	1.34
Other Bodies Corporates	2,931,284	4.62
Directors (Excluding Promoter Director)	130,000	0.21
Financial Institutions	47,587	0.07
Foreign Institutional Investors	2,239,846	3.53
Life Insurance Corporation of India	330,421	0.52
Mutual Funds	266,172	0.42
Nationalised Banks	400	0.00
Non Nationalised Banks	15,880	0.03
Non Resident Indians	447,424	0.70
Non Residents (Non Repatriable)	191,383	0.30
Public	29,567,253	46.58
Trusts	1,695,742	2.67
G I C & Its Subsidiaries	69,026	0.11
TOTAL	63,476,736	100

xiii) Dematerialization of shares and Liquidity:

The equity shares of the Company are compulsorily traded in dematerialized form.

As on March 31, 2014, 99.36% Equity shares have been dematerialized. The shares have been admitted for dematerialization with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders have option to dematerialize their shares with either of the depositories.

Report on Corporate Governance (Contd.)

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

The Company has not issued any GDRs / ADRs and there are no Outstanding GDRs/Warrants or any Convertible Instruments as on March 31, 2014, the conversion thereof, which may have a likely impact on equity share capital of the Company.

xv) Location of offices of Company & Address of correspondence (including subsidiaries):

Mumbai (Registered Office)	Unit No. 703-A, 7th Floor, B Wing, Reliable Tech Park, Airoli, Navi Mumbai – 400 708.
Pune	Neopro Technologies Pvt Ltd (SEZ), Block IT-2, 3rd floor, S. No. 154/6, Rajiv Gandhi InfoTech Park Phase-I, Hinjewadi, Pune.
	M/s. Neopro Technologies Pvt Ltd (SEZ), Block IT-5, 5th & 6th floor, S. No. 154/6, Rajiv Gandhi InfoTech Park Phase-I, Hinjewadi Pune 411057
	STPI, Embassy TechZone, Plot No. 3, Block No. 11, Nile Bldg, Rajiv Gandhi Infotech Park, MIDC, Hinjewadi, Phase-II, Village - Marunji, Pune 411 057
Bengaluru	Vikas Telecom Limited (SEZ) Vrindavan Tech Village, Ground Floor, Tower 3 of 2B, Survey No. 12/3 & 12/4 of Devarabeesanhalli Village, Varthur Hobli, Bangalore East Taluka, Bengaluru – 560 037
	Mfar Silverline Tech Park, Plot No. 180, II Floor, EPIP II Phase, Whitefield, Bengaluru – 560 066 India
Chennai	SP Info City, Block A, 1st Floor, Module 4, No.40, MGR Salai, Perungudi, Kandanchavadi, Chennai 600 096

Subsidiaries (Direct Subsidiaries)	
3D PLM Software Solutions Limited	Unit No. 703-B, 7th Floor, B Wing, Reliable Tech Park, Airoli, Navi Mumbai – 400 708
	Plot No. 4, Pune Infotech Park, M.I.D.C. Hinjewadi, Taluka Mulshi, Pune 411 057
	Plot No. 15/B, Pune Infotech Park, M.I.D.C. Hinjewadi, Taluka Mulshi, Pune 411 057
	Poonamchand Complex, 2nd & 3rd Floor, No. 46/B & 47, 1st Main Road, 3rd Phase, J P Nagar, Bangalore - 560078
Geometric Asia Pacific Pte. Ltd.	78 Shenton Way #26-02A, Singapore 079120.
Geometric Americas, Inc.	50 Kirts Blvd. Suite A, Troy, MI 48084, USA
Geometric Europe GmbH	Friedrichstrasse, 15 70174 Stuttgart, Germany



Report on Corporate Governance (Contd.)

OTHER SUBSIDIARIES	
Geometric China, Inc.	23B, 855 South Pudong Rd Pudong New Area, Shanghai, PRC.
Geometric SAS (France)	17, Avenue Didier Daurat Bâtiment Socrate, First Floor 31702 Blagnac Cedex, Toulouse, France
Geometric SRL (Romania)	Parcul Mic 19-21, bl.2 sc.A Mezzanine Brasov, 500386, Romania
Geometric Japan K.K.	Hikari Bldg 9F, 1-43-7 Yoyogi, Shibuya-Ku, Tokyo 151-0053, Japan
Geometric GmbH	Dachauerstrasse 15 85764 Oberschleissheim, Munich, Germany

xvi) Address for Correspondence

For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares:

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup (West), Mumbai-400078.

Tel: 022 – 25963838

Fax: 022 – 25946969

For general correspondence:

Geometric Ltd.

Unit No. 703-A, 7th Floor, B Wing, Reliable Tech Park, Airoli, Navi Mumbai – 400 708.

Tel: 022 – 67056500

Fax: 022 –67056891

Email: investor-relations@geometricglobal.com

Shareholders who hold shares in dematerialized form should correspond with the depository participant with whom they have opened their Demat Account(s).

Declaration on Compliance of Code of Conduct

I, Manu Parpia, Managing Director & CEO of Geometric Limited, do hereby declare and confirm that all the Board Members and Senior Managerial Personnel have affirmed to the Board of Directors the compliance of the Code of Conduct as laid down by the Board.

For **Geometric Limited**

Place : Mumbai

Date : April 17, 2014

Manu Parpia
Managing Director & CEO

Management's Discussion and Analysis Report

Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and Generally Accepted Accounting Principles (GAAP) in India. The management of Geometric Limited (Geometric) accepts responsibility for the integrity and objectivity of these financial statements, as well as for various estimates and judgments used in preparing the financial statements.

A. Business Environment and Outlook:

Geometric operates in the Engineering to Manufacturing space and predominantly for the engineering intensive discrete manufacturing industries. Our services, solutions and technology portfolio referred to as Engineering Services in the discussion and analysis report, covering product realization services and solutions, such as Product Lifecycle Management, Software Product Development, Embedded Systems and Global Engineering services aims to increase the effectiveness and efficiency of design, engineering and manufacturing business processes for firms across the globe.

FY14 saw Geometric's major markets behave very differently in response to global macro-economic factors. The economic uncertainties and slower global business activity in core industries like mining put significant stress on the capital intensive equipment industry and hence a fall in demand. The positive part is that stronger globalization initiatives in other industries and greater acceptability towards outsourcing for global engineering in Europe are resulting in a gradual increase in demand for our key offerings going into the new financial year.

The automotive industry will continue to be the largest industry market for Geometric. The outlook for the industry is very positive with R&D investments being sustained for technologies to improve engine efficiency and performance, alternate fuel, towards making vehicles safer and realizing connected mobility for new sources of revenue. The trend of direct and closer OEM to OEM collaboration has provided opportunities for Geometric to strengthen its engagements with leading automotive OEMs. Geometric is favorably placed to provide solutions for the OEMs' needs of extended collaboration, bringing down cost of engineering changes and supporting their needs across geographies. The outlook for the automotive industry is also positive for us based on the inroads that we have made with the leading German and Chinese automotive companies. Investments in our Consulting group, in making our offerings a tighter fit for the automotive industry and in making engineering talent available in the customer's primary geography have helped us establish the confidence with our customers. Electronics and embedded systems will be the biggest area of R&D and new development for the industry. The acquired capabilities having been integrated into Geometric provide the foundation to serve our established customers and provide end-to-end solutions. The automotive industry is certainly promising with opportunities for Geometric, however the pressure that we will have work on are the high cost country vs offshore delivery balance and talent scalability to reinforce our leadership for the vertical.

The year gone by was challenging for the off-highway equipment industry as a whole, with mining dependent sectors facing the most significant business reversals. However since the beginning of calendar year 2014 the metal and mineral commodity prices have recovered from the lows of mid last year to prices higher than a year ago or to similar levels. This will lead to a cautious revival of the mining equipment industry. The construction industry, depressed in Europe and slowed down in China for most of 2013, has shown positivity with significant government initiatives in Latin America and infrastructure modernization activity in North America. A strong growth in rental business is expected in this sector and new product development for price sensitive markets of Asia and Africa will revive. Industrialization of farming activity in the emerging economies, the need to build multi-purpose farming equipment and incorporation of electronic systems will bring the right opportunities for Geometric in global engineering. Geometric has significant opportunity to help our existing customers succeed in their M&A and collaboration ventures announced in the last year. Manufacturing efficiencies is another area of significant attention and Geometric is well poised with the process knowledge and technologies to support design for manufacturability investments in our customer base.

Aerospace is Geometric's key growth market. The commercial aircraft sector continued to trend upwards in building upon its production momentum and is expected to continue its healthy revenue growth for OEMs and large suppliers. The growth drivers are sustained demand for fuel-efficient planes and engine technologies to replace old fleets and continued increase in passenger travel. Our three flagship aerospace customer groups have also shown positive business performance and embarked on programs that open up a lot of long term opportunities for Geometric. The aircraft OEMs are pushing the speed of R&D and the leading suppliers are consolidating through M&A's and collaborations, opening up large scale engineering opportunities. Geometric will continue to help the industry in its need for speed and efficient engineering through our specific offerings aimed at simplifying and modernizing their IT landscapes and key engineering processes. The sales cycles will continue to be stretched; however Geometric is well positioned to address the market needs emerging from our focus accounts.



Management's Discussion and Analysis Report (Contd.)

Innovation delivered in partnership with software products providers for the engineering domain continues to be strength for Geometric. Co-development of new solutions and long term product development with new emerging software product companies is a clear area of opportunity for Geometric. Focus to reinforce and formalize our systems integration relationships for services and establishing a strong governance model with our partners to serve the end customer together will be key.

Overall, in our current markets of focus, the need for consistent and best in class solutions to help customers achieve their business goals and to be made available at and for multiple global locations will help us to extend a strong value proposition to the market.

B. Opportunities and Threats:

The significant opportunities that Geometric sees for growth and the achievement of its near term and long term goals are based on the following:

1. To be viewed by customers as an end-to-end service provider, Geometric transitioned its go-to-market strategy to a higher level of business and process enablement. This presents an opportunity to deliver greater value to our customers and further differentiate us from the competition.
2. Increasing focus of Aerospace and Automotive industry on the adoption of systems engineering presents opportunities for Geometric across all elements of our solutions portfolio -PLM, consulting and engineering services.
3. Global growth in PLM market presents additional opportunities as we re-align and enhance our PLM offerings.
4. With the acquisition and integration of 3cap technologies GmbH (now Geometric GmbH), Geometric can now offer services in the area of electronics and embedded systems. This widens the scope of services and provides opportunities to deepen our engagements with existing customers by providing solutions in the areas of mechanical, electronics and software systems.
5. With global OEM's continuing to invest in new product programs and vehicle launches in China and US, it presents opportunities for our Automotive vertical.

The main threats to the growth of the Company will come from:

1. Uncertainties in economic, business and geo-political conditions continue to affect the industrial sector – a key market for Geometric. Geometric attempts to minimize the risk through diversification across different verticals and better operating efficiencies.
2. Foreign exchange rate fluctuations. As the company uses India as a major source of manpower, the exchange rate of the Rupee vis-à-vis the US Dollar and other currencies could affect its ability to compete, the movement in Rupee exchange rate vis-à-vis US dollar could also result in fluctuation in our operating margins and have short term impact on profitability. Geometric attempts to minimize the risk by building sales opportunities in diverse regions, diversifying the currency in which it invoices its customers and by taking forward covers where appropriate.
3. Increased emphasis by customers on low cost captive centers, motivated by IP risks and a predisposition to keep as much engineering activity in house while leveraging the advantages of an offshore model. Geometric will aim to mitigate this risk by offering mission critical or core activities at a proximity center or within the customer's premises to address IP risk, which is possible through its Global Engineering service delivery model. In addition, Geometric can also offer captive centers technology solutions that will enable them to operate more efficiently within the customer's global network.
4. Growing global demand for technical talent in engineering & science presents a threat as we compete with other organizations to attract and retain key talent. Geometric attempts to mitigate this risk by investing and redefining our HR practices and our employee value proposition.
5. Increasing competition from larger global systems integrators in the engineering and manufacturing space is a threat. Geometric attempts to mitigate this risk by redefining our offerings and value proposition for our customers..

c. Segment-wise Reporting:

Geometric has organized its business into three distinct segments:

- (i) Software Solutions
- (ii) Engineering Solutions and Services.
- (iii) Products

Management's Discussion and Analysis Report (Contd.)

Software Solutions:

In FY14, we won deals for software services that have helped us improve customer intimacy and get top management visibility at our customers. Important PLM deals at our existing customers drove the growth of our key accounts. Our expertise in CAD and PLM integrations helped us win new marquee customers, market leaders in the automotive sector and we hope to extend these into million dollar engagements. Our Consulting Group has now established itself as a thought leader in the engineering IT solutions space and helped us emerge as PLM advisors to our customers. In Europe and China particularly, our Consulting led approach has ensured that we are key contenders for some high-value deals going into FY15. Our strengths in defining and deploying process solutions and a focus on AMS (Application Management Services) has further strengthened our engagements in the aerospace and industrial equipment sectors resulting in long term contracts.

Our embedded systems development focus has been to strengthen our capability and engagements in Europe and India. In FY14, we sustained our current engagements and have laid the foundation to provide specific domain solutions for automotive.

We are very confident of healthy growth in FY15 through our initiatives on offering led business development with the focus to further reinforce our differentiation in software services. We have rolled out a new competency based organization structure and this would help us to provide a career path for technical experts and would improve our capacity and capability to execute projects in engineering IT, geometry based solutions, KBE (Knowledge Based Engineering) and embedded systems.

Engineering Solutions and Services:

Geometric provides engineering solutions and services for product engineering, manufacturing engineering and industrial engineering to customers across all our target industries. In FY14 our focus on Aerospace vertical for growth has helped us achieve key milestones. We have set up a global engineering center for a European aerospace tier I company. Our excellent quality track record helped us to retain the Gold Supplier status with a key North American aerospace group. While in India we are partnering with the aerospace unit of major manufacturing conglomerate and to deliver design to manufacturing solutions in aerospace tooling to global aerospace manufactures.

We have ramped up our offshore capacity to deliver manufacturing and industrial engineering services from India. We leverage this capacity for true global engineering to provide end to end digital manufacturing services for a leading automotive OEM across multiple plants. We have deep competencies and differentiated proposition in should costing which we are taking ahead to sharpen our Value Analysis/Value Engineering offering as we help customers engineer products for new growth markets. We won multiple engagements to help customers from the off-highway and industrial equipment sector achieve their goals for product costing and delivered VAVE projects in China for a major European escalator manufacturer.

We have redefined our major offerings with a view to win larger deals and ensure long term annuity contracts with our customers. Our Global Engineering Center (GEC) offering will leverage our global delivery capacity, bring in Geometric's technology differentiators and application of automation, and lean methodology to deliver committed value to our customers. We will focus on taking our Global Engineering center (GEC) offering to our marquee clients.

Products:

Products and Technology portfolio of Geometric includes products for design, manufacturing, visualization and collaboration. The portfolio also includes interoperability solutions that integrate engineering and manufacturing applications within and across PLM and other enterprise systems. Our award winning Geometric DFX product continues to expand its success through the value delivered to some of the world's most innovative organizations. CAMWorks, our CAM solution that has traditionally been a retail product sold through distributor network, also expanded this year on newer CAD platform to increase its addressable market size. Our visualization solutions that enables 3d Model Based Enterprises (MBE), continues to get good interest in many enterprises and is poised to help these organization to reduce their dependency on 2d drawings / papers and enable faster collaboration based on 3d data. The products business is seen as a significant differentiator for Geometric's services business and also helps generate large services opportunities around its proprietary products-technologies implementation in large enterprises. In FY 14 this business continued to show significant revenue growth.

D. Outlook:

The Company had launched a number of strategic initiatives in the year and plans to build on these to achieve continuous improvement and steady business performance in the coming year.



Management's Discussion and Analysis Report (Contd.)

E. Risks and Concerns:

The risks and uncertainties include, but are not limited to, risks and uncertainties regarding fluctuations in earnings and exchange rates, the Company's ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed price contracts, client concentration, restrictions on immigration, our ability to manage our international marketing & sales operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, liability for damages on our service contracts & product warranty, the success of the companies in which the Company has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on acquiring companies outside India, and unauthorized use of our and our customers' intellectual property, the latter when in our possession as well as general economic conditions affecting our industry and repayment capability of customers in current market scenario. The Company may, from time to time, make additional written and oral forward-looking statements and our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

F. Internal Control Systems and their Adequacy:

The Company has adequate internal control systems and procedures commensurate with its size and nature of business. All areas of the Company's operations are covered by such internal control systems including sale of software, purchase of fixed assets and equipments, other purchases, fixed assets accounting, personnel expenditure related processes etc. An independent firm of Chartered Accountants has been appointed as the Internal Auditors of the Company and the Audit Committee has accepted their reports and the recommendations, where feasible, have been implemented. The Company has re-implemented SAP- a world class ERP system to serve as the information backbone and to further strengthen internal controls in the company.

G. Discussion on financial performance with respect to operational performance:

(i) Financial condition

Equity and Liabilities

1. Share Capital:

At present, we have only one class of shares – equity shares of par value ₹ 2 each. Our authorized share capital is ₹ 160 Mn, divided into 80 Mn equity shares of ₹ 2 each.

During the year 440,542 equity shares of ₹ 2 each have been issued under various Employee Stock Option Plans. Consequently, the issued, subscribed and outstanding shares increased to 63,476,736 from 63,036,194 and share capital increased to ₹126.95 Mn from ₹126.07 Mn.

2. Reserves and Surplus:

A summary of reserves and surplus is provided in the table below:

(₹ in Millions)

Particulars	Standalone		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Securities Premium Account	50.19	30.52	226.53	206.86
Hedging Reserve	(22.86)	(264.81)	(56.59)	(363.71)
General Reserve	211.27	154.77	301.58	217.82
Foreign currency translation Reserve	-	-	101.02	(27.37)
Capital Redemption Reserve	-	-	0.58	0.58
Capital Reserve	-	-	0.58	0.58
Investment Reorganization Reserve	756.07	756.07	49.36	49.36
Surplus in the Statement of Profit and Loss	2,050.91	1,675.19	2,602.52	2,416.17

We use foreign currency forward contracts to hedge risk associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. We designate these as Cash Flow Hedges. Foreign currency forward contracts are initially measured at fair value and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of the future cash flows are recognized directly under Shareholder's Funds in the Hedging Reserve.

Management's Discussion and Analysis Report (Contd.)

3. Deferred tax Liability& Asset:

We recorded deferred tax asset of ₹ 23.20 Mn (Standalone) and deferred tax liability of ₹ 23.87 Mn (consolidated) as of March 31, 2014 and deferred tax asset ₹ 73.85 Mn (consolidated) as of March 31, 2013. Deferred tax asset represents timing differences in the financial and tax books arising from depreciation on assets and provision for Bonus and others (causing deferred tax asset).

4. Other Long term Liabilities:

(₹ in Millions)

Particulars	Standalone		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Deferred Revenue	-	-	33.01	38.11

5. Long term Provisions:

Long term provisions of ₹ 21.71 Mn (Consolidated) as of March 31, 2014 represent provision towards employee benefits due after 12 months.

6. Short Term Borrowings:

(₹ in Millions)

Particulars	Standalone		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Loan from Citi Bank	59.90	-	-	-
Loan from ICICI Bank	-	-	306.00	277.40

7. Trade Payables:

Sundry creditors represent the amount payable to vendors for the supply of goods and services. The Consolidated amount of trade payables includes ₹ 0.10 Mn due to Small and Medium Scale Enterprises.

8. Other Current Liabilities:

Other current liabilities consist of advance billing to customer & deferred revenue, accrued salaries & benefits payable to the staff, various statutory liabilities and amounts accrued for various other operational expenses. Unclaimed dividends represent dividends paid but not en-cashed by shareholders.

9. Provisions:

Provision for Compensated absences represents amount calculated as per Company's leave encashment policy and provision for Gratuity represents additional provision over gratuity fund made based on actuarial valuation. Provision for mark to market loss on derivative contracts represents the amount of loss on mark-to-market valuation of the forward covers taken by the Company. Provision for dividend represents proposed dividend recommended to the shareholders by the Board and would be paid after the Annual General Meeting upon approval by the shareholders. Provision for dividend tax represents tax payable on proposed dividend.



Management's Discussion and Analysis Report (Contd.)

Application of funds

10. Fixed Assets:

A statement of movement in fixed assets is given below:

(₹ in Millions)

Particulars	Standalone			Consolidated		
	31-Mar-2014	31-Mar-2013	Growth (%)	31-Mar-2014	31-Mar-2013	Growth (%)
Leasehold Land	10.41	10.41	0.00	50.51	50.51	0.00
Buildings	-	-	0.00	363.30	343.32	5.82
Leasehold Improvement	36.01	34.57	4.17	47.50	45.32	4.81
Computers	58.78	56.14	4.70	932.20	893.92	4.28
Electrical Installations	41.89	42.09	(0.48)	244.91	237.44	3.15
Office Equip. and EPABX	32.22	32.60	(1.17)	178.44	149.85	19.08
Furniture and Fixtures	80.83	81.62	(0.97)	326.82	317.93	2.80
Vehicles	0.52	-	100.00	15.59	25.22	(38.18)
Computer Software	533.48	464.12	14.94	648.45	594.00	9.19
Goodwill	-	-	0.00	60.89	60.89	0.00
Gross Block	794.14	721.55	10.06	2,868.61	2718.29	5.53
Less: Accumulated Dep.	617.85	494.78	24.87	1967.85	1738.50	13.19
Net Block	176.29	226.77	(22.26)	900.76	979.79	(8.07)
Add: Capital WIP	190.80	7.92	2309.09	191.27	17.78	975.76
Net Fixed Assets	367.09	234.69	56.41	1092.03	997.56	9.47

a. Capital expenditure:

We incurred an amount of ₹ 127.29 Mn (₹ 140.93 Mn in the previous year) on Computer equipments as capital expenditure comprising of additions to gross block and ₹ 173.49 Mn (₹ 3.67 Mn in the previous year) on account of increase in capital work in progress.

b. Additions to gross block:

(₹ in Millions)

Particulars	Standalone		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Total Addition to Gross Block	77.54	161.07	266.91	433.51

The Company has verified the assets and where required the technology assets have been replaced.

11. Current & Non-Current Investments:

(₹ in Millions)

Particulars	Standalone		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Current Investments:				
Investments in Mutual Funds	242.79	249.43	954.70	775.67
Non-Current Investments:				
Investments in Subsidiaries	809.62	809.62	-	-
Other trade Investments	30.96	30.96	30.96	30.96

We have made investments in units of various debt-based liquid or floater mutual funds. This represents surplus funds of the organization parked with these mutual fund schemes, which can be recalled at very short notice.

Other trade investments represent investment made in Powerway Inc. However, as the company filed for bankruptcy under Chapter 11, we created provision for the diminution in value of investment with full investment amount.

Management's Discussion and Analysis Report (Contd.)

12. Long term Loans & Advances:

Long term loans & advances include expenses paid in advance. The benefit of these expenses is expected to be utilized after expiry of twelve months. Sundry deposits represent deposit towards telephone, rent, electricity, lease and other deposits.

During the year, the Company received a net repayment of loan amounting to ₹ 199.94 (previous year: Nil) from Geometric Americas Inc. and ₹ 71.88 Mn from Geometric Europe GmbH. Total loans outstanding from Geometric Americas Inc. and Geometric Europe GmbH, as on March 31, 2014 stand at ₹ 877.01 Mn..

13. Other Non-Current Assets:

Other Non-current assets include the amount of Long term deposits with banks with original maturity period more than 12 months.

14. Trade Receivables:

(₹ in Millions)

Particulars	Standalone (Excluding Intercompany)		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Sundry Debtors	307	317	1,308	1,478
Days sales Outstanding (DSO)	57	62	44	53
Debtors as a % of revenue	15.72%	17.09%	11.94%	14.48%

These debtors are considered good and realizable, and provision has been made for all doubtful debts.

Provisions are generally made for all debtors outstanding for more than 180 days as also for others, depending on the management's perception of the risk. The need for provisions is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customer operates and general economic factors which could affect the customer's ability to settle. As on March 31, 2014, provision for doubtful debts stands at ₹ 5.26 Mn (Standalone) and ₹ 26.28 Mn (Consolidated). The provision has been made for debtors outstanding for more than 180 days and also includes debtors which we foresee unrealizable.

15. Cash & Bank Balances:

The bank balances in India include both Rupee accounts and foreign currency accounts. The bank balances in overseas current accounts are maintained to meet the expenditure of the overseas branches and project-related overseas expenditure.

(₹ in Millions)

Particulars	Standalone		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Cash balances	-	-	0.81	0.09
Remittance in Transit	7.97	10.97	7.97	10.97
Current Accounts (including foreign currency accounts)	49.11	18.27	788.88	313.17
Deposit Accounts	1.45	1.25	3.81	4.27
Unclaimed dividend account	3.14	3.38	3.14	3.38
Investment in liquid mutual funds reported under investments	242.79	249.43	954.70	775.67
Total cash & cash equivalent	304.46	283.31	1759.37	1107.55
Cash & cash equivalent /revenues	8.13%	8.04%	16.06%	10.85%

16. Short term Loans and Advances:

Loans and Advances are primarily towards amounts paid in advance for value and services to be received in future. Advance payment of taxes represents payments made towards tax liability, tax deducted at source and refunds due; for years where assessment is yet to start or under progress.

Loans to employees are made to enable the purchase of assets by employees and to meet any emergency requirements.



Management's Discussion and Analysis Report (Contd.)

17. Other Current Assets:

Other current assets include Interest accrued and Unbilled revenues

(II) Financial Review

1. Income:

The Company derives its income mainly from software services and the sale of software products. Other income consists of dividends from mutual funds, rent, gains on foreign exchange fluctuations and income from investment of surplus funds.

Details of the business segmentation and geographical segmentation of income are given below. This segmentation is based on the Consolidated Financial Statements of the Company and its subsidiaries.

(a) Business segmentation of total sales (Consolidated):

(₹ in Millions)

Particulars	31-Mar-2014		31-Mar-2013	
	₹	%	₹	%
Products	672.68	5.69	580.80	5.69
Services	10,281.84	94.31	9,622.80	94.31
Total	10,954.52	100.00	10,203.60	100.00

(b) Geographical Segmentation of total sales (Consolidated):

(₹ in Millions)

Particulars	31-Mar-2014		31-Mar-2013	
	₹	%	₹	%
USA	6,314.50	57.64	6,642.80	65.10
Europe	3,523.00	32.16	2,437.40	23.89
Asia Pacific	409.60	3.74	462.30	4.53
India	707.40	6.46	661.10	6.48
Total	10,954.5	100.00	10,203.60	100.00

2. Expenditure:

2.1 Operating and Other Expenses (Standalone):

(₹ in Millions)

Particulars	31-Mar-2014	% to Total Income	31-Mar-2013	% to Total Income	Growth %
Personnel Expenses	1,962.89	47.88	1,955.70	52.62	0.23
Travelling and Conveyance Expenses	141.08	3.44	114.41	3.08	0.85
Software Tools and Packages	56.17	1.37	49.05	1.32	0.23
Royalty	41.22	1.01	31.21	0.84	0.32
Legal and Professional Charges	283.19	6.91	242.87	6.54	1.28
Rent and Service Charges	204.13	4.98	216.57	5.83	(0.39)
Repairs and Maintenance	22.97	0.56	16.18	0.44	0.22
Electricity Expenses	49.69	1.21	43.93	1.18	0.18
Computer Rental Charges	75.82	1.85	84.46	2.27	(0.27)
Sales and Marketing Expenses	37.77	0.92	9.93	0.27	0.88
Other Expenses	399.38	9.74	387.95	10.44	0.35
Total Operating and Other Expenses	3,274.33	79.87	3,152.30	84.82	3.87
Total Income	4,099.76	100.00	3,716.33	100.00	

Management's Discussion and Analysis Report (Contd.)

2.2 Operating and Other Expenses (Consolidated):

(₹ in Millions)

Particulars	31-Mar-2014	% to Total Income	31-Mar-2013	% to Total Income	Growth %
Personnel Expenses	6,845.46	61.72	6,590.79	63.57	3.87
Travelling and Conveyance Expenses	332.92	3.00	243.32	2.35	36.82
Software Tools and Packages	120.36	1.09	101.11	0.98	19.64
Royalty	101.43	0.91	96.78	0.93	4.81
Legal and Professional Charges	550.71	4.97	415.35	4.01	32.59
Rent and Service Charges	351.11	3.17	346.06	3.34	1.46
Repairs and Maintenance	61.45	0.55	48.57	0.47	26.53
Electricity Expenses	115.60	1.04	108.88	1.05	6.13
Computer Rental Charges	80.66	0.73	89.79	0.87	(10.17)
Sales and Marketing Expenses	75.18	0.68	28.64	0.28	162.50
Other Expenses	1057.23	9.23	686.67	6.19	53.97
Total Operating and Other Expenses	9,692.23	87.38	8,755.95	84.45	10.69
Total Income	11,091.59	100.00	10,368.56	100.00	

2.3 Depreciation:

(₹ in Millions)

Particulars	Standalone		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Depreciation	127.54	123.55	345.64	329.40
% to gross block of assets	16.06	17.12	12.05	12.12
% to Sales: Software Packages & Services	3.41	3.51	3.16	3.23

3. Operating Profit:

(₹ in Millions)

Particulars	Standalone		Consolidated	
	31-Mar-2014	31-Mar-2013	31-Mar-2014	31-Mar-2013
Operating Profit (Profit Before Tax Less non-operating Income/(Loss))*	339.11	250.08	881.89	1,088.84
Sales: Software Packages & Services	3,744.44	3,522.50	10,954.52	10,203.63
Operating Margin	9.06%	7.08%	8.05%	10.67%

*Includes Forex Gain / (Loss)

4. Provision for Tax:

Provision for deferred tax liability has been made in accordance with the Accounting Standard (AS- 22) issued by the Institute of Chartered Accountants of India.

H. Material Developments in Human Resources:

The Company continues its focus on attracting and retaining the best talent in the industry. Several technical and behavioral training programs were organized during the year.

Number of people employed (Consolidated):

Particulars	31-Mar-2014	31-Mar-2013
Production	4,037	4,231
Support	364	392
Total	4,401	4,623

I. General:

Figures for the previous year have been regrouped / restated wherever necessary to conform to current period's presentation.



CEO & CFO Certification

We, Manu Parpia, Managing Director and Chief Executive Officer and Arvind Kakar, Chief Financial Officer of Geometric Limited, to the best of our knowledge and belief, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2014 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 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 internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

For Geometric Limited

sd/-

Manu Parpia

Managing Director & Chief Executive Officer

sd/-

Arvind Kakar

Chief Financial Officer

Navi Mumbai

April 17, 2014



Geometric Limited

Consolidated Financial Statements for the year ended March 31, 2014

Regd. Office:

**Plant 11, 3rd Floor, Pirojshanagar, Vikhroli (West), Mumbai – 400 079, India
(w.e.f. June 13, 2014)**



Independent Auditor's Report

To the Board of Directors Geometric Limited

We have audited the accompanying consolidated financial statements of Geometric Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at March 31, 2014, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair 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

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

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 consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the subsidiaries as noted below, the consolidated financial statements 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 March 31, 2014;
- in the case of the consolidated Statement of Profit and Loss, of the profits for the year ended on that date; and
- in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of five subsidiaries of the Group, whose financial statements reflect total assets of ₹ 4,850,538,417 as at March 31, 2014 and total revenues of ₹ 9,152,480,339 and net cash outflows amounting to ₹ 382,701,227 for the year then ended. These financial statements have been audited by other auditors whose report has been furnished to us by the Management, and our opinion, in so far as it relates to the amounts included in respect of such subsidiaries in the financial statements, is based solely on the report of the other auditors. Our opinion is not qualified in respect of this matter.

The financial statements of two other subsidiaries, whose financial statements reflect total assets of ₹ 97,341,922 as at March 31, 2014 and total revenues of ₹ 120,804,733 and net cash outflows amounting to ₹ 2,560,463 for the year then ended are not audited and not being material to the consolidated financial statements, have been included in the consolidated financial statements based on unaudited management accounts.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W

FARHAD M. BHESANIA
PARTNER
M. No.: 127355
Mumbai: April 29, 2014.

Consolidated Balance Sheet as at March 31, 2014

		(Amount in ₹)	
		As at March 31, 2014	2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	5	126,953,472	126,072,388
Reserves And Surplus	6	3,225,572,808	2,500,288,560
		3,352,526,280	2,626,360,948
Share Application Money Pending Allotment	7	899,618	313,365
Minority Interest		769,467,277	716,606,909
Non-Current Liabilities			
Deferred Tax Liabilities (Net)	8	23,868,677	17,207,434
Other Long Term Liabilities	9	33,012,477	38,109,160
Long Term Provisions	10	21,707,413	16,791,730
		78,588,567	72,108,324
Current Liabilities			
Short-Term Borrowings	11	365,902,565	277,394,657
Trade Payables	12	144,579,658	72,244,908
Other Current Liabilities	13	1,380,003,153	1,096,934,234
Short-Term Provisions	14	503,518,674	800,539,394
		2,394,004,050	2,247,113,193
TOTAL		6,595,485,792	5,662,502,738
ASSETS			
Non -Current Assets			
Fixed Assets			
Tangible Assets	15	791,460,714	841,785,404
Intangible Assets	16	109,299,849	138,002,104
Capital Work-in-Progress		191,265,407	17,780,205
		1,092,025,970	997,567,713
Goodwill (on Consolidation)		805,217,046	657,282,223
Non -Current Investments	17	-	-
Deferred Tax Assets (Net)	18	73,851,445	63,278,396
Long -Term Loans and Advances	19	348,911,775	399,598,770
Other Non Current Assets	20	10,878,289	6,963,977
		2,330,884,525	2,124,691,078
Current Assets			
Current Investments	21	954,699,062	775,669,171
Trade Receivables	22	1,308,437,981	1,477,795,762
Cash and Bank Balances	23	804,611,325	331,884,983
Short- Term Loans and Advances	24	424,184,561	331,267,563
Other Current Assets	25	772,668,338	621,194,181
		4,264,601,267	3,537,811,660
TOTAL		6,595,485,792	5,662,502,738

The Accompanying Notes are an integral part of the Consolidated Condensed Financial Statements.

As per our Report attached

For and on behalf of the Board

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Firm Reg. No. 104607W

Farhad Bhesania

Partner

M.no: 127355

Jamshyd Godrej

Chairman

Manu Parpia

Managing Director & CEO

Milind Sarwate

Director

Arvind Kakar

Chief Financial Officer

Maria Monserrate

Company Secretary

Mumbai: April 29, 2014



Consolidated Statement of Profit and Loss for the year ended March 31, 2014

(Amount in ₹)

	Note	Year Ended March 31, 2014	2013
REVENUE			
Revenue from operations	26	10,954,523,198	10,203,633,571
Other Income	27	137,068,327	164,926,139
TOTAL REVENUE		11,091,591,525	10,368,559,710
EXPENSES			
Employee Benefits Expense	28	6,845,564,144	6,590,786,946
Other Expenses	29	2,846,662,778	2,165,164,214
Finance Costs	30	34,765,079	35,567,635
Depreciation and Amortisation Expense	31	345,638,884	329,397,613
TOTAL EXPENSES		10,072,630,885	9,120,916,409
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		1,018,960,640	1,247,643,302
Exceptional Items	32	-	6,124,634
PROFIT BEFORE TAX		1,018,960,640	1,253,767,936
Tax Expense			
Current Tax		377,231,245	392,846,205
Deferred Tax		12,601,860	(3,285,848)
Prior Year Tax Adjustment		(1,957,064)	(3,346,014)
PROFIT AFTER TAX AND BEFORE MINORITY INTEREST		631,084,599	867,553,593
Minority Interest in net profit of Subsidiaries		(168,655,822)	(180,085,174)
PROFIT FOR THE PERIOD		462,428,777	687,468,419
EARNINGS PER EQUITY SHARE (Not Annualised)	33		
(Nominal value Per share ₹ 2 (31st March 2013: ₹ 2))			
Basic		7.31	10.95
Diluted		7.18	10.78

The Accompanying Notes are an integral part of the Consolidated Condensed Financial Statements.

As per our Report attached For and on behalf of the Board

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Firm Reg. No. 104607W

Farhad Bhesania
Partner
M.no: 127355

Jamshyd Godrej
Chairman

Manu Parpia
Managing Director & CEO

Arvind Kakar
Chief Financial Officer

Milind Sarwate
Director

Maria Monserrate
Company Secretary

Mumbai: April 29, 2014

Consolidated Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

	Year Ended March 31,	
	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	1,018,960,640	1,253,767,936
Adjustment for:		
Depreciation	345,638,884	329,397,613
(Profit) / Loss on Assets Sold/written off	(5,239,562)	(10,042,301)
(Profit) / Loss on Sale of Investments	1,877,344	(1,229,735)
Interest Expense	34,765,079	35,567,635
Interest Income	(1,645,044)	(1,056,869)
Dividend Income	(63,549,037)	(56,576,027)
Unrealised Foreign Exchange loss/(gains)	44,855,930	3,747,205
	356,703,594	299,807,521
Operating Profit Before Working Capital Changes	1,375,664,234	1,553,575,457
Working Capital Changes:		
Trade and Other Receivables	117,888,911	119,487,112
Long Term/Short Term Loans & advances	180,226,603	369,390,905
Other Current / Non Current Assets	(154,424,287)	(117,369,456)
Trade Payables	70,584,246	(49,847,791)
Long Term/Short Term Provisions	(297,172,040)	(164,191,889)
Other Current / Non Current Liabilities	302,680,920	(177,220,439)
	219,784,353	(19,751,557)
Cash Generated from Operations	1,595,448,587	1,533,823,899
Income Taxes Paid	(284,651,395)	(194,481,708)
Net Cash from Operating Activities	1,310,797,191	1,339,342,191
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(440,398,645)	(431,200,041)
Acquisition of subsidiary	-	(566,683,153)
Proceeds from Sale of Fixed Assets	7,967,218	18,744,976
Purchase of Investments	(3,628,558,576)	(4,323,525,602)
Proceeds from Sale / Redemption of Investments	3,447,578,821	4,244,706,490
Dividend Received	63,549,037	56,576,027
Interest received	1,386,991	1,876,065
Net Cash from/(used in) Investing Activities	(548,475,154)	(999,505,238)
<i>Balance carried forward</i>	762,322,037	339,836,953



Consolidated Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

	Year Ended March 31,	
	2014	2013
<i>Balance Brought Forward</i>	762,322,037	339,836,953
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Share application money received	586,253	(73,203)
Proceeds from Issue of Share Capital	20,551,877	14,766,502
Borrowings from Bank	61,060,000	(397,188,601)
Interest Paid	(34,765,079)	(35,567,635)
Dividend Paid	(270,373,518)	(150,556,192)
Dividend Tax Paid	(65,949,098)	(24,423,029)
Net Cash (used in) Financing Activities	(288,889,565)	(593,042,158)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	473,432,471	(253,205,205)
CASH AND CASH EQUIVALENTS:		
AT THE BEGINNING OF THE YEAR		
Cash and Bank Balances	324,229,571	556,873,846
Add : Cash and Bank taken over on acquisition of subsidiary	-	20,560,930
	324,229,571	577,434,776
CASH AND CASH EQUIVALENTS:		
AT THE END OF THE YEAR		
Cash and Bank Balances	798,531,891	323,039,299
Effect of exchange rate changes	(869,849)	1,190,272
	797,662,042	324,229,571
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	473,432,471	(253,205,205)
COMPONENTS OF CASH AND CASH EQUIVALENTS		
Cash in hand	811,992	89,923
With Banks	788,881,222	313,171,343
Remittance in Transit	7,968,828	10,968,304
Cash & Cash Equivalents considered for Cash flow	797,662,042	324,229,571
Other Bank Balances	6,949,283	7,655,412
Cash & Bank balances as per Note no 23	804,611,325	331,884,983

The Accompanying Notes are an integral part of the Consolidated Condensed Financial Statements.

As per our Report attached

For and on behalf of the Board

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Firm Reg. No. 104607W

Farhad Bhesania

Partner

M.no: 127355

Jamshyd Godrej

Chairman

Manu Parpia

Managing Director & CEO

Arvind Kakar

Chief Financial Officer

Milind Sarwate

Director

Maria Monserrate

Company Secretary

Mumbai: April 29, 2014

Notes to Consolidated Financial Statements

1 GROUP'S SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Accounting:

The consolidated financial statements of Geometric Limited and its Subsidiaries ("the group") have been prepared in accordance with the generally accepted accounting principles in India. The group has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act, 2013 under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the group.

b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Differences between the actual results and estimates are recognised in the period in which the results are known / materialized.

c. Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use. Borrowing costs attributable to the acquisition or construction of a qualifying assets is also capitalised as part of the cost of the asset.

Depreciation is provided under the straight line method, based on useful lives of assets as estimated by the Management or at the rates prescribed in Schedule VI to the Companies Act 1956, whichever is higher. Depreciation is charged on a monthly pro-rata basis for assets purchased / sold during the year. Individual assets acquired for less than ₹ 5,000/- are entirely depreciated in the year of acquisition. The

Management's estimate of useful lives for various fixed assets is as under:

Asset	Useful Life of Asset In Years
Buildings	20-28
Computers	3-5
Electrical Installation	8
Office Equipment and EPABX systems	3-13
Furniture and Fixtures	3-10
Vehicles	10
Software	3-5
Goodwill	10

Leasehold land and leasehold improvements are amortised over the lease period.

In case of fixed assets of the subsidiary, Geometric Americas, Inc. (formerly known as Geometric Software Solutions, Inc.), the accelerated method of depreciation has been followed. This has no material impact on the consolidated financial statements.

d. Leases:

Lease arrangements where the risks & rewards incident to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on straight line basis.

e. Asset Impairment:

The Company assesses at each reporting date using external and internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

f. Investments:

Investments that are readily available and intended to be held for not more than one year from the date of acquisition, are classified as current investments. All other investments are classified as long term investments.



Notes to Consolidated Financial Statements (Contd.)

Long term investments are carried at cost. Provision for diminution, if any, in the value of each long term investment is made to recognise a decline, other than that of a temporary nature.

Current investments intended to be held for less than one year are stated at the lower of cost and fair value.

g. Foreign Exchange Transactions:

(i) Initial Recognition and Conversion:

Transactions in foreign currency are recorded in the reporting currency by applying the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are retranslated at the exchange rate prevailing at the reporting date. Non Monetary foreign currency items like investments in foreign subsidiaries are carried at cost and expressed in Indian currency at the rate of exchange prevailing at the time of making the original investment.

Forward exchange contracts entered to hedge foreign currency risk of an existing asset / liability.

The premium or discount arising at the inception of forward contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Cancellation gains or losses on such contracts are also recognised as income or expenses for the period.

The functional currency of Geometric Ltd and 3D PLM Software Solutions Ltd is Indian Rupee. The functional currencies for Geometric Americas Inc., Geometric Asia Pacific.Pte and Geoemtric Europe GmbH is their respective local currency.

(ii) Functional and Presentation Currency:

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the subsidiaries operate (the "functional currency"). The financial statements are presented in Indian Rupees, which is the Group's presentation currency.

(iii) Foreign subsidiary consolidation:

Integral Operations

In respect of integral operations, monetary assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. Non-monetary items are translated at the historical rate. The items in the profit and loss account are translated at the average exchange rate during the period. The differences arising out of the translation are recognised in the profit and loss account.

Non-integral operations:

In respect of non-integral operations, assets and liabilities are translated at the exchange rate prevailing at the date of the balance sheet. The items in the profit and loss account are translated at the average exchange rate during the period. The differences arising out of the translation are transferred to foreign currency translation reserve.

h. Derivative Instruments and Hedge Accounting:

The group uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The group designates these as Cash Flow Hedges.

The use of foreign currency forward contracts is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such forward contracts consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculation purpose.

Forward exchange contracts obtained to hedge firm commitments or highly probable forecast revenues are recorded using the principles of hedge accounting as recommended under Accounting Standard 30 – " Financial Instruments: Recognition and Measurement" issued by the Institute of Chartered Accountants of India. Such forward exchange contracts which qualify for cash flow hedge accounting and where the conditions of AS 30 have been met are initially measured at fair value and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of the future cash flows are recognized

Notes to Consolidated Financial Statements (Contd.)

directly under Shareholder's Funds in the Hedging Reserve and the ineffective portion is recognized immediately in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instruments recognized in the Hedging Reserve is retained there until the forecasted transaction occurs. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss recognized in the Hedging Reserve is transferred to the statement of Profit and Loss for the year.

i. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Services:

Revenue from time and material contracts for software development is recognized on a per hour basis as per the terms and conditions agreed with the customers or on completion of contracts or when the deliverables are dispatched to customers. In case of fixed price contracts, which are generally time bound, revenue is recognized over the life of the contract using proportionate completion method, on the basis of work completed. Foreseeable losses on such contracts are recognised when probable.

Unbilled Revenues included in other current assets represents costs in excess of billings as at the balance sheet dates. Advance Billing & Deferred Revenue included in current liabilities represents billing in excess of revenue recognized.

Products:

Revenue from sale of traded software products is recognized when the software has been delivered, in accordance with sales contract. Revenue from software upgradation fees on software developed by the Company is recognized over the period for which it is received.

Others:

Interest income is recognized on time proportion basis. Dividend income is recognized when the right

to receive the dividend is established by the reporting date.

j. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

k. Research and Development Expenditure:

Expenditure on in-house development of software is charged to the Statement of Profit and Loss in the year in which it is incurred.

l. Software Expenditure:

Software purchased is capitalized and written off over its useful life, which is normally three years, provided the software is regularly updated through a maintenance contract, failing which, the unamortized balance is charged to revenue. If the usage of software is discontinued, its unamortized cost is also charged to revenue.

The cost of software purchased for specific software development contracts is charged over the period of such contracts, or three years, whichever is less.

Small-value software purchases costing between ₹ 5,000 and ₹ 50,000, other than software categorized as 'Standard Software Development Tools', is written off as and when incurred. Software categorized as 'Standard Software Development Tools' is capitalized and depreciated over a period of three years.

Software costing below ₹ 5,000 is written off as and when the cost is incurred.

m. Goodwill and Impairment:

Goodwill is tested annually for impairment at the reporting unit level. The goodwill impairment test has two steps. The first identifies potential impairments by comparing the fair value of a reporting unit with its book value, including goodwill. If the fair value of the reporting unit exceeds the carrying amount, goodwill is not impaired and the second step is not necessary. If the carrying value exceeds the fair value, the second step calculates the possible impairment loss by comparing the implied fair value of goodwill with the carrying amount. If the implied goodwill is less than the carrying amount, a write-down is recorded.



Notes to Consolidated Financial Statements (Contd.)

n. Employee Stock Option Schemes:

Stock Options granted to employees are in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and are at market price calculated under the said Guidelines. The intrinsic value, being the difference, if any, between market price and exercise price is treated as Personnel Expenses and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

o. Warranty Obligations:

In respect of products sold by the group, which carry a specified warranty, future costs that will be incurred by the group in carrying out its obligations are estimated and accounted for on accrual basis.

p. Income-tax:

Tax expense comprise of current and deferred tax. Current income tax comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in jurisdictions where such operations are domiciled.

Minimum alternative tax (MAT) paid in a year is charged to the Statement of profit & loss as current tax. The group recognises MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax after the specified period. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the group and the asset can be measured reliably.

Deferred tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to

realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction and the group intends to settle the asset and liability on a net basis. The group offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.

q. Employee Benefits:

Short-term Employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, leave encashment etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

Post Employment benefits:

Defined Contribution Plans:

Payments made to defined contribution plans such as Provident Fund and Superannuation are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans:

The group has maintained a Group Gratuity Cum Life Assurance Scheme through a Master Policy with the Life Insurance Corporation of India towards which annual premiums as determined by actuarial valuation are paid and charged against revenue. Under the Gratuity plan, every employee is entitled to the benefit equivalent to fifteen days final salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of services or retirement whichever is earlier. The benefit vests after five years of continuous services.

r. Provision and Contingent Liabilities:

A provision is recognised when the group has a present obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in

Notes to Consolidated Financial Statements (Contd.)

respect of which a reliable estimate of the amount of the obligation can be made. Provisions are not discounted to its present value and are determined based on current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability not recognised but its existence is disclosed in the financial statements.

s. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

t. Cash & Cash Equivalents:

Cash & Cash Equivalents comprises of cash at bank and in hand and short term investments with an original maturity of three months or less.

2 PRINCIPLES OF CONSOLIDATION

Subsidiaries are entities over which the Group has power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

The consolidated financial statements relate to Geometric Ltd ('the Company') and its subsidiary companies. The same have been prepared using uniform accounting policies for like transactions and other events in similar circumstances except in the case of certain subsidiaries and the impact of which is not quantifiable.

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealized profits or losses are fully eliminated.

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.

The excess or lower of cost to the company and its subsidiaries of their investments in their subsidiaries and fellow subsidiaries is recognized in the financial statements as goodwill or capital reserve.

The subsidiary companies considered in the consolidated condensed financial statements are

Name of the subsidiary	Country of Incorporation or Residence	Proportion of Ownership Interest
Geometric Americas, Inc.	USA	100%
Geometric Asia Pacific Pte. Ltd.	Singapore	100%
Geometric China Inc (subsidiary of Geometric Asia Pacific Pte. Ltd)	China	100%
Geometric Japan KK. (subsidiary of Geometric Asia Pacific Pte. Ltd)	Japan	100%
Geometric Europe GmbH	Europe	100%
Geometric GmbH (formerly know as 3cap technologies GmbH, subsidiary of Geometric Europe GmbH)	Europe	100%
Geometric SAS (subsidiary of Geometric Europe, GmbH)	France	100%
Geometric S.R.L (subsidiary of Geometric Europe, GmbH)	Romania	100%
3D PLM Software Solutions Ltd.*	India	58%

*Represents company which is jointly controlled entity in terms of the shareholders' agreement. However, the same



Notes to Consolidated Financial Statements (Contd.)

is consolidated as subsidiary in accordance with AS 21 "Consolidated Financial Statements" as company is holding in excess of 50% in the subsidiary.

- 3 Effective April 01, 2013, Geometric Americas Inc. has transferred the ownership of Geometric SRL , Romania and Geometric SAS, France to Geometric Europe GmbH, a wholly owned subsidiary of Geometric Ltd. As the two entities will remain the 100% subsidiary of Geometric Limited India, the ultimate holding company, thus this transfer does not have an impact on overall consolidated Financial statements and results.

4 ACQUISITIONS

Geometric Europe GmbH has acquired 100% stake in 3Cap Technologies GmbH, a company specialized in automotive and embedded systems located in Munich, Germany for a total consideration of Euro 11 million payable in a phased manner. The transfer of control has been effected on January 01, 2013 and Geometric GmbH (formerly known as 3cap technologies GmbH) has become a wholly owned

subsidiary of Geometric Europe GmbH from that date. Out of the total consideration that has been agreed between the parties, an amount of Euro 7.5 million has been paid to the seller and the residual amount of Euro 3.5 million has been disclosed as a part of Current liabilities in the Consolidated Balance sheet. This amount of 3.5 million is payable in tranches based on performance/operational milestones as defined in the share purchase agreement dated December 20, 2012 which are as follows:

- Euro 1.5 million is payable between September 2013 to April 2014 and is based on the retention of existing employees and business.
- Euro 2 million is payable between April 2014 to April 2016 and is based on performance targets.

The previous year consolidated financial statements of the Company include the results of Geometric GmbH (formerly known as 3cap technologies GmbH) for the period from January 01 2013 to March 31 2013.

Notes to Consolidated Financial Statements (Contd.)

(Amount in ₹)

		As at March 31,	
		2014	2013
5 SHARE CAPITAL			
AUTHORISED SHARES:			
80,000,000	Equity shares (March 31, 2013		
80,000,000	equity shares) of ₹ 2/- each.	160,000,000	160,000,000
ISSUED, SUBSCRIBED AND PAID UP SHARES:			
63,476,736	Equity shares (March 31, 2013		
63,036,194	equity shares) of ₹ 2/- each fully paid up.	126,953,472	126,072,388
		126,953,472	126,072,388

Notes:

a) Reconciliation of Shares:

	No's March 31, 2014	No's March 31, 2013
At the beginning of year	63,036,194	62,670,315
Add: Issued during the year -ESOPs	440,542	365,879
Outstanding at the end of the year	63,476,736	63,036,194
	Amount in ₹	Amount in ₹
At the beginning of year	126,072,388	125,340,630
Add: Issued during the year -ESOPs	881,084	731,758
Outstanding at the end of the year	126,953,472	126,072,388

b) Right /terms attached to Equity Shares:

The company has only one class of equity shares having par value of ₹ 2 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing general meeting, except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding 5% or more shares in the Company:

	March 31, 2014 No of Shares (% Holding)	March 31, 2013 No of Shares (% Holding)
Godrej and Boyce Mfg Co Ltd	12,175,000 19.18	11,275,000 (17.89)
Godrej Investments Pvt Ltd	7,879,008 (12.41)	7,579,008 (12.02)
Manu M Parpia	4,307,925 (6.79)	4,267,925 (6.77)
Rakesh Radheshyam Jhunjhunwala	11,261,250 (17.74)	11,261,250 (17.86)



Notes to Consolidated Financial Statements (Contd.)

d) Shares reserved for issue under options:

Refer note no 35 for details of shares reserved for issue under the Employee Stock Option Schemes.

e) For the period of five years immediately preceding the date as at March 31, 2014:

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash : Nil

Aggregate number and class of shares allotted as fully paid up by way of bonus shares: Nil

Aggregate number and class of shares bought back : Nil

f) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Not Applicable

g) Calls unpaid : Nil

(Amount in ₹)

	As at March 31,	
	2014	2013
6 RESERVES AND SURPLUS		
SECURITIES PREMIUM ACCOUNT		
As per last Financial Statements	206,862,483	192,827,739
Add: Premium on shares allotted -ESOPs	19,670,793	14,034,744
	226,533,276	206,862,483
GENERAL RESERVE		
As per last Financial Statements	217,818,254	158,464,935
Add: Transfer from Statement of Profit and Loss	83,760,000	59,353,319
	301,578,254	217,818,254
HEDGING RESERVE		
As per last Financial Statements	(363,708,839)	(586,990,010)
Add : Fair value (gain)/loss from derivative contracts qualifying as cash flow hedge	307,116,197	223,281,171
	(56,592,642)	(363,708,839)
FOREIGN CURRENCY TRANSLATION RESERVE		
As per last Financial Statements	(27,369,794)	(1,092,204)
Add: Amount recognised during the period	128,384,948	(26,277,590)
	101,015,154	(27,369,794)
CAPITAL REDEMPTION RESERVE		
As per last Financial Statements	580,000	580,000
CAPITAL RESERVE		
As per last Financial Statements	579,973	579,973
INVESTMENT REORGANISATION RESERVE		
As per last Financial Statements	49,359,896	49,359,896
(Reserve created pursuant to Scheme of Arrangement to undertake a financial reorganisation in accordance with section 391 to 393 read with section 78 and section 100 to 103 of the Indian Companies Act, 1956. The said reserve was created by appropriations from Securities Premium Account, General Reserve, and Surplus in statement of Profit and Loss to be utilised for providing for diminution in the value of investments, impairment in value of Goodwill and offsetting realisation loss on sale of investments, if any. The balance in the Investment Reorganisation Reserve represents the unutilised amount as at the reporting date.)		

Notes to Consolidated Financial Statements (Contd.)

(Amount in ₹)

		As at March 31,	
		2014	2013
6	RESERVES AND SURPLUS (Contd.)		
	SURPLUS IN THE STATEMENT OF PROFIT AND LOSS		
	As per last Financial Statements	2,416,166,585	1,926,442,177
	Add : Net Profit for the period	462,428,777	687,468,419
	Less: Translation of reserves of non-integral foreign operations	(3,181,018)	3,324,369
	Add: Reversal of excess provision for dividend distribution tax of previous years	18,212,102	11,232,713
	Less: Appropriations		
	Final Dividend	211,988	79,688
	Proposed Dividend on equity shares	126,953,472	107,161,530
	Corporate Dividend Tax paid by Subsidiary	65,949,098	19,389,035
	Dividend Tax	20,595,027	18,212,102
	Transfer to General Reserve	83,760,000	60,810,000
		2,602,518,897	2,416,166,585
	TOTAL	3,225,572,808	2,500,288,560

7 SHARE APPLICATION MONEY PENDING ALLOTMENT

Share application money received as on March 31, 2014 represents the amount received against Employee Stock Options to be allotted to employees as under:

Name of the Scheme	Amount received (₹)	Exercise Price (₹)	No of Shares	Received towards Share Capital (₹)	Premium on Allotment (₹)
ESOP-2009 Directors	899,618	47.20	19,060	38,119	861,499

(Amount in ₹)

		As at March 31,	
		2014	2013
8	DEFERRED TAX LIABILITIES (NET)		
	Deferred Tax Liability		
	Depreciation on Fixed Assets	45,530,442	41,807,420
	Deferred Tax Asset		
	Provision for Employee Benefits	21,107,048	24,045,269
	Others	554,717	554,717
	TOTAL	23,868,677	17,207,434
9	OTHER LONG TERM LIABILITIES		
	Deferred Revenue	33,012,477	38,109,160
	TOTAL	33,012,477	38,109,160
10	LONG TERM PROVISIONS		
	Provision for Employee benefits		
	- Pension liability	21,707,413	16,791,730
	TOTAL	21,707,413	16,791,730



Notes to Consolidated Financial Statements (Contd.)

(Amount in ₹)

	As at March 31,	
	2014	2013
11 SHORT-TERM BORROWINGS		
Short term loan from banks -Secured	365,902,565	277,394,657
(Short Term loan from Bank is a 180 day tenure Packing Credit Foreign Currency loan, amounting to \$ 1,000,000. (Previous Year \$ Nil) & is secured by hypothecation of book debts. The loan is repayable on 18th June'14 at an interest rate of 1.23390%. (LIBOR: 0.2339, Spread :1) p.a.) and also includes loan taken by one of the subsidiaries Secured by a pari-passu charge on book debts of the Company, both present and future).		
TOTAL	365,902,565	277,394,657
12 TRADE PAYABLES		
-Dues to Small & Micro Enterprises	104,958	42,606
-Dues to Other Creditors	144,474,700	72,202,302
TOTAL	144,579,658	72,244,908
13 OTHER CURRENT LIABILITIES		
Advance Billing to Customers & Deferred Revenue	45,644,656	63,097,498
Advance from Customers	147,196,406	33,304,050
Accrued Expenses	647,115,580	545,419,466
Statutory Liabilities	460,867,195	120,408,902
Other Liabilities	76,041,938	331,322,695
Unclaimed Dividends*	3,137,377	3,381,623
TOTAL	1,380,003,152	1,096,934,234
*The amount of Unclaimed Dividend reflects the position as at March 31, 2014. During the year, the Company has transferred an amount of ₹ 358,385 (March 31, 2013 ₹ 352,952); to the Investor Education and Protection Fund in accordance with the provisions of section 205C of the Companies Act, 1956.		
14 SHORT-TERM PROVISIONS		
Provision for Employee benefits		
-Gratuity	49,888,640	35,680,704
-Compensated absences	166,931,498	143,063,688
-Long service bonus	-	20,638,333
Others		
-Proposed Dividend	126,953,472	107,161,530
-Tax on dividend	20,595,027	18,212,102
Provision for mark to market loss on derivative contracts	134,499,792	475,783,037
Provision for Income Tax (Net of Advance Tax ₹ 1,554,018,427, previous year ₹ NIL)	4,650,245	-
TOTAL	503,518,674	800,539,394

Notes to Consolidated Financial Statements (Contd.)

15. TANGIBLE ASSETS

ASSET	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at April 1, 2013	Acquisitions/ Adjustments	Disposals	As at April 1, 2013	For the Period	On Disposals	As at March 31, 2014	As At March 31, 2013
- Leasehold Land	50,513,713	-	-	15,907,065	4,282,148	-	30,982,394	34,606,648
- Buildings	343,320,655	-	-	91,313,273	-	-	254,576,080	252,007,382
- Leasehold Improvement	45,320,771	396,012	1,783,223	17,336,297	7,955,760	-	21,451,037	27,984,474
- Computers	893,916,895	911,145	89,920,475	705,681,885	722,368	89,887,169	188,759,461	188,235,010
- Electrical Installations	237,338,619	-	7,773,967	141,621,128	(53,426)	98,410	77,720,818	95,717,491
- Office Equipment and EPABX System	149,846,183	1,094,951	30,224,978	57,052,859	(1,767,928)	728,687	101,970,230	92,793,324
- Furniture and Fixtures	317,932,647	347,151	1,389,943	176,820,117	1,307,678	1,108,051	110,523,426	141,112,530
- Vehicles	25,219,774	31,987	10,184,289	15,891,229	5,335	9,866,769	5,477,268	9,328,545
TOTAL	2,063,409,257	2,781,246	197,496,448	1,221,623,853	313,045	101,689,086	791,460,714	-
As at March 31, 2013	1,793,863,055	323,125,440	67,342,761	2,063,409,255	4,408,596	58,670,291	841,785,404	

16. INTANGIBLE ASSETS

ASSET	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK	
	As at April 1, 2013	Acquisitions/ Adjustments	Disposals	As at April 1, 2013	For the Period	On Disposals	As at March 31, 2014	As At March 31, 2013
- Computer Software	593,991,702	55,439	69,416,994	474,990,894	97,491	15,010,932	107,370,660	119,000,808
- Goodwill	60,889,053	-	-	41,887,757	17,072,110	-	1,929,186	19,001,296
TOTAL	654,880,755	55,439	69,416,994	516,878,651	97,491	15,010,932	109,299,845	-
As at March 31, 2013	546,748,157	(2,214,461)	110,381,653	401,742,662	113,789	10,669	138,002,104	

Note:

- Accumulated depreciation for Computer Software includes provision for impairment of ₹ 8,630,600 (Previous year: ₹ 8,630,600) .
- There are no adjustments to the fixed assets on account of borrowing cost during the year
- During the previous year, adjustments in Gross block includes Fixed assets on acquisition of 3Cap Technologies Inc on account of acquisition of 3Cap Technologies Inc
- Adjustments in gross block amounting to ₹ 28,36,685 (March 31, 2013 ₹ 581,337) pertains to exchange differences and accumulated depreciation amounting to ₹410,536 (March 31, 2013 ₹ 242,776) is on account of translation of non-integral operations.



Notes to Consolidated Financial Statements (Contd.)

		(Amount in ₹)	
		As at March 31,	
		2014	2013
17 NON -CURRENT INVESTMENTS			
OTHERS			
Unquoted Trade, Fully paid			
1,410,176	(March 31, 2013 : 1,410,176) No par value shares of Series E Senior Preferred Stock, fully paid and non-assessable in Powerway Inc. Net of Provision other than temporary diminution ₹ 30,959,151 (March 31, 2013: ₹ 30,959,151)	-	-
	* Powerway Inc. had filed for bankruptcy under Chapter 11 in the United States and the company has been administratively dissolved on October 19,2010. The investment has not been written off pending approval from Reserve Bank of India.		
TOTAL		-	-
Aggregate amount of quoted Investments		-	-
Aggregate amount of unquoted Investments		30,959,151	30,959,151
Aggregate amount of provision for diminution in value of Investments		(30,959,151)	(30,959,151)
18 DEFERRED TAX ASSETS (NET)			
Depreciation on Fixed Assets		25,679,641	(8,660,060)
Provision for Bonus		678,000	2,722,000
Provision for Employee Benefits		36,127,911	36,316,252
Variable Pay		-	3,434,421
Provision for Doubtful Debts/Advances		11,365,893	29,465,783
TOTAL		73,851,445	63,278,396
19 LONG -TERM LOANS AND ADVANCES			
(Unsecured : Considered good, unless otherwise stated)			
Security Deposits			
- Deposit with Godrej & Boyce Ltd , a related party		-	20,508,305
- Others		133,821,987	123,005,454
		133,821,987	143,513,759
Advance Income Tax (Net of Provision for Tax ₹ 1,382,699,527 , March 31, 2013 ₹ 966,202,995)		175,969,145	194,815,691
MAT Credit Entitlement		-	43,690,720
Advances recoverable in cash or kind			
Considered Good		1,100,000	1,100,000
Considered Doubtful		13,971,156	10,985,266
Provision for doubtful advances		(13,971,156)	(10,985,266)
		-	1,100,000
Other loans & advances			
- Prepaid Expenses		2,557,363	4,453,990
- Capital advances		35,463,280	12,024,610
TOTAL		348,911,775	399,598,770

Notes to Consolidated Financial Statements (Contd.)

(Amount in ₹)

		As at March 31,	
		2014	2013
20 OTHER NON CURRENT ASSETS			
Long term deposits with banks with original maturity period more than 12 months *		10,878,289	6,963,977
TOTAL		10,878,289	6,963,977
* including deposits under lien with bank against bank guarantees issued.		10,803,289	6,888,977
21 CURRENT INVESTMENTS			
Investment In Mutual Funds -Unquoted (At lower of cost and fair value)		954,699,062	775,669,171
(Unquoted, Non Trade, Fully paid)			
TOTAL		954,699,062	775,669,171
Aggregate amount of quoted Investments		-	-
Aggregate amount of unquoted Investments		954,699,062	775,669,171
Aggregate amount of provision for diminution in value of Investments		-	-
22 TRADE RECEIVABLES			
(Unsecured - Considered good, unless otherwise stated)			
Outstanding for a period exceeding six months from the date they are due for payment			
Considered good		-	-
Doubtful		26,281,037	80,128,324
		26,281,037	80,128,324
Provision for doubtful receivables		(26,281,037)	(80,128,324)
Other Receivables		1,308,437,983	1,477,795,762
Total		1,308,437,983	1,477,795,762
23 CASH AND BANK BALANCES			
Cash and Cash Equivalents			
- Cash on Hand		811,992	89,923
- Remittances in Transit		7,968,828	10,968,304
Bank Balances			
- On Current Accounts		788,881,222	313,171,343
- Deposit with original maturity less than 3 months		-	-
		797,662,042	324,229,571
Other Bank Balances			
- Balance with banks in Deposit account with maturity more than 3 months but less than 12 months*		3,811,906	4,273,789
Unpaid Dividend Accounts		3,137,377	3,381,623
Total		804,611,325	331,884,983
* The deposits are under lien with bank against bank guarantees issued		2,474,361	3,019,845



Notes to Consolidated Financial Statements (Contd.)

		(Amount in ₹)	
		As at March 31,	
		2014	2013
24	SHORT- TERM LOANS AND ADVANCES		
	(Unsecured - Considered good, unless otherwise stated)		
	Advances recoverable in cash or in kind		
	Considered good	167,607,270	130,596,829
	Doubtful	-	1,831,681
		167,607,270	132,428,510
	Provision for Doubtful Advances	-	(1,831,681)
		167,607,270	130,596,829
	Other Loans & Advances		
	Prepaid Expenses	123,922,390	57,419,783
	Security Deposit with Godrej & Boyce Ltd , a related party	19,132,749	-
	Loans and advances to employees		
	Considered good	22,641,316	11,984,878
	Doubtful	1,440,782	2,737,330
		24,082,098	14,722,208
	Provision for doubtful advances	(1,440,782)	(2,737,330)
		22,641,316	11,984,878
	Balances with Excise/Statutory Authorities		
	Considered good	90,880,836	66,608,447
	Doubtful	15,632,000	15,632,000
		106,512,836	82,240,447
	Provision for Doubtful Advances	(15,632,000)	(15,632,000)
		90,880,836	66,608,447
	MAT credit entitlement	-	64,657,625
	TOTAL	424,184,561	331,267,563
25	OTHER CURRENT ASSETS		
	Interest Accrued on Fixed Deposits with Bank	1,401,658	1,143,605
	Unbilled Revenue (Net of provision ₹ 2,861,811, March 31, 2013 ₹ 2,861,811)	771,266,680	620,050,576
	TOTAL	772,668,338	621,194,181

Notes to Consolidated Financial Statements (Contd.)

(Amount in ₹)

	Year Ended March 31,	
	2014	2013
26 REVENUE FROM OPERATIONS		
Sale of Products	624,861,377	546,817,717
Sale of Services	10,270,662,160	9,603,092,704
Other operating revenue	58,999,661	53,723,150
	10,954,523,198	10,203,633,571
Details of Product Sold:		
Desktop Products	624,861,377	546,817,717
	624,861,377	546,817,717
Details of Services Rendered:		
Onsite Services	4,072,817,466	3,853,176,556
Offsite Services	1,031,755,016	889,717,086
Offshore Services	5,166,089,678	4,860,199,062
	10,270,662,160	9,603,092,704
Details of Other Operating Revenue		
Royalty Income	4,797,272	4,453,900
Reimbursement of Hardware	54,202,389	49,269,250
TOTAL	58,999,661	53,723,150
27 OTHER INCOME		
Dividends on current investments	63,549,037	56,576,027
Interest on Advances and Deposits (Gross)	1,645,044	1,056,869
Rent Received	69,183	393,547
Profit on Sale of current Investments (Net)	-	1,229,735
Provision for Doubtful Debts and Advances written back	59,065,969	52,996,119
Profit on Sale of Assets (Net)	5,239,562	3,917,667
Miscellaneous Income	7,499,532	48,756,175
TOTAL	137,068,327	164,926,139
28 EMPLOYEE BENEFITS EXPENSE		
Salaries, Bonus and Allowances	6,279,052,584	6,150,986,899
Contribution to Provident and Other Funds	148,301,939	148,865,412
Gratuity Expense	51,942,153	38,638,629
Staff Welfare Expenses	366,267,468	252,296,007
TOTAL	6,845,564,144	6,590,786,946



Notes to Consolidated Financial Statements (Contd.)

(Amount in ₹)

	Year Ended March 31,	
	2014	2013
29 OTHER EXPENSES		
Software Tools and Packages	120,358,754	101,108,300
Electricity Expenses	115,602,138	108,880,945
Rates and Taxes	18,065,777	12,385,404
Rent and Service Charges	351,111,069	346,059,830
Repairs and Maintenance		
Computers	29,269,852	24,311,484
Buildings	4,832,110	5,007,430
Others	27,350,928	19,250,523
	61,452,890	48,569,438
Insurance	11,205,535	18,241,511
Travelling and Conveyance Expenses	332,915,786	243,315,206
Computer Rental Charges	80,662,157	89,794,805
Communication Expenses	63,218,705	51,780,924
Legal and Professional Charges	550,713,537	415,349,032
Auditor's Remuneration	38,792,108	24,395,711
Advertising and Publicity	47,329,469	28,640,771
Staff Recruitment Expenses	32,707,723	31,356,996
Royalty	101,430,799	96,776,300
Sales and Marketing Expenses	27,852,917	-
Commission to Non Executive Directors	7,200,000	7,200,000
Directors' Sitting Fees	1,180,001	1,020,000
Loss on exchange fluctuations	751,836,136	470,053,385
Miscellaneous Expenses	93,521,098	78,429,528
Loss on Sale of Investment	1,877,344	-
Bad Advances written off	5,263,271	5,937,151
Bad Debts written off	53,216,937	40,656,552
	2,867,514,151	2,219,951,787
Reimbursement from Customers	(20,851,373)	(54,787,573)
TOTAL	2,846,662,778	2,165,164,214

Notes to Consolidated Financial Statements (Contd.)

(Amount in ₹)

	Year Ended March 31,	
	2014	2013
30 FINANCE COSTS		
Interest on bank loans	15,989,135	22,402,139
Other Interest	7,689,919	178,232
Bank Charges	11,086,025	12,987,264
TOTAL	34,765,079	35,567,635
31 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible assets	247,561,684	214,385,433
Depreciation on Intangible assets	98,077,200	115,012,180
TOTAL	345,638,884	329,397,613
32 EXCEPTIONAL ITEM		
Profit on Sale of Land	-	6,124,634
(During the previous year, the company sold a piece of land out of its Pune premises for a consideration of ₹ 6,406,593. The profit thereof, of ₹ 6,124,634 has been treated as an exceptional item.)		
TOTAL	-	6,124,634
33 EARNINGS PER EQUITY SHARE (NOT ANNUALISED)		
Net Profit after tax	462,428,777	687,468,419
Number of Equity Shares:		
As at the commencement of the year	63,036,194	62,670,315
Issued during the year	440,542	365,879
As at the end of the year	63,476,736	63,036,194
Weighted Average Number of Equity Shares during the period:		
Basic	63,286,875	62,805,345
Diluted	64,395,234	63,793,304
Earning per Equity Share of ₹ 2/- each.		
Basic	7.31	10.95
Diluted	7.18	10.78



Notes to Consolidated Financial Statements (Contd.)

34. EMPLOYEE BENEFITS APPLICABLE TO GEOMETRIC LIMITED AND 3D PLM SOFTWARE SOLUTIONS LIMITED ("The Companies")

a) DEFINED CONTRIBUTION PLANS

i) Provident Fund:

The Companies makes contributions of a specified percentage of a payroll costs towards the retirement benefit plan of its employees.

ii) Superannuation:

The Companies have maintained a Group Superannuation Scheme for its senior executives through a Master Policy with the Life Insurance Corporation of India towards which monthly premiums are paid and charged against revenue.

iii) Amounts Recognised in the Statement of Profit and Loss:

(Amount in ₹)

	Year Ended March 31,	
	2014	2013
Defined Contribution Plans:		
Employer's Contribution to Provident Fund	124,164,656	119,610,452
Contribution to Superannuation Fund	24,137,283	29,254,960
Contribution to Pension Fund*	11,400,010	31,559,813
TOTAL	159,701,949	180,425,225

*As per Audited financials of Geometric Asia Pacific.Pte

b) DEFINED BENEFIT PLAN

i) Gratuity:

The Companies have maintained a Group Gratuity Cum Life Assurance Scheme through a Master Policy with the Life Insurance Corporation of India towards which annual premiums as determined by an actuarial valuation are paid and charged against revenue. Under the gratuity plan every employee is entitled to the benefit equivalent to fifteen days final salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service.

ii) Leave Encashment:

The Companies provides for encashment of leave subject to rules. Employees are entitled to accumulate up to a maximum of 20 days, payable within twelve months of rendering the service. Compensated absences which accrue to the employees and which can be carried forward to future period are provided for on the accrued liability method based on the number of days leave to the credit of each employee computed on the basis of the last drawn pay and are thus treated as short-term liability.

c) Basis used to determine Expected Rate of Return on Assets:

The expected return on plan assets is determined based on several factors like the composition of plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Companies' policy for plan asset management.

Notes to Consolidated Financial Statements (Contd.)

d) The status of the Companies' funded gratuity plan is as under:

Particulars	Year Ended March 31,	
	2014	2013
i) Present Value of Obligation		
Present value of the obligation at the beginning of the Year	214,288,515	166,234,332
Current Service Cost	52,633,093	43,188,872
Interest Cost	16,460,177	13,534,741
Actuarial (Gain) / Loss on Obligation	(697,985)	5,334,740
Benefits Paid	(17,072,605)	(14,004,170)
Present value of the obligation at the end of the year	265,611,195	214,288,515
ii) Fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	178,607,811	135,916,908
Expected return on Plan Assets	15,032,949	11,572,635
Actuarial Gain / (Loss) on Plan Assets	3,473,696	13,636,230
Contributions by the Employer	35,680,704	31,486,208
Benefits Paid	(17,072,605)	(14,004,170)
Fair value of Plan Assets at the end of the year	215,722,555	178,607,811
iii) Amounts Recognised in the Balance Sheet:		
Present value of Obligation at the end of the year	265,611,195	214,288,515
Fair value of Plan Assets at the end of the year	215,722,555	178,607,811
Net Obligation at the end of the year	(49,888,640)	(35,680,704)
iv) Amounts Recognised in the statement of Profit and Loss:		
Current Service Cost	52,633,093	43,188,872
Interest cost on Obligation	16,460,177	13,534,741
Expected return on Plan Assets	(15,032,949)	(11,572,635)
Net Actuarial (Gain) / Loss recognised in the year	(4,171,681)	(8,301,490)
Net Cost Included in Employee Benefits Expense.	49,888,640	36,849,488
v) Actual return on Plan Assets		
Expected return on Plan Assets	8,016,872	11,572,635
Actuarial Gain/ (Loss) on Plan Assets	(4,290,865)	13,636,230
	3,726,007	25,208,865
vi) Actuarial Assumptions		
i) Discount Rate		8.00% P.A.
ii) Expected Rate of Return on Plan Assets		8.00% P.A.
iii) Salary Escalation Rate	9.50% to 12.00% P.A	7.00% to 7.50% P.A
iv) Employee Turnover:		
1) Employees who have not completed 5 years of service	12.50 % P.A	12.50 % P.A
2) Employees who have completed 5 years of service	5% P.A.	5% P.A.
v) Mortality	L.I.C 1994-96 Ultimate	L.I.C 1994-96 Ultimate
vi) Expected Average Remaining Working Lives of Employees (Years)	8.90 to 9.27	8.90 to 9.27
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
vii) Major Category of Plan Assets as a Percentage of total Plan Assets		
Funds managed by Insurer	100%	100%
Investments with HDFC		
Investments with Employees Trust		
Others	-	-
Total	100%	100%
viii) Expected Contribution to the fund in next year	49,888,640	35,680,704



Notes to Consolidated Financial Statements (Contd.)

e) Amounts Recognised in the current years and previous four years

(Amount in ₹)

Experience History	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Present Value of Obligation	265,611,195	214,288,515	166,234,332	128,443,905	85,994,906
Plan Assets	215,722,555	178,607,811	135,916,908	77,121,582	63,042,821
Surplus (Deficit)	(49,888,640)	(35,680,704)	(30,317,424)	(51,322,323)	(22,952,085)
Experience adjustment on plan Liabilities (loss)/gain	3,126,590	6,332,004	(337,161)	4,291,150	1,786,320
Experience adjustment on plan assets (loss)/gain	5,413,895	13,636,230	744,623	438,676	(4,094,408)

35 EMPLOYEE STOCK OPTIONS

The position of the existing Employee Stock Options Schemes is summarized as under:

SR NO.	Particulars	Scheme VIII ESOP Scheme 2009	Scheme IX ESOP Scheme 2009 - Directors	Scheme X ESOP Scheme 2009 - Employees	Scheme XI ESOP Scheme 2011	Scheme XII ESOP Scheme 2013-Directors	Scheme XIII ESOP Scheme 2013-Employees
1	Details of the Meeting	Extraordinary General Meetings (April 6, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (July 25, 2011)	Annual General Meeting (July 29, 2013)	Annual General Meeting (July 29, 2013)
2	Approved	1,000,000	300,000	600,000	1,800,000	300,000	3,150,000
3	The Pricing Formula	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.
4	Options Granted	1,116,950	250,000	600,000	2,004,350	250,000	2,751,500
5	Options Vested	44,600	150,000	141,605	679,171	-	-
6	Options Exercised	561,900	100,000	265,365	435,121	-	-
7	Options Forfeited / Surrendered (Note a)	510,450	-	193,030	442,000	-	163,000
8	Options Unexercised	44,600	150,000	141,605	1,127,229	250,000	2,588,500
9	Options Lapsed	-	-	-	-	-	-
10	Total Number of Options in force	44,600	150,000	141,605	1,127,229	250,000	2,588,500
11	Variation in terms of ESOP	NA	NA	NA	NA	NA	NA
12	Total Number of Shares arising as a result of Exercise of Options	561,900	100,000	265,365	435,121	-	-
13	Money realised by exercise of Options (₹ in Lakhs)	109.82	47.20	125.25	200.76	-	-

Notes :

- The surrendered options can be reissued as per the terms of Scheme 2009, 2009- (Directors & Employees), 2011 & 2013 - (Directors & Employees)
- In the event of any further rights or bonus issue of equity shares prior to conversion, the entitlement of shares shall be suitably revised. In the event of a bonus issue, the number of shares shall be increased proportionately and the price revised downwards. The options vest in the employees to whom they are granted subject to the employee being in employment of the Company and his/her performance.
- The employee share based payment plans have been accounted based on the intrinsic value method and no compensation expense has been recognized since the market price of the underlying share at the grant date is the same/ less than the exercise price of the option, the intrinsic value thereof being Nil.

Notes to Consolidated Financial Statements (Contd.)

36 PROFIT SHARING PLAN & SELF INSURANCE

Geometric Americas Inc. has a 401(k) plan covering substantially all employees who are 21 years of age or older. Participants may defer up to the lesser of 50% of their compensation or the maximum annual contribution set by law. In addition, the 401(k) plan provides for a discretionary matching contribution to be set by the employer. There was no 401(k) match for the years ended both March 31, 2014 and 2013.

Geometric Americas Inc. also has established a self-funded group health, prescription, vision and dental insurance plan. The Company has acquired stop-loss insurance for the group health plan which limits its liability to ₹ 5,990,000. At March 31, 2014 and 2013, the Company has accrued ₹ 13,391,484 and ₹ 13,381,360, respectively, for claims that have been incurred but not reported.

37 OBLIGATIONS ON OPERATING LEASES

The lease rentals in respect of computers and office space charged during the year and the total future minimum lease payments under non-cancellable operating leases payable are as under:

Particulars	(Amount in ₹)	
	Year Ended March 31, 2014	2013
1. Lease Rentals paid during the period	362,646,096	372,289,302
2. Future Lease Obligations		
- Due within one year	223,159,853	258,552,153
- Due between One year & Five years	390,170,687	359,269,550
- Due after Five years	-	3,363,250

38 SEGMENT RESULTS

The group's primary segments consists of Products, Software Services and Engineering Services. The secondary segments are geographical area by location of customers.

Particulars	(Amount in ₹)	
	Year Ended March 31, 2014	2013
A Segment Revenue		
Products	672,684,277	580,849,721
Software Services	6,551,542,085	5,641,711,391
Engineering Services	3,730,296,840	3,981,072,459
Total	10,954,523,201	10,203,633,571
Less : Inter Segment Revenue	-	-
Net Revenue from Operations	10,954,523,201	10,203,633,571
B Segment Results		
Products	234,884,230	246,475,709
Software Services	3,096,978,046	2,080,743,728
Engineering Services	1,031,329,214	734,345,580
Total	4,363,191,489	3,061,565,017
Less : (a) Interest	34,765,079	35,568,000
(b) Other unallocable expense net of unallocable income	3,309,432,151	1,772,229,081
Profit/(Loss) from Ordinary Activities before Tax	1,018,960,640	1,253,767,937
SECONDARY GEOGRAPHICAL SEGMENTS REVENUE		
Region		
USA	6,314,513,374	6,642,821,856
EUROPE	3,523,007,462	2,437,408,019
Asia Pacific	409,600,868	462,301,521
India	707,401,498	661,102,175
	10,954,523,201	10,203,633,571

Fixed assets and other assets used in the company's operations or liabilities contracted have not been identified to any of the reportable segments, as the assets are used interchangeably between segments; hence it is not practicable to provide segment disclosures relating to total assets & liabilities.



Notes to Consolidated Financial Statements (Contd.)

39 DERIVATIVE INSTRUMENTS

- a. The group has adopted the principles of Cash Flow Hedging as laid down in Accounting Standard AS-30 Financial Instruments: Recognition and Measurement issued by The Institute of Chartered Accountants of India. Changes in the fair value of those forward foreign exchange contracts which are designated and effective as hedges of the future cash flows are recognized directly under Shareholder's Funds in the Hedging Reserve and the ineffective portion is recognised immediately in the Statement of Profit and Loss.
- b. The group uses forward exchange contracts to hedge its foreign exchange exposure. Following are outstanding foreign exchange contracts, which have been designated as Cash Flow Hedges as on March 31, 2014 for hedge of future expected sales:

Particulars	Purpose	As at March 31, 2014		As at March 31, 2013	
		Notional Amount in Foreign Currency	Notional Amount (₹)	Notional Amount in Foreign Currency	Notional Amount (₹)
Forward Contracts to Sell USD	Hedge of firm commitment & highly probable forecast transactions	66,125,001	4,187,590,122	118,582,000	5,956,263,101
Forward Contracts to Sell Euro	Hedge of firm commitment & highly probable forecast transactions	31,560,000	2,725,861,712	8,400,000	646,415,000
TOTAL			6,913,451,834		6,602,678,101

- c. As of the balance sheet date the following are the net foreign exposures that are not hedged by derivative instruments or otherwise:

Unhedged Foreign Currency Exposure	As at March 31, 2014		As at March 31, 2013	
	\$	₹	\$	₹
Loans	-	-	-	-
Trade payables	574,156	34,391,934	211,371	11,477,423
Bank	847,369	50,757,427	104,286	5,662,754
Total	1,421,525	85,149,361	315,657	17,140,177

Unhedged Foreign Currency Exposure	As at March 31, 2014		As at March 31, 2013	
	Euro	₹	Euro	₹
Payables	-	-	-	-
Bank	114,870	9,458,396	664	46,087
Total	114,870	9,458,396	664	46,087

40 CURRENT LIABILITIES

The amount of dues owed to Micro, Small and Medium Enterprises as on March 31, 2014 amounted to ₹ 104,958 (previous year ended March 31, 2012 : ₹ 42,606). This amount has not been outstanding for more than 45 days at the Balance sheet date. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Notes to Consolidated Financial Statements (Contd.)

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Company has sought confirmation from vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

Particulars	(Amount in ₹)	
	Year Ended March 31, 2014	2013
A) Principal amount remaining unpaid but not due.	104,958	42,606
B) Interest due thereon.	-	-
C) Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to supplier beyond the appointed day during the period.	-	-
D) Interest due & payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
E) Interest accrued & remaining unpaid	-	-
F) Further Interest remaining due & payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

41 CAPITAL COMMITMENTS & OTHER COMMITMENTS

a. Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances)
₹ 143,449,943 (March 31, 2013 ₹ 38,526,751)

b. Intangible Assets:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances)
₹ 4,839 (previous year ended March 31, 2013 ₹ 10,455,947)

42 CONTINGENT LIABILITIES

- Guarantees given by the Company's bankers against counter guarantees given by the Company ₹ 7,918,037 (March 31, 2013 ₹ 3,215,744)
- Corporate guarantee of ₹ 389,350,000 (USD 6.5 Million) (March 31, 2013 ₹ 651,600,000 (USD 12 Million)) in respect of a loan availed by a subsidiary secured by mortgage of current assets of the said subsidiary in favour of ICICI bank.
- The Company filed a civil suit against an employee in India in 2008 claiming damages of ₹ 578,000,000 for data theft of intellectual property. Against this, the employee has filed counter claim of ₹ 5,000,000 in 2009 towards wrongful removal and mental agony. The company has been advised by its legal counsel that it is possible, but not probable, the action will succeed and accordingly no provision for liability has been recognized in the financial statements
- Claims against the Company not acknowledged as debt:
 - ₹ 368,373,285 (March 31, 2013, ₹ 442,035,392) in respect of disputed demand of income tax against which the Company has preferred an appeal.
 - ₹ 22,955,494 (March 31, 2013, ₹ 5,510,510) in respect of disputed demand of excise & custom duty against which the Company has preferred an appeal.
 - ₹ 8,372,875 (March 31, 2013, ₹ 8,372,875) in respect of a sales tax assessment of previous years against which the Company has applied for cancellation.
 - Suit filed against the Company in India claiming damages of ₹ 1,118,000,000 (March 31, 2013, ₹ 1,118,000,000) for alleged breach of a non-recruitment provision in an agreement. A similar case has already been dismissed by a Court of law in Virginia, USA.
 - ₹ 2,395,455 (March 31, 2013, ₹ Nil) in respect of disputed demand of Provident Fund against which the Company has preferred an appeal.
 - Case filed against the company in District Court Munich by the erstwhile managing director of Geometric GmbH (formerly known as 3CAP Technologies GmbH) claiming damages of ₹ 32,421,375 towards unfair dismissal. The company has filed its reply in this matter and also filed a counter claim for ₹ 43,647,281 plus interests against him. No payments have been made to him under the Share Sale and Purchase Agreement considering the termination was for a good cause.

43 Figures for the previous period/year have been regrouped / restated wherever necessary to conform to current period's presentation.



Geometric Limited

Standalone Financial Statements for the year ended March 31, 2014

Regd. Office:

**Plant 11, 3rd Floor, Pirojshanagar, Vikhroli (West), Mumbai – 400 079, India
(w.e.f. June 13, 2014)**

Independent Auditor's Report

**To the Members of
Geometric Limited**

Report on the Financial Statements

We have audited the accompanying financial statements of Geometric Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in the Companies Act, 1956 ("the Act"), read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair 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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give

the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b. in the case of the Statement of Profit and Loss, of the profits for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956, read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W

FARHAD M. BHESANIA
PARTNER
M. No.: 127355
Mumbai: April 29, 2014.



Independent Auditor's Report (Contd.)

Annexure to the Auditor's Report

Annexure referred to in paragraph 1 of our report under the heading "Report on Other Legal and Regulatory Requirements" of even date.

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) According to the information and explanations given to us, the fixed assets were physically verified by the management which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed were not material and have been properly dealt with in the books of accounts.
- c) In our opinion, the Company has not disposed off a substantial portion of its fixed assets during the year, so as to affect the going concern assumption.
2. The Company being a service company, does not have any physical inventory, thus the provisions of clause 4(ii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
3. a) The Company has granted unsecured loans to two parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum balance outstanding during the year was ₹ 935,053,498 and balance outstanding as at the year-end was ₹ 871,011,002.
- b) In our opinion, the rate of interest and other terms and conditions on which the unsecured loans have been granted to the above mentioned party listed in the register maintained under section 301 of the Companies Act, 1956, are not prima facie prejudicial to the interest of the Company.
- c) According to the information and explanations given to us, the repayment of the principal amount and interest is to commence as per mutually agreed terms, which schedule has not commenced till date in case of the loan to Geometric GMBH. The other party to whom the Company has granted loans is generally regular in repayment of principal and payment of interest thereon.
- d) Considering the repayment schedule and our observations in (c) above, there are no overdue amounts exceeding ₹ one lakh.
- e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchases of fixed assets and for the sale of software and services. The Company has re-implemented SAP in February 2014 and some errors were observed in sales processing for February and March 14, which have been suitably rectified. The Company also has alternate controls in place to mitigate risks during this stabilization phase. Further, on the basis of our examination of the books and records and the information and explanation given to us, we have not come across any continuing failure to correct major weaknesses in the internal control system.
5. a) Based upon the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956, have been entered in the register maintained under that section.
- b) In our opinion and according to the information and explanations given to us, having regard to the explanation that many items are of a special nature and their prices cannot be compared with alternate quotations, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. According to the information and explanations given to us, the maintenance of cost records has not been prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956, for any of the activities of the Company.
9. a) According to the information and explanation given to us and the records examined by us, the company is regular in depositing undisputed statutory dues, including dues pertaining to provident fund, investor education and protection fund, income-tax, sales tax, wealth tax, service tax, custom duty, cess and any other statutory dues with the appropriate authorities.

Independent Auditor's Report (Contd.)

We have been informed that there are no undisputed dues which have remained outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty or cess outstanding on account of any dispute, other than the following:

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1956	Income-tax	316,649,587	Financial Years 2005-06 to 2008-09 and 2012-13	Income Tax Appellate Tribunal
Service Tax	Incorrect availment of Service Tax	1,165,981	Financial Years 2007-08 to 2011-12	Commissioner of Service Tax
Central Excise and Customs Act, 1962	Wrongful availment of exemption notification on electrical fittings & computers	876,111	Financial Years 1998-99 and 2001-02	Commissioner of Central Excise (Appeals)
Central Excise and Customs Act, 1962	Wrongful availment of exemption notification for procurement of UPS system	2,394,000	Financial Year 1991-92	Add. Commissioner of Central Excise
Central Excise and Customs Act, 1962	Wrongful availment of duty exemption in respect of procurement of Modular furniture	1,074,418	Financial Years 1999-00 to 2000-01	Joint Commissioner of Central Excise
Central Excise and Customs Act, 1962	Sale & lease back of assets stored at the bonded place without payment of duty, Storing goods in STPI bonded warehouse beyond permissible period	2,432,968	Financial Year 2007-08	Asst. Commissioner of Central Excise
Bombay Sales Tax & Central Sales Tax, 1956	Sales tax dues on sale of software	8,372,875	Financial Years 2001-02 and 2003-04	Deputy commissioner of sales tax

10. The Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year or in the immediately preceding financial year.
11. According to the information and explanations given to us and based on the documents and records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions or debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi mutual benefit fund/societies. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
15. According to the information and explanations given to us, the Company has given guarantees for loans taken by subsidiaries from banks. In our opinion, the terms and conditions of the guarantees are not prima-facie prejudicial to the interest of the Company.
16. In our opinion and according to the information and explanations given to us, the term loan obtained by the Company was applied for the purpose for which the loan was obtained.



Independent Auditor's Report (Contd.)

17. According to the information and explanations given to us and on an overall examination of the Balance Sheet, the Cash Flow Statement and other records examined by us, the Company has not used funds raised on short term basis for long term investment.
18. The Company has not made any preferential allotment of shares to any parties or companies covered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4 (xviii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
19. The Company did not issue any debentures during the year. Therefore, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
20. The Company has not raised any money through a public issue during the year. Therefore, the provisions of clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the Company, has been noticed or reported during the year.

For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W

FARHAD M. BHESANIA
PARTNER
M. No.: 127355
Mumbai: April 29, 2014.

Balance Sheet as at March 31, 2014

		(Amount in ₹)	
	Note	As At March 31, 2014	2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	126,953,472	126,072,388
Reserves And Surplus	4	3,045,576,568	2,351,731,998
		3,172,530,040	2,477,804,386
Share Application Money Pending Allotment	5	899,618	313,365
Current Liabilities			
Short-Term Borrowings	6	59,900,000	-
Trade Payables	7	51,479,702	15,389,316
Other Current Liabilities	8	391,285,228	309,907,845
Short-Term Provisions	9	266,531,331	445,436,551
		769,196,261	770,733,712
TOTAL		3,942,625,919	3,248,851,463
ASSETS			
Non -Current Assets			
Fixed Assets			
Tangible Assets	10	65,471,102	107,213,726
Intangible Assets	11	110,803,192	119,562,568
Capital Work-in-Progress		190,799,684	7,924,389
Non -Current Investments	12	809,622,754	809,622,754
Deferred Tax Assets (Net)	13	23,195,000	17,552,000
Long -Term Loans and Advances	14	1,050,765,715	1,087,390,208
Other Non Current Assets	15	3,761,422	2,998,976
		2,254,418,869	2,152,264,621
Current Assets			
Current Investments	16	242,789,495	249,432,616
Trade Receivables	17	884,563,261	488,200,109
Cash and Bank Balances	18	61,671,439	33,876,787
Short- Term Loans and Advances	19	168,747,623	118,323,392
Other Current Assets	20	330,435,232	206,753,938
		1,688,207,050	1,096,586,842
TOTAL		3,942,625,919	3,248,851,463

The accompanying notes are an integral part of the financial statements.

As per our Report attached
For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W

Farhad Bhesania
PARTNER
M.No:127355

Place: Mumbai
Date: April 29, 2014

For and on behalf of the Board

Jamshyd Godrej
Chairman

Manu Parpia
Managing Director & CEO

Arvind Kakar
Chief Financial Officer

Milind Sarwate
Director

Maria Monserrate
Company Secretary



Statement of Profit and Loss for the year ended March 31, 2014

(Amount in ₹)			
	Note	Year Ended March 31,	
		2014	2013
REVENUE			
Revenue from operations	21	3,744,441,380	3,522,497,153
Other Income	22	355,317,426	193,836,302
TOTAL REVENUE		4,099,758,806	3,716,333,455
EXPENSES			
Employee Benefits Expense	23	1,962,886,946	1,955,701,468
Other Expenses	24	1,311,439,795	1,196,594,399
Finance Costs	25	3,464,263	2,699,425
Depreciation and Amortisation Expense	26	127,536,051	123,550,668
TOTAL EXPENSES		3,405,327,055	3,278,545,960
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX		694,431,751	437,787,495
Exceptional Items	27	-	6,124,634
PROFIT BEFORE TAX		694,431,751	443,912,129
Tax Expense			
Current Tax		143,000,000	91,200,000
Deferred Tax		(5,643,000)	11,856,000
Prior Year Tax Adjustments		(4,692,206)	(3,346,014)
		132,664,794	99,709,986
PROFIT FOR THE PERIOD		561,766,957	344,202,143
EARNINGS PER EQUITY SHARE	28		
(Nominal value per share ₹ 2 (March 31, 2013: ₹ 2))			
Basic		8.88	5.48
Diluted		8.72	5.40

The accompanying notes are an integral part of the financial statements.

As per our Report attached

For and on behalf of

KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W

Farhad Bhesania
PARTNER
M.No:127355

For and on behalf of the Board

Jamshyd Godrej
Chairman

Manu Parpia
Managing Director & CEO

Arvind Kakar
Chief Financial Officer

Milind Sarwate
Director

Maria Monserrate
Company Secretary

Place: Mumbai
Date: April 29, 2014

Cash Flow Statement for the year ended March 31, 2014

	(Amount in ₹)	
	Year Ended March 31,	
	2014	2013
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	694,431,751	437,787,495
Adjustment for:		
Depreciation	127,536,051	123,550,668
(Profit) / Loss on Assets Sold/written off	395,293	(10,237)
(Profit) / Loss on Sale of Investments	51,315	(1,224,658)
Interest Expense	3,464,263	2,699,425
Interest Income	(66,574,223)	(46,869,063)
Dividend Income	(256,177,859)	(104,547,127)
Unrealised Foreign Exchange loss/(gains)	(126,561,988)	7,329,329
	(317,867,148)	(19,071,663)
Operating Profit Before Working Capital Changes	376,564,603	418,715,832
Working Capital Changes:		
Trade and Other Receivables	(364,245,779)	(29,717,092)
Long Term/Short Term Loans & advances	(68,867,590)	746,687
Other Current / Non Current Assets	(108,499,833)	(103,775,301)
Trade Payables	35,075,628	(32,333,452)
Long Term/Short Term Provisions	(201,080,087)	(162,059,475)
Other Current / Non Current Liabilities	282,861,453	137,010,125
	(424,756,208)	(190,128,508)
Cash Generated from Operations	(48,191,605)	228,587,324
Income Taxes Paid	(135,925,883)	(49,282,610)
Net Cash from Operating Activities	(184,117,488)	179,304,714
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(260,412,311)	(168,596,597)
Proceeds from Sale of Fixed Assets	107,672	6,638,573
Purchase of Investments	(1,909,117,665)	(2,481,952,399)
Investment in Subsidiary Companies	-	(183,043,000)
Proceeds from Sale / Redemption of Investments	1,915,709,471	2,699,197,977
Loans to Subsidiaries	247,949,750	392,053,500
Loans repaid by Subsidiaries	(61,536,730)	(816,825,996)
Dividend Received	256,177,859	104,547,127
Interest received	51,721,390	42,921,867
Net Cash used in Investing Activities	240,599,436	(405,058,948)
Balance carried forward	56,481,948	(225,754,234)



Cash Flow Statement for the year ended March 31, 2014 (Contd.)

		(Amount in ₹)	
		Year Ended March 31,	
		2014	2013
	<i>Balance Brought forward</i>	56,481,948	(225,754,234)
C. CASH FLOW FROM FINANCING ACTIVITIES:			
Share application money received		586,253	(73,203)
Proceeds from Issue of Share Capital		20,551,877	14,766,502
Borrowings from Bank		61,060,000	-
Interest Paid		(3,464,263)	(2,699,425)
Dividend Paid		(107,373,518)	(100,352,192)
Dividend Tax Paid		-	(5,033,994)
Net Cash used in Financing Activities		(28,639,651)	(93,392,312)
NET INCREASE /(DECREASE) IN CASH AND CASH EQUIVALENTS		27,842,297	(319,146,546)
CASH AND CASH EQUIVALENTS:			
AT THE BEGINNING OF THE PERIOD		29,241,220	348,387,766
CASH AND CASH EQUIVALENTS:			
AT THE END OF THE PERIOD		57,854,614	29,241,220
Effect of exchange rate changes		(771,097)	-
		57,083,517	29,241,220
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS		27,842,297	(319,146,546)
COMPONENTS OF CASH AND CASH EQUIVALENTS			
a) Bank Balance -Current Accounts		49,114,693	18,272,916
b) Remittances in Transit		7,968,824	10,968,304
Cash & Cash Equivalents considered for Cash flow		57,083,517	29,241,220
Other Bank Balances		4,587,922	4,635,567
Cash & Bank balances as per Note no 18		61,671,439	33,876,787

The accompanying notes are an integral part of the financial statements.

As per our Report attached
For and on behalf of
KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W

Farhad Bhesania
PARTNER
M.No:127355

Place: Mumbai
Date: April 29, 2014

For and on behalf of the Board

Jamshyd Godrej
Chairman

Manu Parpia
Managing Director & CEO

Arvind Kakar
Chief Financial Officer

Milind Sarwate
Director

Maria Monserrate
Company Secretary

Notes to Financial Statements

1. GENERAL INFORMATION

Geometric Limited (the Company) is public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Headquartered in Mumbai, India, the Company was incorporated in 1994 and is listed on the Bombay Stock Exchange and National Stock Exchange. It employs 4500 people across 13 global delivery locations in the US, the UK, France, Germany, Romania, India, and China. The Company was assessed as CMMI 1.1 Level 5 for its software services and is ISO 9001:2008 certified for engineering operations. The Company's operations are also ISO 27001:2005 certified. The Company is a specialist in the domain of engineering solutions, services and technologies. Its portfolio of Global Engineering services and Digital Technology solutions for Product Lifecycle Management (PLM) enables companies to formulate, implement, and execute global engineering and manufacturing strategies aimed at achieving greater efficiencies in the product realization lifecycle.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation:

The financial statements have been prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act, 2013 under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

b. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Differences between the actual results and estimates are recognised in the period in which the results are known / materialized.

c. Fixed Assets and Depreciation:

Fixed Assets are stated at cost less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets

and any attributable cost of bringing the asset to the condition of its intended use. Borrowing costs attributable to the acquisition or construction of a qualifying assets is also capitalised as part of the cost of the asset.

Depreciation is provided under the straight line method, based on useful lives of assets as estimated by the Management or at the rates prescribed in Schedule VI to the Companies Act 1956, whichever is higher. Depreciation is charged on a monthly pro-rata basis for assets purchased / sold during the year. Individual assets acquired for less than ₹ 5,000/- are entirely depreciated in the year of acquisition. The Management's estimate of useful lives for various fixed assets is as under:

Asset	Useful Life of Asset In Years
Buildings	28
Computers	3
Electrical Installation	8
Office Equipment	13
Furniture and Fixtures	10
EPABX Systems	10
Vehicles	10
Software	3-5

Leasehold land and leasehold improvements are amortised over the lease period.

d. Leases:

Lease arrangements where the risks & rewards incident to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the profit & loss account on straight line basis.

e. Asset Impairment:

The Company assesses at each reporting date using external and internal sources, whether there is an indication that an asset may be impaired. An impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above.

f. Investments:

Investments that are readily available and intended to be held for not more than one year from the date of acquisition, are classified as current investments. All other investments are classified as long term investments.



Notes to Financial Statements (Contd.)

Long term investments are carried at cost. Provision for diminution, if any, in the value of each long term investment is made to recognise a decline, other than that of a temporary nature.

Current investments intended to be held for less than one year are stated at the lower of cost and fair value.

g. Foreign Exchange Transactions:

Transactions in foreign currency are recorded in the reporting currency by applying the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are retranslated at the exchange rate prevailing at the reporting date. Non Monetary foreign currency items like investments in foreign subsidiaries are carried at cost and expressed in Indian currency at the rate of exchange prevailing at the time of making the original investment.

Forward exchange contracts entered into to hedged foreign currency risk of an existing asset / liability.

The premium or discount arising at the inception of forward contract is amortised and recognised as an expense/income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Cancellation gains or losses on such contracts are also recognised as income or expenses for the period.

h. Derivative Instruments and Hedge Accounting:

The Company uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions. The Company designates these as Cash Flow Hedges.

The use of foreign currency forward contracts is governed by the Company's policies approved by the Board of Directors, which provide written principles on the use of such forward contracts consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculation purpose.

Forward exchange contracts obtained to hedge firm commitments or highly probable forecast revenues are recorded using the principles of hedge accounting as recommended under Accounting Standard 30 – "Financial Instruments: Recognition and Measurement" issued by the Institute of Chartered Accountants of India. Such forward exchange contracts which qualify for cash flow hedge accounting and

where the conditions of AS 30 have been met are initially measured at fair value and are remeasured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of the future cash flows are recognized directly under Shareholder's Funds in the Hedging Reserve and the ineffective portion is recognized immediately in the Statement of Profit and Loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Statement of Profit and Loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised, or no longer qualifies for hedge accounting. At that time for forecasted transactions, any cumulative gain or loss on the hedging instruments recognized in the Hedging Reserve is retained there until the forecasted transaction occurs. If a hedge transaction is no longer expected to occur, the net cumulative gain or loss recognized in the Hedging Reserve is transferred to the Statement of Profit and Loss for the year.

i. Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Services:

Revenue from time and material contracts for software development is recognized on a per hour basis as per the terms and conditions agreed with the customers or on completion of contracts or when the deliverables are dispatched to customers. In case of fixed price contracts, which are generally time bound, revenue is recognized over the life of the contract using proportionate completion method, on the basis of work completed. Foreseeable losses on such contracts are recognised when probable.

Unbilled Revenues included in loans & advances represents costs in excess of billings as at the balance sheet dates. Advance Billing & Deferred Revenue included in current liabilities represents billing in excess of revenue recognized.

Products:

Revenue from sale of traded software products is recognized when the software has been delivered, in accordance with sales contract. Revenue from software upgradation fees on software developed by the Company is recognized over the period for which it is received.

Notes to Financial Statements (Contd.)

Others:

Interest income is recognized on time proportion basis. Dividend income is recognized when the right to receive the dividend is established by the reporting date.

j. Borrowing Costs:

Borrowing costs that are directly attributable to the acquisition of an asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

k. Research and Development Expenditure:

Expenditure on in-house development of software is charged to the Statement of Profit and Loss in the year in which it is incurred.

l. Software Expenditure:

Software purchased is capitalized and written off over its useful life, which is normally three years, provided the software is regularly updated through a maintenance contract, failing which, the unamortized balance is charged to revenue. If the usage of software is discontinued, its unamortized cost is also charged to revenue.

The cost of software purchased for specific software development contracts is charged over the period of such contracts, or three years, whichever is less.

Small-value software purchases costing between ₹ 5,000 and ₹ 50,000, other than software categorized as 'Standard Software Development Tools', is written off as and when incurred. Software categorized as 'Standard Software Development Tools' is capitalized and depreciated over a period of three years.

Software costing below ₹ 5,000 is written off as and when the cost is incurred.

m. Employee Stock Option Schemes:

Stock Options granted to employees are in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and are at market price calculated under the said Guidelines. The intrinsic value, being the difference, if any, between market price and exercise price is treated as Personnel Expenses and charged to Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

n. Warranty Obligations:

In respect of products sold by the Company, which carry a specified warranty, future costs that will be incurred by the Company in carrying out its obligations are estimated and accounted for on accrual basis.

o. Income-tax:

Tax expense comprise of current and deferred tax. Current income tax comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in jurisdictions where such operations are domiciled.

Minimum alternative tax (MAT) paid in a year is charged to the Statement of Profit & Loss as current tax. The Company recognises MAT credit available as an asset only to the extent there is convincing evidence that the Company will pay normal income tax after the specified period. Accordingly, MAT is recognised as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realise these assets.

Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance taxes paid and income tax provisions arising in the same tax jurisdiction and the Company intends to settle the asset and liability on a net basis. The Company offsets deferred tax assets and deferred tax liabilities if it has a legally enforceable right and these relate to taxes on income levied by the same governing taxation laws.



Notes to Financial Statements (Contd.)

p. Segment Reporting:

As per AS-17 Segment Reporting if a single financial report contains both consolidated financial statements and the separate financial statement of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly information required to be presented under AS-17 Segment Reporting has been given in the consolidated financial statements.

q. Employee Benefits:

Short-term Employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, leave encashment etc., are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the employee renders the related service.

Post Employment benefits:

Defined Contribution Plans:

Payments made to defined contribution plans such as Provident Fund and Superannuation are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans:

The Company has maintained a Group Gratuity Cum Life Assurance Scheme through a Master Policy with the Life Insurance Corporation of India towards which annual premiums as determined by actuarial valuation are paid and charged against revenue. Under the Gratuity plan, every employee is entitled to the benefit equivalent to fifteen days final salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of services or retirement whichever is earlier. The benefit vests after five years of continuous services.

r. Provision and Contingent Liabilities:

A provision is recognised when the Company has a present obligation as a result of past event and it is

probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate of the amount of the obligation can be made. Provisions are not discounted to its present value and are determined based on current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability is/not recognised but its existence is disclosed in the financial statements.

s. Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

t. Cash & Cash Equivalents:

Cash & Cash Equivalents comprises of cash at bank and in hand and short term investments with an original maturity of three months or less.

Notes to Financial Statements (Contd.)

(Amount in ₹)

		As At March 31,	
		2014	2013
3 SHARE CAPITAL			
AUTHORISED SHARES:			
80,000,000	Equity shares (March 31, 2013		
80,000,000	equity shares) of ₹ 2/- each.	160,000,000	160,000,000
ISSUED, SUBSCRIBED AND PAID UP SHARES:			
63,476,736	Equity shares (March 31, 2013		
63,036,194	equity shares) of ₹ 2/- each fully paid up.	126,953,472	126,072,388
TOTAL		126,953,472	126,072,388

Notes:

a) Reconciliation of shares:	No's	No's
No of shares :		
At the beginning of period/year	63,036,194	62,670,315
Add: Issued during the year -ESOPs	440,542	365,879
Outstanding at the end of the period/year	63,476,736	63,036,194
	Amount in ₹	Amount in ₹

Amount of shares :

At the beginning of period/year	126,072,388	125,340,630
Add: Issued during the year -ESOPs	881,084	731,758
Outstanding at the end of the period/year	126,953,472	126,072,388

b) Right /terms attached to Equity Shares:

The company has only one class of equity shares having par value of ₹ 2 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing general meeting, except in case of interim dividend. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding 5% or more shares in the company:

Name of Shareholder	March 31, 2014 No of Shares (% Holding)	March 31, 2013 No of Shares (% Holding)
Godrej and Boyce Mfg Co Ltd	12,175,000 (19.18)	11,275,000 (17.89)
Godrej Investments Pvt Ltd	7,879,008 (12.41)	7,579,008 (12.02)
Manu M Parpia	4,307,925 (6.79)	4,267,925 (6.77)
Rakesh Radheshyam Jhunjhunwala	11,261,250 (17.74)	11,261,250 (17.86)

d) Shares reserved for issue under options:

Refer note no 30 for details of shares reserved for issue under the Employee Stock Option Schemes.

e) For the period of five years immediately preceding the date as at March 31, 2014:

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash : Nil

Aggregate number and class of shares allotted as fully paid up by way of bonus shares: Nil

Aggregate number and class of shares bought back : Nil

f) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date : Not Applicable

g) Calls unpaid : Nil



Notes to Financial Statements (Contd.)

		(Amount in ₹)	
		As At March 31,	
		2014	2013
4 RESERVES AND SURPLUS			
SECURITIES PREMIUM ACCOUNT			
As per last financial statements	30,519,373	16,484,629	
Add: Premium on shares allotted- ESOPs	19,670,793	14,034,744	
	50,190,166	30,519,373	
GENERAL RESERVE			
As per last financial statements	154,770,000	120,350,000	
Add: Transfer from Statement of Profit and Loss	56,500,000	34,420,000	
	211,270,000	154,770,000	
HEDGING RESERVE			
As per last financial statements	(264,811,615)	(423,690,117)	
Add : Fair value (loss)/ gain from derivative contracts qualifying as cash flow Hedge	241,955,205	158,878,502	
	(22,856,410)	(264,811,615)	
INVESTMENT REORGANISATION RESERVE			
As per last financial statements	756,067,149	756,067,149	
(Reserve created pursuant to Scheme of Arrangement to undertake a financial reorganisation in accordance with section 391 to 393 read with section 78 and section 100 to 103 of the Indian Companies Act, 1956. The said reserve was created by appropriations from Securities Premium Account, General Reserve and Surplus in Statement of Profit and Loss to be utilised for providing for diminution in the value of investments, impairment in value of Goodwill and offsetting realisation loss on sale of investments, if any. The balance in the Investment Reorganisation Reserve represents the unutilised amount as at the reporting date.)			
SURPLUS IN THE STATEMENT OF PROFIT AND LOSS			
As per last financial statements	1,675,187,091	1,479,625,555	
Add : Net Profit for the period/year	561,766,957	344,202,143	
Add: Reversal of excess provision for dividend distribution tax of previous year	18,212,102	11,232,713	
Less: Appropriations			
Final Dividend- Short fall in previous year	(211,988)	(79,688)	
Proposed Dividend on equity shares	(126,953,472)	(107,161,530)	
Dividend Tax	(20,595,027)	(18,212,102)	
Transfer to General Reserve	(56,500,000)	(34,420,000)	
	2,050,905,663	1,675,187,091	
TOTAL	3,045,576,568	2,351,731,998	

Notes to Financial Statements (Contd.)

5 SHARE APPLICATION MONEY PENDING ALLOTMENT

Share application money received as on 31st March 2014 represents the amount received against Employee Stock Options to be allotted to employees as under:

Name of the Scheme	Amount received (₹)	Exercise Price (₹)	No of Shares	Received towards Share Capital (₹)	Premium on Allotment (₹)
ESOP-2009 Employees	899,618	47.20	19,060	38,119	861,499

(Amount in ₹)

As At March 31,	
2014	2013

6 SHORT-TERM BORROWINGS

Short Term Loan from Bank	59,900,000	-
(Short Term loan from Bank is a 180 day tenure Packing Credit Foreign Currency loan, amounting to \$ 1,000,000. (Previous Year \$ Nil) & is secured by hypothecation of book debts. The loan is repayable on 18th June'14 at an interest rate of 1.23390%. (LIBOR: 0.2339, Spread :1) p.a.)		
TOTAL	59,900,000	-

7 TRADE PAYABLES

Dues to Small & Micro Enterprises	104,958	42,606
Dues to Other Creditors	51,374,744	15,346,710
TOTAL	51,479,702	15,389,316

8 OTHER CURRENT LIABILITIES

Advance Billing to Customers & Deferred Revenue	32,317,938	14,381,065
Advances from Customers	7,683,302	5,314,547
Accrued Expenses	278,482,747	221,569,722
Statutory Liabilities	57,390,084	60,920,152
Other Liabilities	12,273,780	4,340,736
Unclaimed Dividends*	3,137,377	3,381,623
TOTAL	391,285,228	309,907,845

*The amount of Unclaimed Dividend reflects the position as at March 31, 2014. During the period / year, the Company has transferred an amount of ₹ 358,385 (March 31, 2013 ₹ 352,952); to the Investor Education and Protection Fund in accordance with the provisions of section 205C of the Companies Act, 1956.

9 SHORT-TERM PROVISIONS

Provision for Employee benefits		
-Gratuity	24,607,087	18,968,868
-Compensated absences	15,339,632	15,060,567
Others		
-Proposed Dividend	126,953,472	107,161,530
-Tax on dividend	20,595,027	18,212,102
Provision for mark to market loss on derivative contracts	79,036,113	286,033,484
TOTAL	266,531,331	445,436,551

Notes to Financial Statements (Contd.)

10 TANGIBLE ASSETS

(Amount in ₹)

ASSET	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	As on April 1, 2013	Additions	Disposals	As on March 31, 2014	Upto April 1, 2013	For the Year	On Disposals	Upto March 31, 2014	As At March 31, 2013
-Leasehold Land	10,408,039	-	-	10,408,039	1,362,788	110,472	-	1,473,260	9,045,251
-Leasehold Improvement	34,566,752	1,445,992	-	36,012,744	10,440,662	6,800,363	-	17,241,025	24,126,090
-Computers	56,144,676	5,921,345	3,284,264	58,781,757	51,592,190	4,148,516	3,272,840	52,467,866	4,552,486
-Electrical Installations	42,090,321	-	198,892	41,891,429	29,464,697	8,395,942	98,410	37,762,229	12,625,624
-Office Equipment and EPABX System	32,597,673	234,320	615,675	32,216,318	15,356,117	6,908,074	444,990	21,819,201	17,241,557
-Furniture and Fixtures	81,624,001	63,865	862,536	80,825,330	42,001,282	23,039,384	642,162	64,398,504	39,622,719
-Vehicles	-	519,204	-	519,204	-	21,634	-	21,634	497,570
TOTAL	257,431,462	8,184,726	4,961,367	260,654,821	150,217,736	49,424,385	4,458,402	195,183,719	107,213,726
Previous Year	205,434,551	52,516,548	519,639	257,431,460	120,032,544	30,225,051	39,862	150,217,733	-

11 INTANGIBLE ASSETS

(Amount in ₹)

ASSET	GROSS BLOCK			DEPRECIATION/AMORTISATION				NET BLOCK	
	As on April 1, 2013	Additions	Disposals	As on March 31, 2014	Upto April 1, 2013	For the Year	On Disposals	Upto March 31, 2014	As At March 31, 2013
- Computer Software	464,124,139	69,352,290	-	533,476,429	344,561,571	78,111,666	-	422,673,237	119,562,568
TOTAL	464,124,139	69,352,290	-	533,476,429	344,561,571	78,111,666	-	422,673,237	119,562,568
Previous Year	355,600,619	108,558,114	34,594	464,124,139	251,246,623	93,325,617	10,669	344,561,571	-

Note: a) There are no adjustments to the fixed assets on account of borrowing cost and exchange differences during the year.



Notes to Financial Statements (Contd.)

12 NON -CURRENT INVESTMENTS

(Amount in ₹)

		Face Value	As At March 31, 2014	2013
Trade Investments (Valued at cost, unless otherwise stated)				
Unquoted Equity Instruments-Fully paid				
Investment in Subsidiaries				
900,200	(March 31, 2013: 900,200) Equity shares of 3D PLM Software Solutions Ltd.	₹ 10	9,002,000	9,002,000
100,000	(March 31, 2013: 100,000) Ordinary Shares of Geometric Asia Pacific Pte. Ltd., Singapore.	S\$ 1	2,742,000	2,742,000
1	(March 31, 2013: 1) Share of Geometric Europe GmbH, Germany in the nominal amount of Euro 2,550,000 (March 31, 2013: 1 nominal amount of Euro 2,550,000)	-	184,929,775	184,929,775
1,432	(March 31, 2013: 1,432) Non-assessable shares of the Capital Stock of Geometric Americas, Inc., U.S.A	\$1	612,948,979	612,948,979
			809,622,754	809,622,754
Other Investments				
Unquoted, Fully paid				
1,410,176	(March 31, 2013 : 1,410,176) No par value shares of Series E Senior Preferred Stock, fully paid and non-assessable in Powerway Inc.* (Net of Provision other than temporary diminution ₹ 30,959,151 (March 31, 2013: ₹ 30,959,151) * Powerway Inc. had filed for bankruptcy under Chapter 11 in the United States and the company has been administratively dissolved on October 19, 2010. The investment has not been written off pending approval from Reserve Bank of India.		-	-
TOTAL			809,622,754	809,622,754
Aggregate amount of quoted investments			-	-
Market value of quoted investments			-	-
Aggregate amount of unquoted investments			840,581,905	840,581,905
Aggregate Provision for diminution in value of investments			30,959,151	30,959,151



Notes to Financial Statements (Contd.)

(Amount in ₹)		
	As At March 31,	
	2014	2013
13 DEFERRED TAX ASSETS		
Depreciation on Fixed Assets	14,543,000	1,655,000
Provision for Bonus	678,000	2,722,000
Provision for Employee Benefits	5,214,000	4,886,000
Provision for Doubtful Debts	2,760,000	8,289,000
TOTAL	23,195,000	17,552,000
14 LONG -TERM LOANS AND ADVANCES		
(Unsecured - Considered good, unless otherwise stated)		
Capital advances	35,463,280	3,301,181
Security Deposits		
- Deposit with Godrej & Boyce Ltd, a related party	-	17,961,643
-Others	91,163,361	85,023,831
	91,163,361	102,985,474
Loan to Subsidiary Companies		
-Geometric Americas Inc	329,450,002	542,999,998
-Geometric Europe GmbH	547,561,000	392,053,500
Advance Income Tax	43,470,709	40,496,065
(Net of Provision for Tax ₹ 493,847,376, March 31, 2013 ₹ 359,203,933)		
Advances recoverable in cash or kind		
Considered good	1,100,000	1,100,000
Doubtful	13,971,156	10,985,266
	15,071,156	12,085,266
Provision for doubtful advances	(13,971,156)	(10,985,266)
	1,100,000	1,100,000
Other loans & advances		
-Prepaid Expenses	2,557,363	4,453,990
TOTAL	1,050,765,715	1,087,390,208
15 OTHER NON CURRENT ASSETS		
Long term deposits with banks with original maturity period more than 12 months*	3,761,422	2,998,976
TOTAL	3,761,422	2,998,976
* including deposits under lien with bank against bank guarantees issued.	3,686,422	2,923,976

Notes to Financial Statements (Contd.)

16 CURRENT INVESTMENTS

(Amount in ₹)

		Face Value	As At March 31,	
			2014	2013
INVESTMENT IN MUTUAL FUNDS				
(At lower of cost and fair value)				
(Unquoted, Non trade, Fully Paid)				
12,311	(March 31, 2013: 53,248) Religare Liquid Fund Super IP - Direct	₹ 1000	-	53,289,309
25,097	(March 31, 2013: Nil) Religare Ultra Short Term Fund	₹ 1000	25,244,957	-
718,951	(March 31, 2013: Nil) Birla Sun Life Cash Plus Dierct Daily Dividend -Reinvestment	₹ 100	72,035,268	-
13,090	(March 31, 2013: Nil) Baroda Pioneer Liquid Fund- Plan B -Daily Dividend Reinvestment	₹ 1000	13,098,501	-
4,182,686	(March 31, 2013: Nil) Sundaram Flexible Fund- Short Term-Dividend Direct Plan -Reinvestment	₹ 10	42,043,945	-
-	(March 31, 2013: 23,133) Kotak Floater Short Term	₹ 1000	-	23,402,119
182,102	(March 31, 2013: 469,976) Birla Sun Life Saving Fund Daily Dividend Direct Plan -Reinvestment	₹ 100	-	47,042,110
2,709,812	(March 31, 2013: 8,007,639) DWS Ultra Short Term Fund Daily Dividend -Reinvestment	₹ 10	27,146,628	80,219,731
-	(March 31, 2013: 1,492,909) Kotak Flexi Daily Dividend -Reinvestment	₹ 10	-	15,000,000
3,697,974	(March 31, 2013: Nil) Reliance Medium Term Fund Daily Dividend -Reinvestment	₹ 10	63,220,188	-
-	(March 31, 2013: 19,941) Reliance Liquid Fund Treasury Plan IP	₹ 10	-	30,479,347
TOTAL			242,789,495	249,432,616
Aggregate amount of quoted Investments			-	-
Aggregate amount of unquoted Investments			242,789,495	249,432,616
Aggregate amount of provision for dimution in value of Investments			-	-



Notes to Financial Statements (Contd.)

		(Amount in ₹)	
		As At March 31,	
		2014	2013
17	TRADE RECEIVABLES		
(Unsecured - Considered good, unless otherwise stated)			
Outstanding for a period exceeding six months from the date they are due for payment			
Considered good		-	-
Doubtful		5,257,785	22,687,428
		5,257,785	22,687,428
Provision for doubtful receivables		(5,257,785)	(22,687,428)
		-	-
Other Receivables		884,563,261	488,200,109
TOTAL		884,563,261	488,200,109
18	CASH AND BANK BALANCES		
Cash and Cash Equivalents			
Remittances in Transit		7,968,824	10,968,304
Bank Balances			
- On current account		49,114,693	18,272,916
		49,114,693	29,241,220
Other Bank balances			
- Balance with banks in deposit account with maturity more than 3 months but less than 12 months*		1,450,545	1,253,944
Unpaid Dividend accounts		3,137,377	3,381,623
TOTAL		61,671,439	33,876,787
* of the above held as lien by bank against bank guarantees		113,000	-
19	SHORT- TERM LOANS AND ADVANCES		
(Unsecured - Considered good, unless otherwise stated)			
Advances recoverable in cash or in kind		73,008,489	56,402,500
Prepaid Expenses		18,241,904	22,316,225
Security Deposits			
- Deposit with Godrej & Boyce Ltd		16,708,413	-
Loans and Advances to employees			
Considered good		33,443,401	16,438,987
Doubtful		647,683	1,744,531
		34,091,084	18,183,518
Provision for doubtful advances		(647,683)	(1,744,531)
		33,443,401	16,438,987
Balances with Excise Authorities			
Considered good		27,345,416	23,165,680
Doubtful		14,000,000	14,000,000
		41,345,416	37,165,680
Provision for Doubtful Advances		(14,000,000)	(14,000,000)
		27,345,416	23,165,680
TOTAL		168,747,623	118,323,392
20	OTHER CURRENT ASSETS		
Interest accrued on loan to			
-Geometric Americas Inc (Wholly Owned Subsidiary)		-	7,692,463
-Geometric Europe GmbH (Wholly Owned Subsidiary)		22,516,862	-
Interest accrued on fixed deposits with bank		262,230	233,796
Unbilled Revenue* (Net of provision ₹ 2,861,811, March 31, 2013 ₹ 2,861,811)		307,656,140	198,827,679
TOTAL		330,435,232	206,753,938
* Including Unbilled revenue in respect of subsidiary companies.		103,397,498	40,582,523

Notes to Financial Statements (Contd.)

		(Amount in ₹)	
		Year Ended March 31,	
		2014	2013
21	REVENUE FROM OPERATIONS		
	Sale of Products	205,714,500	158,617,904
	Sale of Services	3,479,378,968	3,311,804,060
	Other Operating Revenue	59,347,912	52,075,189
	TOTAL	3,744,441,380	3,522,497,153
	Details of Product Sold:		
	Desktop Products	205,714,500	158,617,904
		205,714,500	158,617,904
	Details of Services Rendered:		
	Onsite Software Services	2,267,658,194	2,039,955,901
	Offsite Software Services	582,046,454	508,896,279
	Offshore Software Services	629,674,320	762,951,880
		3,479,378,968	3,311,804,060
	Details of Other Operating Revenue		
	Royalty Income	59,306,125	51,834,557
	Reimbursement of Hardware	41,787	240,632
		59,347,912	52,075,189
22	OTHER INCOME		
	Dividend from subsidiary company	225,050,000	69,315,400
	Dividend on current investments	31,127,859	35,231,727
	Commission Income from Subsidiary	11,112,298	-
	Interest on advances and deposits	388,526	450,286
	Interest on loan to subsidiaries	66,185,697	46,418,777
	Rent received from subsidiary	2,606,645	3,174,143
	Profit on sale of current investments (net)	-	1,224,658
	Provision for doubtful debts and advances written back	15,540,601	35,891,179
	Profit on sale of Fixed Assets (Net)	-	10,237
	Miscellaneous income	3,305,800	2,119,895
	TOTAL	355,317,426	193,836,302
23	EMPLOYEE BENEFITS EXPENSE		
	Salaries, Bonus and Allowances	1,784,071,647	1,785,980,840
	Contribution to Provident and Other Funds	78,180,497	82,632,601
	Gratuity expense	25,752,331	19,977,586
	Staff Welfare expenses	74,882,471	67,110,441
	TOTAL	1,962,886,946	1,955,701,468



Notes to Financial Statements (Contd.)

(Amount in ₹)

	Year Ended March 31,	
	2014	2013
24 OTHER EXPENSES		
Software Tools and Packages	56,168,009	49,050,185
Electricity expenses	49,690,427	43,932,639
Rates and Taxes	11,900,373	7,829,987
Rent and Service charges	204,133,375	216,509,883
Repairs and Maintenance		
Computers	14,311,065	10,709,462
Buildings	183,800	104,479
Others	8,476,258	5,362,486
	22,971,123	16,176,427
Insurance	3,613,827	2,625,122
Travelling and Conveyance expenses	141,084,343	114,412,722
Computer Rental charges	75,821,918	84,462,373
Communication expenses	26,019,052	24,751,409
Legal and Professional charges	283,191,333	242,964,332
Auditor's Remuneration	4,961,180	4,655,428
Advertising and Publicity	8,870,081	8,313,666
Staff Recruitment Expenses	15,816,036	22,035,124
Royalty	41,224,559	31,207,247
Sales and Marketing Expenses	28,899,722	1,618,060
Commission to Non Executive Directors	7,200,000	7,200,000
Directors' Sitting Fees	1,180,001	1,020,000
Loss on Assets sold/written off	395,293	-
Loss on Exchange Fluctuations (net)	306,956,339	290,728,076
Miscellaneous expenses	42,058,634	30,619,584
Loss on Sale of Investments	51,315	-
Advances/ Deposits written off	1,954,823	1,512,821
Bad Debts written off	6,830,916	24,791,120
	1,340,992,679	1,226,416,205
Reimbursement from Customers & Subsidiaries	(29,552,884)	(29,821,806)
TOTAL	1,311,439,795	1,196,594,399
25 FINANCE COSTS		
Interest on bank loans	25,109	-
Bank Charges	3,439,154	2,699,425
TOTAL	3,464,263	2,699,425
26 DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible assets	49,424,385	30,224,220
Depreciation on Intangible assets	78,111,666	93,326,448
TOTAL	127,536,051	123,550,668
27 EXCEPTIONAL ITEMS		
Profit on Sale of Land and Buildings	-	6,124,634
(during the previous year the company sold a piece of land out of its Pune premises for a consideration of ₹ 6,406,593. The profit thereof, of ₹ 6,124,634 has been treated as an exceptional item.)		
TOTAL	-	6,124,634

Notes to Financial Statements (Contd.)

		(Amount in ₹)	
		Year Ended March 31,	
		2014	2013
28 EARNINGS PER EQUITY SHARE			
a) Net Profit after tax		561,766,957	344,202,143
b) Number of Equity Shares:			
As at the commencement of the year		63,036,194	62,670,315
Issued during the year		440,542	365,879
As at the end of the year		63,476,736	63,036,194
Weighted average number of equity shares during the year:			
Basic		63,286,875	62,805,345
Diluted		64,395,234	63,793,304
c) Earning per Equity Share of ₹ 2/- each.			
Basic		8.88	5.48
Diluted		8.72	5.40

29. EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLANS

i) Provident Fund:

The Company makes contributions of a specified percentage of a payroll costs towards the retirement benefit plan of its employees.

ii) Superannuation:

The Company has maintained a Group Superannuation Scheme for its senior executives through a Master Policy with the Life Insurance Corporation of India towards which monthly premiums are paid and charged against revenue.

iii) Amounts Recognised in the Statement of Profit and Loss:

	Year Ended March 31,	
	2014	2013
Defined Contribution Plans:		
Employer's Contribution to Provident Fund	65,845,399	65,711,031
Contribution to Superannuation Fund	12,335,098	16,921,570
	78,180,497	82,632,601

b) DEFINED BENEFIT PLAN

i) Gratuity:

The Company has maintained a Group Gratuity Cum Life Assurance Scheme through a Master Policy with the Life Insurance Corporation of India towards which annual premiums as determined by an actuarial valuation are paid and charged against revenue. Under the gratuity plan every employee is entitled to the benefit equivalent to fifteen days final salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service.

ii) Leave Encashment:

The Company provides for encashment of leave subject to rules. Employees are entitled to accumulate up to a maximum of 20 days, payable within twelve months of rendering the service. Compensated absences which accrue to the employees and which can be carried forward to future period are provided for on the accrued liability method based on the number of days leave to the credit of each employee computed on the basis of the last drawn pay and are thus treated as short-term liability.

c) Basis used to determine Expected Rate of Return on Assets:

The expected return on plan assets is determined based on several factors like the composition of plan assets held, assessed risks of asset management, historical results of the return on plan assets and the Company's policy for plan asset management.



Notes to Financial Statements (Contd.)

29 EMPLOYEE BENEFITS (Contd...)

d) The status of the Company's funded gratuity plan is

(Amount in ₹)

Particulars	Year Ended March 31,	
	2014	2013
i) Present Value of Obligation		
Present value of the obligation at the beginning of the	107,178,986	81,993,282
Current Service Cost	26,816,718	24,341,766
Interest Cost	8,149,074	6,669,637
Actuarial (Gain) / Loss on Obligation	(7,259,251)	1,228,230
Benefits Paid	(10,631,126)	(7,053,929)
Present value of the obligation at the end of the	124,254,401	107,178,986
ii) Fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the	88,210,118	64,725,735
Expected return on Plan Assets	7,390,319	5,586,604
Actuarial Gain / (Loss) on Plan Assets	(4,290,865)	7,684,161
Contributions by the Employer	18,968,868	17,267,547
Benefits Paid	(10,631,126)	(7,053,929)
Fair value of Plan Assets at the end of the	99,647,314	88,210,118
iii) Amounts Recognised in the Balance Sheet:		
Present value of Obligation at the end of the	124,254,401	107,178,986
Fair value of Plan Assets at the end of the	99,647,314	88,210,118
Net Obligation at the end of the	(24,607,087)	(18,968,868)
iv) Amounts Recognised in the statement of Profit and Loss:		
Current Service Cost	26,816,718	24,341,766
Interest cost on Obligation	8,149,074	6,669,637
Expected return on Plan Assets	(7,390,319)	(5,586,604)
Net Actuarial (Gain) / Loss recognised in the	(2,968,386)	(6,455,931)
Net Cost Included in Employee Benefits Expense.	24,607,087	18,968,868
v) Actual return on Plan Assets		
Expected return on Plan Assets	(7,390,319)	5,586,604
Actuarial Gain/ (Loss) on Plan Assets	(4,290,865)	7,684,161
	(11,681,184)	13,270,765

Notes to Financial Statements (Contd.)

29 EMPLOYEE BENEFITS (Contd...)

d) The status of the Company's funded gratuity plan is

(Amount in ₹)

Particulars	Year Ended March 31,	
	2014	2013
vi) Actuarial Assumptions		
i) Discount Rate	9.20% P.A.	8.00% P.A.
ii) Expected Rate of Return on Plan Assets	8.00% P.A.	8.00% P.A.
iii) Salary Escalation Rate	9.50% P.A.	7.00% P.A.
iv) Employee Turnover:		
1) Employees who have not completed 5 years of service	12.50 % P.A	12.50 % P.A
2) Employees who have completed 5 years of service	5% P.A.	5% P.A.
v) Mortality	L.I.C 1994-96 Ultimate	L.I.C 1994-96 Ultimate
vi) Expected Average Remaining Working Lives of Employees (Years)	9.28	8.9
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
vii) Major Category of Plan Assets as a Percentage of total Plan Assets		
Funds managed by Insurer	100%	100%
Others	-	-
Total	100%	100%
viii) Expected Contribution to the fund in next year	(24,607,087)	(18,968,868)

e) Amounts Recognised in the current year and previous four years

(Amount in ₹)

Experience History	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Present Value of Obligation	124,254,401	107,178,986	81,993,282	74,857,292	51,241,162
Plan Assets	99,647,314	88,210,118	64,725,735	44,730,518	37,567,217
Surplus (Deficit)	(24,607,087)	(18,968,868)	(17,267,547)	(30,126,774)	(13,673,945)
Experience adjustment on plan Liabilities (loss)/gain	9,687,856	3,693,686	847,079	4,291,150	1,786,320
Experience adjustment on plan assets (loss)/gain	(4,290,865)	7,684,161	895,134	438,676	(4,094,408)



Notes to Financial Statements (Contd.)

30. EMPLOYEE STOCK OPTIONS

The position of the existing Employee Stock Options Schemes is summarized as under:

SR NO.	Particulars	Scheme VIII ESOP Scheme 2009	Scheme IX ESOP Scheme 2009 - Directors	Scheme X ESOP Scheme 2009 - Employees	Scheme XI ESOP Scheme 2011	Scheme XII ESOP Scheme 2013-Directors	Scheme XIII ESOP Scheme 2013-Employees
1	Details of the Meeting	Extraordinary General Meetings (April 6, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (July 25, 2011)	Annual General Meeting (July 29, 2013)	Annual General Meeting (July 29, 2013)
2	Approved	1,000,000	300,000	600,000	1,800,000	300,000	3,150,000
3	The Pricing Formula	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.	The exercise price of the options shall be the 'Market Price' on the date of grant of the options as defined in 'SEBI (ESOS & ESPS) Guidelines, 1999.
4	Options Granted	1,116,950	250,000	600,000	2,004,350	250,000	2,751,500
5	Options Vested	44,600	150,000	141,605	679,171	-	-
6	Options Exercised	561,900	100,000	265,365	435,121	-	-
7	Options Forfeited / Surrendered (Note a)	510,450	-	193,030	442,000	-	163,000
8	Options Unexercised	44,600	150,000	141,605	1,127,229	250,000	2,588,500
9	Options Lapsed	-	-	-	-	-	-
10	Total Number of Options in force	44,600	150,000	141,605	1,127,229	250,000	2,588,500
11	Variation in terms of ESOP	NA	NA	NA	NA	NA	NA
12	Total Number of Shares arising as a result of Exercise of Options	561,900	100,000	265,365	435,121	-	-
13	Money realised by exercise of Options (₹ in Lakhs)	109.82	47.20	125.25	200.76	-	-

Notes :

- The surrendered options can be reissued as per the terms of Scheme 2009, 2009- (Directors & Employees), 2011 & 2013 - (Directors & Employees)
- In the event of any further rights or bonus issue of equity shares prior to conversion, the entitlement of shares shall be suitably revised. In the event of a bonus issue, the number of shares shall be increased proportionately and the price revised downwards. The options vest in the employees to whom they are granted subject to the employee being in employment of the Company and his/her performance.
- The employee share based payment plans have been accounted based on the intrinsic value method and no compensation expense has been recognized since the market price of the underlying share at the grant date is the same/ less than the exercise price of the option, the intrinsic value thereof being Nil.

Notes to Financial Statements (Contd.)

		(Amount in ₹)	
		Year Ended March 31,	
		2014	2013
31. VALUE OF IMPORTS ON C.I.F. BASIS			
Capital Goods		39,213,961	42,881,677
Software		5,459,928	-
TOTAL		44,673,889	42,881,677
32. EARNINGS IN FOREIGN CURRENCY			
Income from Software Development and Sale of Software		3,255,797,424	2,976,273,474
Reimbursement of Expenses		13,733,292	21,257,346
Interest		66,185,697	46,418,777
Commission Income		11,112,299	-
TOTAL		3,346,828,712	3,043,949,597
33. EXPENDITURE IN FOREIGN CURRENCY			
Travelling Expenses		59,922,646	54,078,749
Professional Fees		7,743,757	16,041,595
Sales and Marketing Services		27,852,917	-
Royalty		40,521,872	34,005,728
Salary-On Site Employees		264,507,957	291,182,082
Exhibition Expenses		847,643	1,225,378
Software Packages & Tools		235,101,165	104,636,815
Others		90,178,799	38,929,665
TOTAL		726,676,756	540,100,012
34. DIVIDEND REMITTED IN FOREIGN CURRENCY			
Number of non-resident Shareholders		1	-
Number of equity shares held on which dividend was due		45,000	-
Amount remitted In ₹		76,500	-
35.	The remuneration paid to the Managing Director and CEO for the year ended March 31, 2013 as approved by the Board of Directors and shareholders is in excess of the maximum amount payable under the provisions of section 198 and 309 of the Companies Act, 1956. The excess amount of ₹ 1,100,983 is paid subject to the approval of the Central Government for which an application has been made and approval awaited.		
36. AUDITOR'S REMUNERATION			
a) Statutory Audit Fees		3,400,000	3,000,000
b) Audit Under Other Statutes		400,000	400,000
c) In Other Capacity:			
Taxation Matters		925,000	969,105
Certification		217,573	194,939
d) Reimbursement of Expenses		18,607	91,384
TOTAL		4,961,180	4,655,428
37. OBLIGATIONS ON OPERATING LEASES			
The lease rentals in respect of computers ,furniture & fixtures and office space charged during the year and the total future minimum lease payments under non-cancellable operating leases payable are as under:			
1. Lease Rentals paid during the period		251,791,687	264,193,290
2. Future Lease Obligations			
- Due within one year		130,546,124	153,985,141
- Due between Two year & Five years		216,814,509	136,988,995
- Due after Five years		-	3,363,250



Notes to Financial Statements (Contd.)

38 RELATED PARTY TRANSACTIONS:

A. Related Parties and their Relationships:

- | | |
|--|--|
| a) Subsidiary Companies: | 1. 3D PLM Software Solutions Ltd. |
| | 2. Geometric Asia Pacific Pte. Ltd. |
| | 3. Geometric China Inc. |
| | 4. Geometric Japan KK |
| | 5. Geometric Americas Inc. |
| | 6. Geometric SAS. |
| | 7. Geometric Romania SRL. |
| | 8. Geometric Europe GmbH. |
| | 9. Geometric GmbH.(formerly 3 Cap Technologies GmbH)
(w.e.f. January, 01, 2013) |
| b) Associates: | 1. Godrej & Boyce Mfg. Co. Ltd. |
| | 2. Godrej Infotech Ltd |
| c) Key Management Personnel: | 1. Mr. Manu Parpia, Managing Director & CEO |
| d) Directors having Substantial Interest in: | 1. Cerebrus Consultants Pvt Ltd |

B. Transactions with Related Parties for the year ended 2014

Sr No.	Nature of Transaction	Subsidiary Companies	Associates	Key Management Personnel	Directors Having Substantial Interest
a)	Sales – Software Services	1,732,111,316 (1,614,743,247)	- -	- -	- -
b)	Software Development Charges- Subcontract	124,511,535 (89,246,418)	556,410 -	- -	- -
c)	Rent Income	2,606,645 (3,174,143)	- -	- -	- -
d)	Royalty income	59,306,125 (51,834,557)	- -	- -	- -
e)	Other Income	- (79,430)	- -	- -	- -
f)	Interest Received on Loans	66,185,697 (46,418,777)	- -	- -	- -
g)	Dividend Received	225,050,000 (69,315,400)	- -	- -	- -
h)	Reimbursement of Expenses received/(Paid) (Net)	83,315,522 (88,408,272)	(309,349) (-281,716)	- -	- -
i)	Compensation for Services	29,333,318 (1,618,060)	33,596 -	- -	400,000 -
j)	Rent Paid towards Leased Premises	568,512 (568,512)	25,492,770 (30,966,255)	- -	- -
k)	Managerial Remuneration	- -	- -	19,023,595 (27,435,563)	- -
l)	Purchase of Fixed Assets	7,064,313 (174,305)	93,065 (8,837,219)	519,204 -	- -

Notes to Financial Statements (Contd.)

B. Transactions with Related Parties for the year ended 2014 (contd.)

Sr No.	Nature of Transaction	Subsidiary Companies	Associates	Key Management Personnel	Directors Having Substantial Interest
m)	Loan Given	125,990,500 (392,053,499)	-	-	-
n)	Loan Repayment Recd	271,816,392	-	-	-
o)	Dividends Paid	-	32,051,814 (30,166,413)	7,289,473 (6,828,680)	-
p)	Advance Given	-	8,940,346	-	-
q)	Deposits Refunded	-	1,280,230 (19,683,032)	-	-
r)	Commission Income	11,112,298	-	-	-
s)	Transfer Of Electricity Deposit	- (2,190,600)	-	-	-
Balances as on Balance Sheet Date					
a)	Receivables including loan & advances	1,713,372,978 (1,289,483,069)	8,940,346	-	-
b)	Payables	132,941,024 (135,163,718)	11,681 (4,902)	-	-
c)	Deposits	-	16,708,413 (17,961,643)	-	-
*Figures in brackets indicate amounts for the year ended March 31, 2013					

C. The material related party transactions are as under:

(Amount in ₹)

Nature of Transaction	Year Ended March 31,	
	2014	2013
a) Sales – Software Services: Geometric Americas Inc	1,528,239,368	1,486,579,284
b) Software Development Charges- Subcontract : Geometric Americas Inc Geometric SAS	21,047,800 89,961,083	35,488,544 53,075,601
c) Rent Income: 3D PLM Software Solutions Ltd	2,606,645	3,174,143
d) Royalty income: Geometric Americas Inc	59,306,125	51,834,557
e) Other Income Geometric SRL	-	79,430
f) Interest Received on Loans : Geometric Europe GmbH Geometric Americas Inc	29,091,020 37,094,677	- 46,377,907
g) Dividend Received: 3D PLM Software Solutions Ltd	225,050,000	69,315,400



Notes to Financial Statements (Contd.)

C. The material related party transactions are as under: (contd.)

(Amount in ₹)

Nature of Transaction	Year Ended March 31,	
	2014	2013
h) Reimbursement of Expenses:(Recd/(Paid))		
3DPLM Software Solutions Ltd.	38,911,524	33,986,973
Geometric Americas, Inc.	28,486,575	49,556,402
Geometric Europe GmbH	9,279,368	-
Geometric SAS	(1,796,686)	-
i) Compensation for Services:		
Geometric Europe GmbH	27,852,917	-
Geometric Americas Inc.	1,046,805	1,618,060
j) Rent Paid towards Leased Premises:		
Godrej & Boyce Mfg. Co. Ltd.	25,492,770	30,966,255
k) Managerial Remuneration:		
Mr. Manu Parpia	19,023,595	27,435,563
l) Purchase of Fixed Assets:		
Geometric SAS	7,043,156	-
Godrej Infotech Ltd	-	8,837,219
m) Loan Given :		
Geometric Europe GmbH	125,990,500	392,053,499
n) Loan Repayment Recd:		
Geometric Americas Inc	199,937,492	-
Geometric Europe GmbH	71,878,900	-
o) Dividends Paid:		
Godrej & Boyce Mfg. Co. Ltd.	32,051,814	30,166,413
Mr. Manu Parpia	7,289,473	6,828,680
p) Advance Given		
Godrej & Boyce Mfg. Co. Ltd.	8,940,346	-
q) Deposits Refunded:		
Godrej & Boyce Mfg. Co. Ltd.	1,280,230	19,683,032
r) Commission Income :		
Geometric Americas Inc:	11,112,298	-
s) Transfer of Electricity Deposit		
3DPLM Software Solutions Ltd.	-	2,190,600
Balances as on Balance Sheet Date		
a) Receivables including loan :		
Geometric Americas Inc	875,103,652	776,637,669
Geometric Europe GmbH	724,738,375	392,053,499
b) Payables :		
Geometric Americas Inc	91,422,407	119,350,678
Geometric SAS	23,915,652	-
c) Deposits:		
Godrej & Boyce Mfg. Co. Ltd	16,708,413	17,961,643

Notes to Financial Statements (Contd.)

39. SEGMENT REPORTING

Accounting Standard - 17 'Segment Reporting' issued by the Institute of Chartered Accountants of India prescribes that where a financial report contains both consolidated financial statements and the separate financial statements of the parent, segment information need be presented only on the basis of the consolidated financial statements. Accordingly, segment information has been provided only in the consolidated financial statements.

40. DERIVATIVE INSTRUMENTS

- The Company has adopted the principles of Cash Flow Hedging as laid down in Accounting Standard AS-30 Financial Instruments: Recognition and Measurement issued by The Institute of Chartered Accountants of India. Changes in the fair value of those forward foreign exchange contracts which are designated and effective as hedges of the future cash flows are recognized directly under Shareholder's Funds in the Cash Flow Hedging Reserve and the ineffective portion is recognised immediately in the Statement of Profit and Loss.
- The Company uses forward exchange contracts to hedge its foreign exchange exposure. Following are outstanding foreign exchange contracts, which have been designated as Cash Flow Hedges as on 31st March 2014 for hedge of future expected sales:

Particulars	Purpose	As at March 31, 2014		As at March 31, 2013	
		Notional Amount in Foreign Currency	Notional Amount (₹ .)	Notional Amount in Foreign Currency	Notional Amount (₹ .)
Forward Contracts to Sell USD	Hedge of firm commitment & highly probable forecast transactions	29,465,001	1,790,002,392	55,137,000	2,544,340,493
Forward Contracts to Sell Euro	Hedge of firm commitment & highly probable forecast transactions	3,360,000	295,971,706	-	-
			2,085,974,098		2,544,340,493

- As of the balance sheet date the following are the net foreign exposures that are not hedged by derivative instruments or otherwise:

Unhedged Foreign Currency Exposure	As at March 31, 2014		As at March 31, 2013	
	\$/€	₹	\$/€	₹
Loan to GAI (\$)	5,500,000	329,450,002	10,141,666	550,692,462
Loan to GMbH (€)	6,650,000	547,561,000	5,650,000	392,053,499
Bank (\$)	622,063	37,261,574	72,599	3,942,150
Bank (€)	114,870	9,458,396	664	46,087
Total	12,886,933	923,730,972	15,864,930	946,734,199

41. CURRENT LIABILITIES

The amount of dues owed to Micro, Small and Medium Enterprises as on March 31, 2014 amounted to ₹ 104,958 (March 31, 2013 : ₹ 42,606). This amount has not been outstanding for more than 45 days at the Balance sheet date. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.



Notes to Financial Statements (Contd.)

DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

Company has sought confirmation from vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available the required disclosure under Micro, Small and Medium Enterprises Development Act, 2006 is given below:

(Amount in ₹)

Particulars	Year Ended March 31	
	2014	2013
A) Principal amount remaining unpaid but not due.	104,958	42,606
B) Interest due thereon.	-	-
C) Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to supplier beyond the appointed day during the period.	-	-
D) Interest due & payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
E) Interest accrued & remaining unpaid	-	-
F) Further Interest remaining due & payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

42 Debts due from/(to) Subsidiaries:

(Amount in ₹)

Name of the Subsidiary	Balance as at	
	March 31, 2014	March 31, 2013
3D PLM Software Solutions Limited	4,853,746	1,635,565
Geometric Americas, Inc.	454,231,244	141,837,142
Geometric Asia Pacific Pte. Ltd.	42,281,331	47,360,439
Geometric Europe GMBH	179,537,768	20,740,245

43. Disclosures required by Clause 32 of the Listing Agreement

(Amount in ₹)

Name of the company	Balance as at	
	March 31, 2014	March 31, 2013
(a) Loans and advances in the nature of loans given to subsidiaries		
Geometric Europe GmbH (including accrued interest thereon)	570,077,862	392,053,499
Geometric Americas Inc. (including accrued interest thereon)	329,450,002	550,692,462
Total	899,527,864	942,745,961
(b) Loans and advances in the nature of loans given to associate		
Godrej & Boyce Mfg. Co. Ltd	Nil	Nil
Godrej Infotech Ltd	Nil	Nil
Total	Nil	Nil
(c) Loans and advances in the nature of loans where repayment schedule is not specified/is beyond 7 years		
Geometric Europe GmbH (including accrued interest thereon)	Nil	Nil
Geometric Americas Inc. (including accrued interest thereon)	Nil	Nil
Total	Nil	Nil

Notes to Financial Statements (Contd.)

43. Disclosures required by Clause 32 of the Listing Agreement (contd.)

		(Amount in ₹)	
Name of the company		Balance as at	
		March 31, 2014	March 31, 2013
(d)	Loans and advances in the nature of loans where interest is not charged or charged below bank rate		
	Geometric Europe GmbH	Nil	Nil
	Geometric Americas Inc.	Nil	Nil
	Total	Nil	Nil
(e)	Loans and advances in the nature of loans to companies in which directors are interested.		
	Geometric Europe GmbH (including accrued interest thereon)	570,077,862	392,053,499
	Geometric Americas Inc. (including accrued interest thereon)	329,450,002	550,692,462
	Total	899,527,864	942,745,961
(f)	Investments in subsidiaries		
	3DPLM Software Solutions Ltd	9,002,000	9,002,000
	Geometric Asia Pacific Pte. Ltd	2,742,000	2,742,000
	Geometric Europe, GmbH	184,929,775	184,929,775
	Geometric Americas Inc	612,948,979	612,948,979
	Total	809,622,754	809,622,754

44. CAPITAL AND OTHER COMMITMENTS

(a) Tangible Assets:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) ₹ 138,050,723 (March 31, 2013 ₹ 10,010,283)

(b) Intangible Assets:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) ₹ 4,839 (March 31, 2013 ₹ 5,37,900)

45. CONTINGENT LIABILITIES

- (a) Guarantees given by the Company's bankers against counter guarantees given by the Company ₹ 7,918,037 (March 31, 2013 ₹ 3,215,744)
- (b) Corporate guarantee of ₹ 389,350,000 (USD 6.5 Million)(March 31, 2013 ₹ 651,600,000 (USD 12 Million)) in respect of a loan availed by a subsidiary secured by mortgage of current assets of the said subsidiary in favour of ICICI bank.
- (c) Claims against the Company not acknowledged as debt:
 - i) ₹ 316,649,587 (March 31, 2013, ₹ 337,792,715) in respect of disputed demand of income tax against which the Company has preferred an appeal.
 - ii) ₹ 22,955,494 (March 31, 2013, ₹ 5,510,510) in respect of disputed demand of excise & custom duty against which the Company has preferred an appeal.
 - iii) ₹ 8,372,875 (March 31, 2013, ₹ 8,372,875) in respect of a sales tax assessment of previous years against which the Company has applied for cancellation.
 - iv) Suit filed against the Company in India claiming damages of ₹ 1,118,000,000 (March 31, 2013, ₹ 1,118,000,000) for alleged breach of a non-recruitment provision in an agreement. A similar case has already been dismissed by a Court of law in Virginia, USA.
 - v) ₹ 2,395,455 (March 31, 2013, ₹ Nil) in respect of disputed demand of Provident Fund against which the Company has preferred an appeal.

46. Figures for the previous year have been regrouped / restated wherever necessary to conform to current period's presentation.



3D PLM Software Solutions Ltd.

Financial Statements for the year ended March 31, 2014

Regd. Office

Unit No. 703-B, 7th floor, B wing, Reliable Tech Park, Airoli, Navi Mumbai 400 708

Directors' Report to the Members

The Directors have pleasure in presenting their Report on the business and operations of the Company for the year ended March 31, 2014.

1. FINANCIAL RESULTS:

The Company's operating performance during the year ended March 31, 2014, as compared to the previous year is summarized below:

	(In ₹)	
PARTICULARS	Current Year	Previous Year
Sales and Other Income	3,125,717,590	2,770,694,821
Profit Before Interest, Depreciation and Tax	885,627,304	830,800,700
Interest	-	1,496,448
Depreciation	182,631,949	167,338,241
PROFIT BEFORE TAX:	702,995,355	661,966,011
Prior Period and Extraordinary Items	-	-
Tax Provision for Prior period	2,735,142	-
Provision for Taxes	232,749,634	213,802,753
PROFIT AFTER TAX:	467,510,579	448,163,258
Surplus Brought Forward	1,446,453,697	1,059,162,310
Surplus Transferred from Delmia Solutions Private Limited	-	123,536,564
PROFIT AVAILABLE FOR APPROPRIATION:	1,913,964,276	1,630,862,132
APPROPRIATIONS:		
Dividend		
-Interim	388,050,000	119,519,400
-Final	-	-
Dividend Tax	65,949,098	19,389,035
Transfer To General Reserve	47,000,000	45,500,000
Surplus Carried Forward	1,412,965,178	1,446,453,697
TOTAL	1,913,964,276	1,630,862,132

2. DIVIDEND:

The Board of Directors recommends that the interim dividend of ₹ 250 per share (2500%) declared on July 16, 2013 and paid during the year be the final dividend for the financial year 2013-14.

3. BUSINESS PROSPECTS:

3D PLM has completed successfully twelve years of operation and continues to add value to Dassault Systemes (DS). We have been continuing to work to strengthen DS activities in India and creating stronger synergies between all teams across different DS locations. 3D PLM works on 7 major Brands of DS, viz, ENOVIA, CATIA, 3DVIA, SIMULIA, SOLIDWORKS, DELMIA and GEOVIA. During the year we have also started new functions related to Sales Business Administration and Finance Shared Service. This is helping DS

beyond traditional Software development activities. 3D PLM continues to focus on substantially enhancing productivity, promoting innovation while being lean and effective.

4. DIRECTORS:

Mr. Ajay Mehra was appointed as Director in Casual Vacancy of the Company caused by the resignation of Mr. Milind Sarwate w. e. f. October 1, 2013 and he holds office until the forthcoming Annual General Meeting of the Company. At the Annual General Meeting held on July 15, 2011, five Directors of your Company were appointed for a period of 3 years. Four of the six Directors, were appointed by way of proportional representation method. As per the Articles of Association of the Company, no Director is liable to retire by rotation. Accordingly, Mr. Manu Parpia, Mr. Dominique



FLORACK, Mr. David de MUER, Mr. Didier GAILLOT and Mr. Milind Sarwate were re-appointed for 3 years.

The appointment of Mr. Manu Parpia, Mr. Dominique FLORACK, Mr. David de MUER, Mr. Didier GAILLOT and Mr. Ajay Mehra will be approved by the members at the forthcoming Annual General Meeting.

5. AUDITORS:

M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, Mumbai will retire as the Auditors of the Company at the conclusion of the Annual General Meeting and being eligible offer themselves for re-appointment.

6. DEPOSITS:

During the year under review the Company has not accepted any deposits from the public under section 58A and 58AA of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975.

7. PARTICULARS OF EMPLOYEES:

As required by the provisions of sub-section (2A) of Section 217 of the Companies Act, 1956, as amended, read with Companies (Particulars of Employees) Rules, 1975, the names and other particulars of the employees are set out in Annexure 'B' to the Directors Report.

8. COMPLIANCE CERTIFICATE:

Compliance Certificate received from a Practicing Company Secretary under Section 383A of the Companies Act, 1956 is attached with this report.

9. DIRECTORS RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

- I. that in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;

- II. that the Directors had selected such accounting policies and 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 as at March 31, 2014 and of the profit of the Company for the year ended on that date;

- III. that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- IV. that the annual accounts have been prepared on a going concern basis.

10. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as prescribed under section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are set out in Annexure 'A' to this report.

11. ACKNOWLEDGEMENTS:

The Directors gratefully acknowledge the contribution made by the employees towards the success of the Company.

On behalf of the Board of Directors,

MANU PARPIA
Chairman

April 15, 2014
Navi Mumbai

Annexure 'A' to the Directors' Report

Particulars as prescribed under section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

1. Conservation of Energy:

We are operating from three different locations. We have successfully implemented power saving initiatives like VRF, LED Lights in Bangalore location. We will continue to focus on energy conservation in other centers also.

Currently, we use CFL fittings to reduce the power consumption of fluorescent tubes. Air conditioners with energy-efficient screw compressors for central air conditioning and air conditioners with split air conditioning for localized areas are used.

We also focused on virtualization of IT Assets to reduce Computer Hardware requirement. Before buying any computer hardware we check whether that can be virtualized. This will not only result in saving the cost but also reduces power consumption and electronic wastes.

3D PLM have a "Green Committee" with a focus on conservation of energy and reducing waste.

2. Technology Absorption:

The disclosure of particulars with respect to Technology Absorption is given below:-

FORM B

Disclosure of particulars with respect to Technology Absorption Research and development (R & D)

1. Specific areas in which R & D carried out by the Company:

Development and testing of software products in the following brands of DS: CATIA, ENOVIA, 3DVIA, SolidWorks, SIMULIA, DELMIA & GEOVIA.

2. Benefits derived as a result of the above R & D:

Product quality has improved.

3. Future plan of action:

Continue to focus on productivity and quality.

4. Expenditure on R & D:

Company's R & D activities are part of its normal software development process. There is no separate R & D department and hence there is no specific capital or recurring R & D expenditure. It is not practicable to identify R & D expenditure out of the total expenditure incurred by the Company.

Technology Absorption, Adaptation and Innovation

1. Efforts, in brief, made towards Technology Absorption, Adaptation and Innovation:

3D PLM is an Offshore Development Center working exclusively for Dassault Group of companies. It works as an extension of the DS brands. The main focus is on building expertise in DS products so that higher productivity and quality can be delivered and product development cycles can be reduced. Towards this objective, training sessions, workshops, visits are organized within 3D PLM and between 3D PLM and DS.

a. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc:

High Product quality and increased business potential.

2. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:

- Technology imported:
- Year of import:
- Has technology been fully absorbed?
- If not fully absorbed, areas where this has not taken place, reasons therefor and future plans of action.

Not Applicable as no imported technology is put to use.

3. Foreign Exchange Earnings and Outgo:

- Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services; and export plans: The Company is in the business of software exports. All efforts of the Company are geared to increase the business of software exports in different products and markets.

- Total Foreign Exchange Earnings used and earned:

Particulars	Current Year (₹)	Previous year (₹)
Total Foreign Exchange used	12,888,971	6,979,594
Total Foreign Exchange earned	3,079,258,198	2,740,071,598



Annexure 'B' to the Directors' Report

Information as per Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended March 31, 2014.

Sr. No.	Name	Designation	Qualification	Age	Date of Joining	Total Exp Years	Gross Remuneration in ₹	Previous employment
1	Sudarshan Mogasale	Manager & CEO	BE	44	16-Dec-1996	19	6,753,738	ISRO
2	Milind Shastri	Senior Vice President	MTECH	50	1-Jul-1994	20	6,582,584	Godrej & Boyce Mfg. Co. Ltd.

Notes:

1. The Gross remuneration shown above is subject to tax and comprises salary, allowances, monetary value of perquisites as per Income tax rules and Company's contribution to Provident Fund & Superannuation Fund.
2. In addition to the above remuneration, employees are entitled to gratuity, medical benefits etc., in accordance with the Company's rules.
3. The remuneration as indicated above includes performance linked payments for the employees for the previous year, which were approved by the Management during the year.
4. The above appointment is non-contractual except of Manager & CEO of the company.
5. The employees are not related to any Director of the Company.

Secretarial Compliance Certificate

[In terms of Section 383A(1) of the Companies Act, 1956.]

To,
The Members,
3D PLM Software Solutions Ltd,
Unit No.703-B, 7th floor, B Wing,
Reliable Tech Park, Airoli,
Navi Mumbai 400708.

I have examined the registers, records, books and papers of 3D PLM Software Solutions Ltd, as required to be maintained under the Companies Act, 1956 (the Act), and the Rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year ended March 31, 2014.

In my opinion, and to the best of my information, and according to the examinations carried out by me and the explanations furnished to me by the company, its officers and agents, I certify, that in respect of the aforesaid Financial Year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, has the minimum prescribed Paid-up Share Capital.
4. The Board of Directors duly met six (6) times on April 17, 2013, July 16, 2013, October 15, 2013, November 13, 2013, January 21, 2014 and March 28, 2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed, including the Circular Resolutions passed, in the Minutes Book maintained for the purpose.
5. The Company has not closed its Register of Members and/ or Debenture holders during the Financial Year.
6. The Annual General Meeting for the Financial Year ended March 31, 2013 was held on July 16, 2013, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. One Extra-Ordinary General Meeting was held on November 18, 2013, during the Financial Year, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to in Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made the necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances falling with the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or the Central Government, as the case may be.
12. The company has not issued any duplicate share certificates during the financial year.
13. I. The company has delivered the certificate on transfer of a share and lodgment thereof in accordance with the provisions of the Act. There was no allotment or transmission of securities of the company during the year under review.
II. The company declared an Interim Dividend on July 16, 2013, during the Financial Year ended March 31, 2014, which was deposited in a separate Bank Account within five days from the date of declaration of such Interim Dividend. On April 17, 2013 an Interim Dividend of FY13 was confirmed as Final Dividend.
III. The Interim Dividend declared on July 16, 2013, during the Financial Year ended March 31, 2014, has been remitted to all the members within the prescribed time. As on the date of this report there were no amounts outstanding under the head 'Unpaid/ Unclaimed Dividend'.
IV. The company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional directors and alternate directors, during the Financial Year. The appointment of a director to fill up a casual vacancy has been duly made.
15. The Company has not appointed any Managing Director or Whole-time Director during the financial year.
16. The Company has not appointed any Sole Selling Agents during the financial year.
17. There was no such activity for which the company was required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.



18. The directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares, debentures or other securities during the Financial Year.
20. The Company has not bought back any shares during the Financial Year.
21. The Company has not issued any Preference Shares or Debentures and hence there was no redemption of Preference Shares or Debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, Rights Shares and Bonus Shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act, during the financial year.
24. The Company has not made any borrowings during the Financial Year ended March 31, 2014.
25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Registered Office of the Company from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the Objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to the name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to the Share Capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the Financial Year.
31. There was no prosecution initiated against the Company, or Show Cause Notices received by the Company, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The company has deposited both the employees' and the employers' contributions to Provident Fund with the prescribed authorities pursuant to Section 418 of the Act.

During the year under scrutiny, the registered office of the company was shifted to a location, which is outside the local limits of the place where its registered office was earlier located. The Company has approved of this shifting by a Special Resolution passed at an Extra-ordinary General Meeting held on November 18, 2013, and complied with the provisions of the Act.

Signature
(A.J. Gandhi)
Name of Company Secretary
C.P. No.2095.
Certificate of Practice No.

Place: Mumbai.
Date: May 16, 2014.

ANNEXURE A

List of Registers maintained by 3D PLM Software Solutions Ltd.

1. Register of Members under Section 150 and Share Ledger.
2. Register of Application and Allotment of Shares.
3. Register of Share Transfers.
4. Register of Directors, Managing Director under Section 303.
5. Register of Directors' Shareholdings under Section 307.
6. Register of Contracts in which directors are interested under Section 301(3).
7. Investment Register.
8. Register of Loans.
9. Board Meetings Minutes Book.
10. General Meeting Minutes Book.

ANNEXURE B

Forms and Returns filed by 3D PLM Software Solutions Ltd with the Registrar of Companies, Regional Director, Central Government of other prescribed authorities during the Financial Year ended March 31, 2014.

Sr No.	Document & date	Applicable provision of Companies Act.	Challan No./Service Request No. & date
1	Form No.20A	Section 149(2A)(ii)	B79845731 dated July 22, 2013
2	Form 23 in respect of the special resolution for commencing the new line of business	Section 149(2A)	B79843660 dated July 22, 2013
3	Form No.66 in respect of the Secretarial Compliance Certificate for the year ended 31.03.2013.	Section 383A(1)	Q09623729 dated July 22, 2013
4	Form No.20B for Annual Return (as per Schedule V) as on 15.07.2013.	Section 159	Q09691643 dated July 25, 2013
5	Form No.23ACXBRL and 23ACAXBRL, in respect of the Annual Accounts for the year ended 31.03.2013.	Section 220	Q10118552 dated August 14, 2013
6	Form No.32 in respect of the resignation of Mr. Milind Shripad Sarwate from the post of director appointed in a casual vacancy and appointment of Mr. Ajay Satish Mehra as a director appointed in a casual vacancy	Section 303(2)	B87477311 dated October 23, 2013
7	Form 23 in respect of the special resolution for change of registered office outside local limits of the city	Section 146(2) proviso	B89847990 dated November 25, 2013
8	Form 18 in respect of change of registered office outside local limits of the city	Section 146(2) proviso	B91345116 dated December 12, 2013

Signature

(A.J.Gandhi)

Name of Company Secretary

C.P. No.2095. Certificate of Practice No.

Place: Mumbai.

Date: May 16, 2014.



INDEPENDENT AUDITOR'S REPORT

To the Members of
3D PLM Software Solutions Limited

Report on the Financial Statements

We have audited the accompanying financial statements of 3D PLM Software Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give

the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- ii. in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. 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;
 - iv. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with General Circular 15/2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013;
 - v. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.R. Batliboi & Associates LLP

Chartered Accountants
ICAI Firm Registration Number: 101049W

per Govind Ahuja

Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: April 15, 2014

INDEPENDENT AUDITOR'S REPORT (Contd.)

Annexure referred to in paragraph 1 of our report under the heading "Report on Other Legal and Regulatory Requirements" of even date

Re: 3DPLM Software solutions Limited ('the Company')

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) The Company is in the business of providing software development services to customers and it does not have any inventory. Consequently, the provisions of clause 4 (ii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii)(a) to (d) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(iii)(e) to (g) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for rendering of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas. The activities of the Company do not involve purchase of inventory and the sale of goods.
- (v) (a) According to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 of the Act have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Act, for the products of the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to excise duty are not applicable to the Company.
- (c) According to the information and explanation given to us, there are no dues of sales-tax, wealth tax, service tax, customs duty and cess which have not been deposited on account of any dispute. The provisions relating to excise duty are not applicable to the Company. According to the records of the Company, details of income tax dues, which have not been deposited on account of a dispute are as under:



INDEPENDENT AUDITOR'S REPORT (Contd.)

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	480,114	Assessment Year 1998-99	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	291,954	Assessment Year 2000-01	Income Tax Officer
Income Tax Act, 1961	Income Tax	7,742,167	Assessment Year 2005-06	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	2,772,592	Assessment Year 2006-07	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	643,933	Assessment Year 2007-08	High Court
Income Tax Act, 1961	Income Tax	5,950,202	Assessment Year 2007-08	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Tax deducted at source	17,641,590	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax deducted at source	5,250,926	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	12,733,656	Assessment Year 2008-09	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	10,929,173	Assessment Year 2009-10	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	344,030	Assessment Year 2010-11	Appeal to be filed with Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	683,011	Assessment Year 2010-11	Appeal to be filed with Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	57,348,126	Assessment Year 2012-13	Deputy Commissioner of Income Tax

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) The Company has not issued any debentures or availed any loan from financial institutions or banks. Therefore, the provisions of clause 4(xi) of the Order are not applicable to the Company.
- (xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company did not have any term loans outstanding during the year.
- (xvii) According to the information and explanations given to us

and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act.

(xix) The Company did not have any outstanding debentures during the year.

(xx) The Company has not raised any money by way of public issue during the year.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: April 15, 2014

Balance Sheet as at March 31, 2014

(All amounts in Indian ₹ unless otherwise stated)

Particulars	Notes to Accounts	As at March 31,	
		2014	2013
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	4	15,522,000	15,522,000
Reserves and Surplus	5	1,816,542,945	1,690,684,927
Non-Current Liabilities		1,832,064,945	1,706,206,927
Deferred tax liabilities (Net)	6	23,868,677	17,207,434
Other Long term liabilities	7	43,683,094	40,505,104
Long term provisions	8	1,132,642	1,132,642
Current Liabilities			
Trade payables	9	8,318,659	328,471
Other current liabilities	10	342,618,843	440,218,715
Short-term provisions	11	62,097,819	70,742,188
Total Equity and Liabilities		2,313,784,679	2,276,341,481
ASSETS			
Non-current assets			
Fixed assets	12		
Tangible assets		1,223,461,472	1,223,437,265
Intangible assets		1,072,500	2,113,605
Capital work-in-progress		465,723	9,855,816
Long term loans and advances	13	139,694,114	173,366,603
Other non-current assets	14	7,116,867	3,965,000
Current assets			
Current investments	15	711,909,567	526,236,555
Trade receivables	16	134,077,875	186,345,279
Cash and Bank Balances	17	12,372,614	20,880,395
Short-term loans and advances	18	69,210,126	110,861,222
Other current assets	19	14,403,821	19,279,741
Total Assets		2,313,784,679	2,276,341,481
Summary of Significant Accounting Policies	3		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W

per Govind Ahuja

Partner

Membership No:48966

Place : Mumbai

Date : April 15, 2014

For and on behalf of the Board of Directors of 3D PLM Software Solutions Limited

Manu Parpia

Chairman

Chandan Chowdhury

Alternate Director to Didier Gaillot

Sudarshan Mogasale

CEO and Manager

Place : Navi Mumbai

Date : April 15, 2014



Statement of Profit and Loss for the year ended March 31, 2014

(All amounts in Indian ₹ unless otherwise stated)

Particulars	Notes to Accounts	Year Ended March 31,	
		2014	2013
INCOME			
Revenue from Operations			
Revenue from software services		3,083,310,279	2,740,166,369
Other income	20	42,407,311	30,528,452
Total Revenue		3,125,717,590	2,770,694,821
EXPENDITURE			
Employee benefit expenses	21	1,581,812,971	1,446,660,892
Operating and other expenses	22	657,454,583	492,634,926
Finance costs	23	822,732	2,094,751
Depreciation and amortization expense	12	182,631,949	167,338,241
Total Expenses		2,422,722,235	2,108,728,810
PROFIT BEFORE TAX		702,995,355	661,966,011
Tax Expense			
Current Taxes		226,000,000	200,000,000
Tax Provision for Prior period		2,735,142	0
Wealth Taxes		88,391	157,004
MAT credit entitlement		0	0
Deferred tax (credit)/expense		6,661,243	13,645,749
Total tax expense		235,484,776	213,802,753
PROFIT FOR THE PERIOD		467,510,579	448,163,258
EARNINGS PER EQUITY SHARE (not annualised)			
Basic and Diluted [Nominal value of the shares Rs 10 (March 31, 2013 : ₹10)]		301.19	288.73
Weighted average number of equity shares		1,552,200	1,552,200

Summary of Significant Accounting Policies

3

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of 3D PLM Software Solutions Limited

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W

per Govind Ahuja

Partner

Membership No:48966

Place : Mumbai

Date : April 15, 2014

Manu Parpia

Chairman

Chandan Chowdhury

Alternate Director to Didier Gaillot

Sudarshan Mogasale

CEO and Manager

Place : Navi Mumbai

Date : April 15, 2014

Cash Flow Statement for the year ended March 31, 2014

(All amounts in Indian ₹ unless otherwise stated)

Particulars	Year Ended March 31,	
	2014	2013
CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	702,995,355	661,966,011
Adjustment for:		
Depreciation and amortisation	182,631,952	167,338,241
Sundry Balances Written Back	(2,307,650)	246,497
(Profit) / Loss on Sale of Fixed Assets	(5,634,856)	(4,521,610)
(Profit) / Loss on Sale of Investments	1,898,547	(5,077)
Advance Tax written off	2,630,787	-
Interest Expense	-	1,496,448
Interest Income	(970,326)	(954,235)
Dividend Income	(32,421,178)	(21,344,301)
Unrealised (gain)/loss	(17,935,827)	2,091,436
Operating Cash Flows Before Working Capital Changes	830,886,804	806,313,410
Movement in working capital		
Increase/ (Decrease) in Deferred Revenue		
Increase/ (Decrease) in Long Term Liabilities	(5,096,683)	5,439,671
Increase/ (Decrease) in Long Term Provisions	-	(13,735,000)
Increase/ (Decrease) in Trade Payables	8,147,490	(14,051,682)
Increase/ (Decrease) in Other Current Liabilities	46,474,613	55,376,762
Increase/ (Decrease) in Short Term Provisions	(8,644,369)	13,794,273
Decrease/ (Increase) in Long Term Loans and Advances	(20,278,416)	(48,015,787)
Decrease/ (Increase) in Trade Receivables	49,044,087	43,633,991
Decrease/ (Increase) in Short Term Loans and Advances	(4,137,900)	71,237,745
Decrease/ (Increase) in Other Current Assets	5,046,405	(6,068,898)
Cash Generated from Operations	901,442,031	913,924,485
Income Taxes Paid	(140,423,746)	(142,803,351)
Net Cash Flow from Operating Activities	(A) 761,018,285	771,121,134
CASH FLOW FROM/ (USED IN) INVESTING ACTIVITIES		
Purchase of Fixed Assets including CWIP and Capital advances	(165,720,099)	(204,660,210)
Proceeds from Sale of Fixed Assets	7,853,425	5,825,224
Purchase of Investments	(1,719,440,911)	(1,841,573,205)
Proceeds from Sale/Redemption of Investments	1,531,869,350	1,545,508,513
Fixed Deposit Placed	(5,513,228)	(125,000,000)
Fixed Deposit Matured	3,019,845	136,459,748
Dividend Received	32,421,178	21,344,301
Interest Received	740,708	1,084,996
Net Cash from/ (used in) Investing Activities	(B) (314,769,732)	(461,010,633)



Cash Flow Statement for the year ended March 31, 2014

Particulars	Year Ended March 31,	
	2014	2013
CASH FLOW FROM/ (USED IN) FINANCING ACTIVITIES:		
Repayment of Short Term Bank Borrowings	-	(172,320,313)
Interest Paid	-	(1,807,960)
Dividend Paid including dividend tax	(453,999,098)	(138,908,435)
Net Cash used in Financing Activities	(C) (453,999,098)	(313,036,708)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(7,750,545)	(2,926,207)
Effect of exchange difference on Cash and Cash Equivalents	(98,752)	3,129
Cash and Cash equivalents at the beginning of the period	17,860,550	12,054,546
Cash and Cash equivalents taken over from Delmia Solutions Private Limited	-	8,729,082
Cash and Cash equivalents at the end of the period	10,011,253	17,860,550
Components of cash and cash equivalents		
Balances with Banks		
In Current Accounts	10,011,253	17,860,550
Cash and Cash equivalents as per Note 17	10,011,253	17,860,550
Summary of Significant Accounting Policies	3	

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors of 3D PLM Software Solutions Limited

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W

per Govind Ahuja

Partner

Membership No:48966

Place : Mumbai

Date : April 15, 2014

Manu Parpia

Chairman

Chandan Chowdhury

Alternate Director to Didier Gaillot

Sudarshan Mogasale

CEO and Manager

Place : Navi Mumbai

Date : April 15, 2014

Notes to accounts for the year ended March 31, 2014

(All amounts in Indian ₹ unless otherwise stated)

1. NATURE OF OPERATIONS

3D PLM Software Solutions Limited ('the Company') is a 58:42, joint venture between Geometric Limited and Dassault Systemes. The Company is engaged in product development, industrialisation, maintenance, documentation and market support for Product Lifecycle Management (PLM) softwares of Dassault Systemes and also provides the back end support to finance and sales business administration function of Dassault Systemes.

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards to comply in all material respects with the Accounting Standards notified under the Companies Act 1956 read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs, in respect of section 133 of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

b. Tangible Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation, amortization and impairment losses if any. Cost includes all expenses related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement

of profit and loss for the period during which such expenses are incurred. Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

c. Depreciation on Tangible Fixed Assets

Depreciation is provided using the Straight Line Method as per the useful lives of the assets estimated by the management, or at the rates prescribed under schedule XIV of the Companies Act, 1956 whichever is higher. Individual assets acquired for less than ₹5,000 are entirely depreciated in the year of acquisition.

The Management's estimate of useful lives for various fixed assets which is higher than the useful lives as per the rates prescribed under schedule XIV of the Companies Act, 1956 is as under:

	Years of useful life
Building	20-28
Computers	3
Electrical Installation	8
Office Equipment	2-13
Furniture and Fixtures	5-10
Vehicles	5

Leasehold Land and Leasehold Improvements are depreciated over the period of lease.

d. Intangible Assets and related amortization

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are amortized on a straight line basis over the estimated useful economic life. Intangible assets consist of computer software and are amortized over 3 to 5 year period.

e. Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

f. Borrowing costs

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the



Notes to accounts for the year ended March 31, 2014 (Contd.)

respective asset. All other borrowing costs are expensed in the period they occur.

g. Impairment of tangible and intangible 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 impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

h. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

i. Foreign Exchange Transactions

I. Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

II. Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

III. Exchange Differences

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

IV. Forward Exchange Contracts

The Company uses foreign currency forward contracts to hedge foreign currency risk arising from highly probable forecast transaction of reserves.

The Company designates these forward contracts in a hedge relationship by applying the hedge accounting principles of AS30 Financial Instruments: Recognition and Measurement.

For the purpose of hedge accounting, hedges are classified as:

Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

Hedges that meet the strict criteria for hedge accounting are accounted for as follows:

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized directly under shareholders fund in the hedging reserve, while any ineffective portion is recognized immediately in the statement of profit and loss.

The company uses foreign currency forward contracts as hedges of its exposure to foreign currency risk in forecasted transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognized immediately in the statement of profit and loss.

Amounts recognized in the hedging reserve are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged income or expense is recognized or when a forecast sale occurs.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in the hedging reserve is transferred to the statement of profit and loss. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, any cumulative gain

Notes to accounts for the year ended March 31, 2014 (Contd.)

or loss previously recognized in the hedging reserve remains in the hedging reserve until the forecast transaction or firm commitment affects profit or loss.

In accordance with AS 30, such forward exchange contracts, which qualify for cash flow hedge accounting and where Company has met all the conditions of AS 30, are fair valued at balance sheet date and the effective portion of the resultant exchange gain/loss is credited/debited to the hedging reserve included in the Reserves and Surplus. The ineffective portion relating to foreign currency contracts is recognized immediately in the statement of profit and loss. Amount recognized in the Hedging reserve is transferred to the statement of profit and loss when the hedged transactions affect earnings such as when a forecast sales occurs. In case, these forward contracts do not meet the criteria for hedge accounting, the gain/loss on fair valuation is recorded in the statement of profit and loss.

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognized in shareholder's funds is retained there until the forecasted transaction occurs. If the forecast transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholders' funds is transferred to statement of profit and loss for the year. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

j. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Income from Services

Revenue from time and material contracts for software development is recognized when the related services are rendered to the customers.

Income from reimbursable assets

Revenue for reimbursable assets is recognized over the useful life of the assets.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend

Revenue is recognized when the right to receive payment is established by the balance sheet date.

k. Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and the tax laws used to compute are those that are enacted or substantively enacted, at the reporting date. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences 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 realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company 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 alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the guidance note on Accounting for credit available in respect of Minimum Alternative Tax



Notes to accounts for the year ended March 31, 2014 (Contd.)

under the Income Tax Act, 1961, issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as "MAT Credit Entitlement" asset. The Company reviews the "MAT Credit Entitlement" asset at each balance sheet date and writes down asset to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

I. Employee Benefits

I. Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, performance incentives, etc., are recognized as an expense at the undiscounted amount in the statement of Profit and Loss of the year in which the employee renders the related service.

II. Post-Employment benefits

Post-employment benefits in the form of Provident Fund and Superannuation are defined contribution schemes. The Company has no obligation other than the Contribution payable to the funds, The Company recognizes contribution payable to the provident fund and superannuation scheme as an expenditure when an employee renders the related services.

Post-employment benefits in the form of Gratuity is a defined benefit obligations and is provided for on the basis of an actuarial valuation made as at the balance sheet date, using the projected unit credit method. Actuarial gain and losses, if any, are recognized immediately in the statement of Profit and Loss as income or expense.

III. Other Employment benefits

The Company has classified compensated absences as short- term benefits which are measured using estimates of amount; the Company expects to pay to its employees towards the accumulated compensated absences as at the balance sheet date.

m. Provisions

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources 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. These are reviewed at each balance sheet date and adjusted to reflect the current

best estimates. Provision for expenditure relating to voluntary retirement is made when the employee accepts the offer of early retirement.

n. Segment Reporting

The Company is exclusively engaged in the business of Software Development for Dassault Systemes and its affiliates. Accordingly, in terms of AS 17 on Segment Reporting, its operations are considered to constitute one single primary segment. The Secondary segments are geographical areas by location of customers.

o. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

p. Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

q. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

		As at March 31,	
		2014	2013
4. SHARE CAPITAL			
<u>Authorised :</u>			
2,700,000 (March 31, 2013: 2,700,000) Equity shares of ₹ 10 each and	27,000,000	27,000,000	
300,000 (March 31, 2013: 300,000) Class 'A' and Class 'B' Equity Shares of ₹ 10 each with differential voting rights	3,000,000	3,000,000	
	30,000,000	30,000,000	
<u>Issued, Subscribed and Paid Up :</u>			
1,373,246 (March 31, 2013: 1,373,246) Equity shares of ₹ 10 each fully paid	13,732,460	13,732,460	
72,965 (March 31, 2013: 72,965) Class 'A' Equity Shares of ₹ 10 each fully paid	729,650	729,650	
105,989 (March 31, 2013: 105,989) Class 'B' Equity Shares of ₹ 10 each fully paid	1,059,890	1,059,890	
	15,522,000	15,522,000	
a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period			
Reconciliation of Equity Share			
Equity Shares outstanding at the beginning of the year	1,373,246	1,373,246	
Equity Shares issued during the year	-	-	
Shares outstanding at the end of the year	1,373,246	1,373,246	
Reconciliation of Class 'A' Equity Shares			
Equity Shares outstanding at the beginning of the year	72,965	72,965	
Equity Shares issued during the year	-	-	
Shares outstanding at the end of the year	72,965	72,965	
Reconciliation of Class 'B' Equity Shares			
Equity Shares outstanding at the beginning of the year	105,989	105,989	
Equity Shares issued during the year	-	-	
Shares outstanding at the end of the year	105,989	105,989	



Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

		As at March 31,	
		2014	2013
b. Terms/rights attached to equity shares			
1,373,246 equity shares of the face value of ₹ 10 each fully paid carry a single voting right (1 vote for every single share held)			
72,965 Class 'A' equity shares of ₹10 each fully paid have differential voting rights of 2 votes for every one such share held			
105,989 Class 'B' equity shares of ₹ 10 each fully paid have differential voting rights of 2 votes for every one share held and one additional vote each on:			
I.	a change in control that has occurred due to actions by any person regarded as a Dassault Systemes Competitor as defined in the Shareholder's Agreement; or		
II.	Upon issuance of the "Notice of Increase" as defined in the Shareholders Agreement.		
Each equity share carries equal dividend rights irrespective of the class of shares to which it belongs.			
The dividend proposed by the board of Directors is subject to approval of shareholders in the ensuing General Meeting			
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company.			
The distribution will be in proportion to the number of equity shares held by the shareholders.			
c. Shares held and Percentage of Holding:			
<u>Geometric Limited (Holding Company)</u>			
Number of shares held		900,200	900,200
Percentage of holding		58%	58%
<u>Dassault Systemes SA France</u>			
Number of shares held		385,800	385,800
Percentage of holding		25%	25%
<u>Dassault Systemes Delmia Corp</u>			
Number of shares held		266,200	266,200
Percentage of holding		17%	17%
		1,552,200	1,552,200

Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

		As at March 31,	
		2014	2013
d.	Details of shareholders holding more than 5%		
I.	Equity Shares		
	Geometric Limited (Holding Company)		
	Number of shares held	900,200	900,200
	Percentage of holding in the class	66%	66%
	Dassault Systemes SA France		
	Number of shares held	385,800	385,800
	Percentage of holding in the class	28%	28%
	Dassault Systemes Delmia Corp		
	Number of shares held	87,246	87,246
	Percentage of holding in the class	6%	6%
		1,373,246	1,373,246
II.	Class 'A' Equity Shares		
	Dassault Systemes Delmia Corp		
	Number of shares held	72,965	72,965
	Percentage of holding in the class	100%	100%
III.	Class 'B' Equity Shares		
	Dassault Systemes Delmia Corp		
	Number of shares held	105,989	105,989
	Percentage of holding in the class	100%	100%
e.	Aggregate number of shares issued for consideration other than cash and during the period of five years immediately preceding the reporting date:		
	Equity shares (issued on July 1, 2011)	87,246	87,246
	Class 'A' Equity Shares (issued on July 1, 2011)	72,965	72,965
	Class 'B' Equity Shares (issued on July 1, 2011)	105,989	105,989
		266,200	266,200



Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

	As at March 31,	
	2014	2013
5. RESERVES AND SURPLUS		
General Reserve		
As per last Balance Sheet	108,703,886	33,600,000
Add : Transferred from Delmia Solutions Private Limited (Refer Note 32)	-	32,115,406
Add: Transfer from profit and loss account	47,000,000	45,500,000
Less: Adjustment pursuant to merger of Delmia Solutions Private Limited (Refer note : 32)	-	(2,511,520)
	155,703,886	108,703,886
Cash Flow Hedging Reserve		
As per last Balance Sheet	(170,512,455)	(273,367,020)
Add : Transferred from Delmia Solutions Private Limited (Refer Note 32)	-	(8,184,519)
Add/ Less : Movement during the year (net)	112,346,537	111,039,084
	(58,165,918)	(170,512,455)
Securities Premium		
As per last Balance Sheet	304,039,845	304,039,445
Add : Transferred from Delmia Solutions Private Limited (Refer Note 32)	-	400
	304,039,845	304,039,845
Capital Redemption Reserve		
As per last Balance Sheet	1,000,000	-
Add : Transferred from Delmia Solutions Private Limited (Refer Note 32)	-	1,000,000
	1,000,000	1,000,000
Capital Reserve		
As per last Balance Sheet	999,954	-
Add : Transferred from Delmia Solutions Private Limited (Refer Note 32)	-	999,954
	999,954	999,954
Surplus in the statement of Profit and Loss		
As per last Balance Sheet	1,446,453,697	1,059,162,310
Add : Transferred from Delmia Solutions Private Limited (Refer Note 32)	-	123,536,564
Add : Net Profit for the year	467,510,579	448,163,258
Less : Interim Dividend	(388,050,000)	(119,519,400)
Less : Dividend Distribution Tax	(65,949,098)	(19,389,035)
Less : Transfer to General Reserve	(47,000,000)	(45,500,000)
Net Surplus in the statement of Profit & Loss	1,412,965,178	1,446,453,697
	1,816,542,945	1,690,684,927

Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

		As at March 31,	
		2014	2013
6. DEFERRED TAX LIABILITY (net)			
Deferred Tax Liability			
Difference in depreciation of tax books and financial books		45,530,442	41,807,420
Deferred Tax Asset			
Effect of expenditure debited to Statement of Profit and Loss account in the current year but allowed for tax purposes in following year		(21,661,765)	(24,599,986)
		23,868,677	17,207,434
7. OTHER LONG TERM LIABILITIES			
Deferred Revenue		33,012,477	38,109,160
Forward Contract Payable		10,670,617	2,395,944
		43,683,094	40,505,104
8. LONG TERM PROVISIONS			
Fringe Benefit Tax		1,132,642	1,132,642
		1,132,642	1,132,642
9. TRADE PAYABLES			
Trade Payables (Refer Note 33)		8,318,659	328,471
		8,318,659	328,471
10. OTHER CURRENT LIABILITIES			
Deferred Revenue		44,723,627	45,816,670
Retention Money		2,421,713	2,141,873
Forward Contracts Payable		44,793,063	187,353,609
Accrued Expenses		175,830,007	158,633,377
Statutory Liabilities		24,994,875	22,789,667
Deposits from Vendors		60,000	60,000
Advances from customers		181,198	226,799
Others Payables		49,614,360	23,196,720
		342,618,843	440,218,715
11. SHORT TERM PROVISIONS			
Provision for employee benefits			
Gratuity		25,281,553	16,711,836
Long Service Bonus		-	20,638,333
Compensated Absences		36,816,266	33,392,019
		62,097,819	70,742,188



Notes to accounts for the year ended March 31, 2014 (Contd.)

12. FIXED ASSETS

ASSET	GROSS BLOCK					DEPRECIATION / AMORTISATION				NET BLOCK	
	As at April 1, 2013	Adjustments pursuant to merger of Delmia Solutions Private Limited	Additions	Disposals/ Other Adjustments	As at March 31, 2014	As at April 1, 2013	Adjustments pursuant to merger of Delmia Solutions Private Limited	For the Year	On Disposals/ Other Adjustments	Upto March 31, 2014	As at March 31, 2014
Tangible Assets:											
- Leasehold Land	388,436,766	-	-	-	388,436,766	13,886,382	-	4,171,677	-	18,058,059	370,378,707
- Leasehold Land Improvement	-	-	337,232	-	337,232	-	-	37,219	-	37,219	300,013
- Buildings	466,941,520	-	19,977,928	-	486,919,448	44,299,764	-	17,409,230	-	61,708,994	425,210,454
- Computers	750,293,064	-	120,087,083	86,348,128	784,032,019	577,712,032	-	112,004,956	86,332,367	603,384,621	180,647,398
- Electrical Installations	134,279,857	-	7,773,967	-	142,053,824	53,252,223	-	17,274,216	-	70,526,439	71,527,385
- Office Equipment and EPBAX System	92,235,994	-	29,990,658	2,107,467	120,119,185	19,489,048	-	12,204,076	283,697	31,409,427	88,709,758
- Furniture and Fixtures	138,900,026	-	5,602,049	527,407	143,974,668	48,196,254	-	14,433,443	465,889	62,163,808	81,810,860
- Vehicles	25,048,381	-	-	10,184,289	14,864,092	15,862,640	-	3,991,324	9,866,769	9,987,195	4,876,897
Total	1,996,135,608	-	183,768,917	99,167,291	2,080,737,234	772,698,343	-	181,526,141	96,948,722	857,275,762	1,223,461,472
Previous year	1,671,992,030	119,475,987	263,524,032	58,856,441	1,996,135,608	580,127,333	84,673,080	166,424,242	58,526,312	772,698,343	1,223,437,265
Intangible Assets:											
- Computer Software	18,322,972	-	64,704	15,010,932	3,376,744	16,209,367	-	1,105,809	15,010,932	2,304,244	1,072,500
Total	18,322,972	-	64,704	15,010,932	3,376,744	16,209,367	-	1,105,809	15,010,932	2,304,244	1,072,500
Previous year	13,303,177	3,456,402	1,563,393	-	18,322,972	11,838,967	3,456,402	913,999	-	16,209,367	2,113,605
Grand Total	2,014,458,580	-	183,833,621	114,178,223	2,084,113,978	788,907,710	-	182,631,950	111,959,654	859,580,006	1,224,533,972
Previous year	1,685,295,207	122,932,389	265,087,425	58,856,441	2,014,458,580	591,966,300	88,129,482	167,338,241	58,526,312	788,907,710	1,225,550,870
Capital Work in Progress											465,723
											9,855,816

Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

	As at March 31,	
	2014	2013
13. LONG TERM LOANS AND ADVANCES (unsecured , considered good)		
Unsecured, considered good		
Capital Advances		
Godrej and Boyce Manufacturing Company Limited.	-	3,935,605
Others	-	4,787,824
Rental Deposit to Related Parties		
Godrej and Boyce Manufacturing Company Limited.	-	2,126,014
Security Deposits	32,103,892	28,181,680
Others		
Service Tax Receivable	65,145,865	46,663,647
Advance Tax	42,444,357	43,981,113
MAT credit entitlement	-	43,690,720
a	139,694,114	173,366,603
Unsecured , considered doubtful		
Advances recoverable in cash or kind	1,632,000	1,632,000
Less : Provision for doubtful advances	1,632,000	1,632,000
b	-	-
(a + b)	139,694,114	173,366,603
14. OTHER NON CURRENT ASSETS		
Deposits in Banks (with original maturity greater than twelve months)	7,116,867	3,965,000
[Pledged with bankers for obtaining bank guarantees ₹7,116,867 (March 31, 2013: ₹ 3,965,000)]		
	7,116,867	3,965,000



Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

			As at March 31,	
	Units	Face Value	2014	2013
15. CURRENT INVESTMENTS				
OTHER THAN TRADE, UNQUOTED, FULLY PAID UP (at lower of cost or fair value)				
Investments in Mutual Funds				
Birla Cash Plus Direct Plus -Direct DDR	659,627.04	100.00	66,091,330	-
Birla Floating Rate Long Term Plan -DDR -Direct	561,012.26	100.00	-	56,192,615
Franklin Templeton Ultra Short Term Fund - Direct	7,454,717.59	10.00	74,733,636	-
ICICI Prudential Interval Plan	3,727,280.04	10.00	37,522,942	-
ICICI Prud Money Market Fund	110,261.43	100.00	11,041,966	-
ICICI Prudential Blended Plan -B	6,087,578.22	10.00	-	61,004,692
ICICI Prudential Liquid Plan Direct Plan	503,101.15	100.00	-	50,321,485
ICICI Prudential Ultra Short Term Direct Plan	5,990,138.88	10.00	60,538,740	-
JM High Liquidity Fund - Institutional Plan	1,985,832.42	10.00	-	20,712,630
JM Money Manager Fund - Super Plan	9,147,356.56	10.00	91,498,777	-
Kotak Flexi Debt Scheme Plan A - Direct Plan	3,856,404.93	10.00	38,747,225	-
Kotak Flexi Debt Scheme Plan A - Direct Plan	2,786,762.88	10.00	-	28,000,000
Kotak Floater - Short Term Direct Plan	39,910.36	1,000.00	-	40,374,121
Kotak Liquid Institutional Premium Plan - DDR	1,630.39	1,000.00	-	1,002,220
Kotak Liquid Scheme - Plan A	16,117.42	1,000.00	19,708,536	-
Reliance Liquid Fund Treasury Plan	50,461.91	1,528.00	77,143,142	-
Reliance Liquid Fund Treasury Plan IP- Direct	16,417.80	1,000.00	-	25,098,550
Reliance Liquid Fund - Treasury-IP-DDR	30,898.28	1,000.00	-	47,237,165
Reliance Money Manager Fund	89,932.37	1,000.00	90,122,057	-
Religare Liquid Fund Super IP - Direct	7,628.91	1,000.00	-	7,634,896
Religare Liquid Fund Super IP DDR	5,210.80	1,000.00	-	5,214,887
Religare Ultra Short Term Fund - Institutional Dividend	83,850.91	1,000.00	84,360,799	-
Religare Ultra Short Term Fund - Institutional Dividend	58,914.58	1,000.00	-	60,258,327
Sundaram Money Fund - Super IP	6,104,083.26	10.00	-	61,622,552
UTI Banking & PSU Fund	6,001,105.62	10.00	60,400,417	-
UTI Fixed Income Interval Fund VI QIP DDR	6,152,419.24	10.00	-	61,562,415
			711,909,567	526,236,555
Aggregate value of unquoted investments			711,909,567	526,236,555
Aggregate value of quoted investments			-	-

Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

		As at March 31,	
		2014	2013
16. TRADE RECEIVABLES (unsecured, considered good)			
Debts outstanding for a period exceeding six months from the date they are due for payment		-	-
Other Debts		134,077,875	186,345,279
		134,077,875	186,345,279
17. CASH AND BANK BALANCES			
<u>Cash and Cash Equivalents</u>			
Cash in Hand		-	-
<u>Balances with Banks</u>			
In Current Accounts		9,885,145	17,860,550
Cheques in Hand		126,108	-
Total- Cash and Cash Equivalents		10,011,253	17,860,550
<u>Other bank balances</u>			
In Deposit Accounts with original maturity for less than twelve months		2,361,361	3,019,845
[Pledged with bankers for obtaining bank guarantees ₹ 2,361,361 (March 31, 2013: 3,019,845)]			
		12,372,614	20,880,395
18. SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)			
Unsecured, considered good			
Advances/ Deposits to Related Parties			
Godrej and Boyce Manufacturing Company Limited.		2,424,336	420,648
Geometric Limited		-	39,961
Geometric Americas Inc		1,512,364	1,213,272
Geometric SAS		1,393,250	-
MAT credit entitlement		18,854,527	64,657,625
Others		45,025,649	44,529,716
	a	69,210,126	110,861,222
Unsecured , considered doubtful			
Advances recoverable in cash or kind		793,098	992,799
Less : Provision for doubtful advances		793,098	992,799
	b	-	-
	(a + b)	69,210,126	110,861,222



Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

	As at March 31,	
	2014	2013
19. OTHER CURRENT ASSETS (Unsecured, considered good)		
Accrued Interest	1,139,428	909,810
Unbilled Revenue	9,566,292	9,286,261
Other Receivables	3,698,101	9,083,670
	14,403,821	19,279,741
20. OTHER INCOME		
Dividend Income on current investments	32,421,178	21,344,301
Interest Income		
- Interest on Bank Deposits	901,888	938,978
- Other Interest	68,438	15,257
Other Non Operating Income		
- Gain on Sale of Assets (Net)	5,634,856	4,521,610
- Gain on sale of current investments (Net)	-	5,077
- Miscellaneous Income	1,073,301	1,179,688
- Excess Provision written back	2,307,650	2,523,541
	42,407,311	30,528,452
21. EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus and Allowances	1,443,557,033	1,323,302,148
Gratuity Expenses (Refer Note 29)	25,281,553	17,880,620
Contribution to Provident and Other Funds	70,121,443	66,232,817
Staff Welfare Expenses	42,852,942	39,245,307
	1,581,812,971	1,446,660,892

Notes to accounts for the year ended March 31, 2014 (Contd.)

(All amounts in Indian ₹ unless otherwise stated)

	As at March 31,	
	2014	2013
22. OPERATING AND OTHER EXPENSES		
Electricity Expenses	58,511,134	59,172,598
Facility Charges	41,184,561	40,092,001
Rates and Taxes	2,745,895	3,023,259
Rent	52,739,053	53,404,172
Lease Rent - Assets	5,429,129	4,052,736
Repairs and Maintenance:		
Computers	21,260,827	18,263,877
Buildings	4,648,309	4,902,951
Others	12,162,657	7,431,312
Insurance	24,807,744	22,533,122
Travelling and Conveyance Expenses	14,485,734	14,005,619
Advertising and Publicity	-	5,000
Communication Expenses	3,089,040	4,292,591
Legal and Professional Charges	10,215,297	13,604,679
Staff Recruitment Expenses	2,333,706	4,946,482
Loss on Sale of Investments (Net)	1,898,547	-
Loss on Exchange Fluctuation (Net)	358,924,332	206,010,254
Advance Tax written off	2,630,787	-
Deposits written off	-	795,753
Shared Service Cost	26,381,764	26,326,952
Miscellaneous Expenses	14,006,067	9,771,568
	657,454,583	492,634,926
23. FINANCE COST		
Interest Expense	-	1,496,448
Bank Charges	822,732	598,303
	822,732	2,094,751



Notes to accounts for the year ended March 31, 2014 (Contd.)

24. CAPITAL & OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed, net of advances to the extent not provided for ₹ 5,399,220 (March 31, 2013: ₹ 28,941,918).

For commitments relating to lease arrangements, please refer note 26.

25. CONTINGENT LIABILITIES

Particulars	As at March 31,	
	2014	2013
	₹	₹
Income Tax Demand (TDS)*	24,026,838	23,689,928
Income Tax Demand*	27,696,860	80,552,749
Claims against the Company not acknowledged as debts**	5,000,000	-
Total	56,723,698	104,242,677

* Pending the settlement of the dispute and based on management estimate of likelihood of outcome, of the Company has not provided these amounts in books.

**The Company filed a civil suit against an employee in India in 2008 claiming damages of ₹ 578 million for data theft of intellectual property. Against this, the employee has filed Counter claim of ₹ 5 million in 2009 towards wrongful removal and mental agony. The company has been advised by its legal counsel that it is possible, but not probable, the action will succeed and accordingly no provision for liability has been recognized in the financial statements

26. ACCOUNTING FOR LEASES

The Company has taken equipment, cars and various office premises, under operating lease arrangements for terms ranging from 1 to 5 years.

These are generally renewable by mutual consent. There are no specific restrictions imposed by the lease arrangements except that the leased premises cannot be sub leased any further in case of certain premises. There are escalation clauses in agreements with some parties. There are no sub leases. The rentals stated in the lease agreement are given below in accordance with the Accounting Standard (AS-19) on "Leases".

Operating Lease	Year Ended March 31,	
	2014	2013
	₹	₹
Lease payments	61,305,835	59,877,840

Operating Lease	Year Ended March 31,	
	2014	2013
	₹	₹
Minimum Lease Payments		
Not later than one year	49,892,134	57,420,298
Later than one year but not later than five years	104,937,175	119,679,465

Notes to accounts for the year ended March 31, 2014 (Contd.)

27. DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

Purpose	As at March 31,				
	2014		2013		
	Foreign Currency	INR Amount	Foreign Currency	INR Amount	
Hedge of highly probable foreign currency sales	USD	36,660,000	2,397,587,730	63,445,000	3,411,922,608
	EUR	28,200,000	2,429,890,006	8,400,000	646,415,000
Unhedged Foreign Currency Exposure					
Bank Balance	USD	225,306	13,495,853	31,687	1,720,604
Other Payables	USD	574,156	34,391,934	211,371	11,477,423

28. RELATED PARTY TRANSACTIONS

a. Related parties and their Relationships

Names of related parties where control exists irrespective of whether transactions have occurred or not.

Holding Company	Geometric Limited
Parties having substantial interest and exercising significant influence	Dassault Systemes SA France
Fellow Subsidiaries	Geometric Americas Inc. Geometric SAS

Names of other related parties with whom transactions have taken place during the period

Parties exercising significant influence	Abaqus Inc. Dassault Data Services Suresness Dassault Systemes (Shanghai) Information Technology Co. Ltd. Dassault Systemes Delmia Corp. Dassault Systemes Deutschland GmBH Dassault Systemes Geovia Inc. Dassault Systemes India Pvt. Ltd. Dassault Systemes Israel Dassault Systemes Italia, Srl Dassault Systemes K.K. Dassault Systemes Service, LLC Dassault Systemes Simulia Corp. Dassault Systemes Innovation Tech. Korea Dassault Systemes of America Corp. Dassault Systemes Canada Innovation Technologies Inc Dassault Systemes Enovia Corp. SolidWorks Corporation Godrej and Boyce Manufacturing Company Limited. SmarTeam Corp Ltd. Spatial Corporation Dassault Systemes UK Ltd. Sudarshan Mogasale (C.E.O. & Manager)
Key Management Personnel	



Notes to accounts for the year ended March 31, 2014 (Contd.)

Related Party Transactions (Contd.)

Note: Corresponding previous quarter figures are given in brackets:

Nature of Transaction	Year Ended March 31, 2014			
	Holding Company	Fellow Subsidiaries	Parties Having Substantial Interest	Parties Exercising Significant Influence
Revenue	-	-	1,528,722,213	1,554,588,064
	(-)	(-)	(1,318,989,066)	(1,421,177,301)
Purchase of Fixed Assets	-	-	-	6,013,221
	(-)	(-)	(-)	(11,594,698)
Rent towards Leased Premises	2,606,645	-	-	3,581,610
	(3,174,143)	(-)	(-)	(5,642,778)
Rent Income	568,512	-	-	-
	(568,512)	(-)	(-)	(-)
Reimbursement of Expenses	40,784,789	1,842,891	12,765,078	-
	(37,086,999)	(549,432)	(-)	(-)
Recovery of Expenses	2,098,179	7,217,377	69,002,642	53,545,201
	(3,059,453)	(8,070,723)	(51,072,689)	(41,661,841)
Recovery of Hardware Cost	-	-	35,677,337	12,123,657
	(-)	(-)	(-)	(-)
Recovery of Tax Demand	-	-	-	13,099,440
	(-)	(-)	(4,957,691)	(5,311,291)
Interim Dividend paid	225,050,000	-	96,450,000	66,550,000
	(69,315,400)	(-)	(29,706,600)	(20,497,400)
Security Deposit Written Off	-	-	-	122,326
	(-)	(-)	(-)	(795,753)
Advance Repaid	-	-	-	-
	(-)	(-)	(-)	(2,224,438)
Advance Given	-	-	-	-
	(-)	(-)	(-)	(3,970,659)
Security Deposit Recovered	-	-	-	-
	(-)	(-)	(-)	(6,597,856)
Other Expenses	-	-	-	258,855
	(-)	(-)	(-)	(152,456)

Nature of transaction	Year Ended March 31,	
	2014	2013
Managerial Remuneration: Key Management Personnel		
Sudarshan Mogasale	6,201,988	5,556,805

Notes to accounts for the year ended March 31, 2014 (Contd.)

Related Party Transactions (Contd.)

Out of the above items transactions with Holding companies, Parties Having Substantial Interest and Parties Exercising Significant Influence in the excess of 10% of the total related party transactions are as under:

Transactions and Related Parties	Year Ended March 31,	
	2014	2013
Revenue		
Dassault Systemes SA France	1,528,722,213	1,318,989,066
Dassault Systemes Enovia Corp.	424,136,650	516,487,080
SolidWorks Corporation	339,216,658	280,987,838
Purchase of Fixed Assets		
Godrej and Boyce Manufacturing Company Limited.	6,013,221	11,594,698
Rent Expenses		
Geometric Limited	2,606,645	3,174,143
Godrej and Boyce Manufacturing Company Limited.	3,581,610	5,642,778
Rent Income		
Geometric Limited	568,512	568,512
Reimbursement of Expenses		
Geometric Limited	40,784,789	37,086,999
Dassault Systemes SA France	12,765,078	-
Recovery of expenses		
Dassault Systemes SA France	69,002,642	51,072,689
Solidworks Corporation	13,725,384	10,434,090
Recovery of Hardware		
Solidworks Corporation	-	-
Dassault Systemes SA France	35,677,337	-
Recovery of Tax Demand		
Dassault Systemes SA France	-	4,957,691
Dassault Systemes Delmia Corp.	13,099,440	5,311,291
Dividend Paid		
Geometric Limited	225,050,000	69,315,400
Dassault Systemes SA France	96,450,000	29,706,600
Dassault Systemes Delmia Corp.	66,550,000	20,497,400
Security Deposit Written Off		
Godrej and Boyce Manufacturing Company Limited.	122,326	795,753
Security Deposit Recovered		
Godrej and Boyce Manufacturing Company Limited.	-	6,597,856
Deposit of MSEB transferred		
Geometric Limited	-	2,190,600
Advances Given		
Godrej and Boyce Manufacturing Company Limited.	-	3,970,659
Advance Repaid		
Godrej & Boyce Manufacturing Company Limited	-	2,224,438
Other Expenses		
Godrej and Boyce Manufacturing Company Limited.	258,855	152,456



Notes to accounts for the year ended March 31, 2014 (Contd.)

Related Party Transactions (Contd.)

Outstanding Balances	As on March 31,	
	2014	2013
1. Holding Company :		
a. Trade Payables/Other Payables Geometric Limited	4,853,743	2,707,860
b. Trade Receivable/Other Receivables Geometric Limited	-	39,961
2. Fellow Subsidiaries :		
a. Advances Receivable Geometric Americas Inc. Geometric SAS	1,512,364 1,393,250	1,213,272 -
b. Advances Payable Geometric Americas Inc.	1,304,034	586,962
3. Parties having substantial interest:		
a. Trade Receivables/Other Receivables Dassault Systemes SA France	120,860,134	108,142,707
b. Trade Payables/Other Payables Dassault Systemes SA France	-	11,457,710
a. Unbilled Revenue Dassault Systemes SA France	1,657,276	1,499,261
4. Parties exercising significant influence :		
a. Trade Receivables/Other Receivables Dassault Data Services Suresness Dassault Systemes Deutschland GMBH Dassault Systemes Service, LLC Dassault Systemes Americas Corp. Dassault Systemes Canada Innovation Technologies Inc. Dassault Systems Innovation Technologies Inc. Dassault Systemes Italia, Srl SmarTeam Corp Ltd. Dassault Systemes India Private Limited Dassault Systemes Taiwan Branch Dassault Systemes Israel Dassault Systemes (Shanghai) Information Technology Co. Ltd. Dassault Systemes Solidworks Corporation Dassault Systemes Enovia Corp	- - 7,565,475 186,759 970,078 - - - 287,168 - 5,750,400 1,518,116 604,990	2,356,621 543,000 10,411,903 - 543,000 128,813 5,215,776 25,908,299 327,598 583,936 293,220 - - 40,925,038

Notes to accounts for the year ended March 31, 2014 (Contd.)

Related Party Transactions (Contd.)

Outstanding Balances	As on March 31,	
	2014	2013
b. Deposits		
Godrej and Boyce Manufacturing Company Limited	2,424,336	2,546,662
c. Advance Given		
Godrej and Boyce Manufacturing Company Limited	-	3,970,659
d. Trade Payables and Other Liabilities		
Dassault Systemes Delmia Corp.	19,343,016	5,311,291
Godrej and Boyce Manufacturing Company Limited	-	-
Spatial Corporation	-	11,978
e. Unbilled Revenue		
Dassault Data Services Suresness	-	135,750
Dassault Systemes Service, LLC	5,515,817	7,549,438
Dassault Systemes K.K.	-	61,088
Dassault Systemes Korea Corp.	30,190	-
Dassault Systemes India Private Limited	590,015	-
Dassault Systemes Americas Corp	217,512	-
Dassault Systemes (Shanghai) Information Technology Co. Ltd.	158,136	-
Dassault Systemes Canada Innovation Technologies Inc.	1,186,020	-
Dassault Systemes Deutschland GmbH	143,760	-
SolidWorks Corporation	67,567	40,725
f. Advance Received		
Dassault Data Services Suresness	181,198	12,218

29. EMPLOYEE BENEFITS

a. Defined Contribution Plan

Contribution to defined contribution plan, recognised in the statement of profit and loss account under Employee cost, Contribution to provident and other funds, in Note 23 for the period are as under:

Particulars	Year Ended March 31,	
	2014	2013
Contribution to Provident Fund	52,893,124	48,709,607
Contribution to Superannuation Fund	11,802,187	12,333,390

b. Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following table summarizes the components of net benefit expenses recognized in the statement of profit and loss, the funded status and amount recognized in the Balance Sheet.



Notes to accounts for the year ended March 31, 2014 (Contd.)

Particulars	As at March 31,	
	2014	2013
Gratuity		
I. Reconciliation of opening and closing balances of Defined Benefit obligation		
Present Value of Defined Benefit obligation as at the beginning of the period/year	107,109,529	63,425,402
Present Value of Defined Benefit obligation taken over from Delmia Solutions Private Limited	-	20,815,648
Interest Cost	8,311,103	6,865,104
Current Service Cost	25,816,375	18,847,106
Benefits paid	(6,441,479)	(6,950,241)
Net Actuarial Loss / (Gain)	6,561,266	4,106,510
Present Value of Defined Benefit obligation as at the end of the period/year	141,356,794	107,109,529
II. Reconciliation of fair value of plan assets		
Fair value of plan assets as at the beginning of the period/year	90,397,693	50,076,917
Plan Assets taken over from Delmia Solutions Private Limited	-	21,114,256
Expected return on plan assets	7,642,630	5,986,031
Net Actuarial Gain / (Loss)	7,764,561	5,952,069
Employer's contribution	16,711,836	14,218,661
Benefits paid	(6,441,479)	(6,950,241)
Fair value of plan assets as at the end of the period/year	116,075,241	90,397,693
III. Net Liability recognised in Balance Sheet		
Present Value of Defined Benefit obligation	141,356,794	107,109,529
Fair value of plan assets	116,075,241	90,397,693
Net liability recognised in Balance Sheet	25,281,553	16,711,836
IV. Component of employer's expenses		
Current Service Cost	25,816,375	18,847,106
Past Service Cost	-	-
Interest Cost	8,311,103	6,865,104
Expected Return on Plan Asset	(7,642,630)	(5,986,031)
Net Actuarial Loss / (Gain)	(1,203,295)	(1,845,559)
Total expenses recognised in the statement of Profit and Loss, under Employee benefit expense	25,281,553	17,880,620
V. Actual return on plan assets	15,407,191	11,938,100
VI. Actuarial assumptions		
Mortality Table:	L.I.C 1994-96 ULTIMATE	L.I.C 1994-96 ULTIMATE
Discount rate	9.20% P.A.	8.00% P.A.
Expected rate of return on Plan Assets	8.00% P.A.	8.00% P.A.
Salary escalation	12.00% P.A.	7.50% P.A.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Notes to accounts for the year ended March 31, 2014 (Contd.)

Plan Assets:

Particulars	As at March 31,	
	2014	2013
Investments with Insurer	100%	100%

Amounts for the current period and previous four years are as follows:

Particulars	Gratuity				
	31-Mar-14	31-Mar-13	31-Mar-12	31-Mar-11	31-Mar-10
Defined Benefit Obligation	141,356,794	107,109,529	84,241,050	53,586,613	34,753,744
Plan Assets	116,075,241	90,397,693	50,076,917	32,391,064	25,475,604
Surplus/ (Deficit)	(25,281,553)	(16,711,836)	(13,348,485)	(21,195,549)	(9,278,140)
Experience adjustments on plan liabilities-(loss)/gain	(6,561,266)	2,638,318	(1,685,408)	360,351	471,969
Experience adjustments on plan assets- (loss)/gain	9,704,760	5,952,069	(771,721)	(889,785)	(598,851)

30. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 5 OF PART II OF REVISED SCHEDULE VI TO THE COMPANIES ACT, 1956

Particulars	Year Ended March 31,	
	2014	2013
Expenditure in foreign currency (Accrual basis)		
Onsite Salary	9,794,548	5,825,483
Others	3,094,423	1,154,111
	12,888,971	6,979,594
Value of imports (C.I.F basis)		
Capital goods	125,901,834	91,142,779
	125,901,834	91,142,779
Earnings in foreign exchange (Accrual basis)		
Income from Software Development and Sale of Software	3,079,258,198	2,740,071,598
	3,079,258,198	2,740,071,598

b. AUDITORS' REMUNERATION

Particulars	Year Ended March 31,	
	2014	2013
a. As Auditors		
Audit fees	2,300,000	2,950,000
b. In Other Capacity		
Other services (Certification Fees)	225,000	520,000
c. Reimbursement of expenses	238,258	330,693
	2,763,258	3,800,693



Notes to accounts for the year ended March 31, 2014 (Contd.)

c. DIVIDEND REMITTED IN FOREIGN CURRENCY

Particulars	Year Ended March 31,	
	2014	2013
	Amounts in USD	Amounts in USD
Dividend Remitted in foreign currency		
Number of non-resident Shareholders	2	2
Number of equity shares held on which dividend was due	652,000	652,000
Amount remitted	2,734,899	890,142

31. SEGMENTAL REPORTING

a. Primary Segments

The Company is exclusively engaged in the business of Software Development for Dassault Systemes and its affiliates. Accordingly, in terms of AS 17 on Segment Reporting, its operations are considered to constitute one single primary segment.

b. Secondary Segments

Revenue

The following table shows the distribution of the Company's revenue by Geographical Market.

Region	Year Ended March 31,	
	2014	2013
	₹	₹
US	1,422,889,940	1,397,249,147
Europe	1,547,185,083	1,334,557,947
Asia Pacific (excluding India)	29,146,923	7,972,418
Middle East	80,036,282	292,087
India	4,052,078	94,770
Total	3,083,310,276	2,740,166,369

The following table shows the carrying amount of segment assets and addition to segment assets by geographical area in which assets are located.

Particulars	Carrying amount of segment assets		Addition to fixed assets and intangible assets	
	As at March 31,		Year Ended March 31,	
	2014	2013	2014	2013
US	10,839,665	55,425,637	-	-
Europe	122,253,384	113,901,483	-	-
Middle East	5,750,400	26,201,519	-	-
Asia (excluding India)	1,518,116	1,040,346	-	-
India	1,400,214,663	1,401,206,483	183,833,621	265,087,425
Total	1,540,576,228	1,597,775,468	183,833,621	265,087,425

Notes to accounts for the year ended March 31, 2014 (Contd.)

32. SCHEME OF MERGER OF DELMIA SOLUTIONS PRIVATE LIMITED WITH THE COMPANY

In the previous year ended March 31, 2013, the Karnataka High Court has approved the Scheme of Amalgamation ('Delmia Scheme') between Delmia Solutions Private Limited ('Transferor Company' or 'DSPL'), the wholly owned subsidiary of the company and the company from the 'Appointed Date' as defined in the Delmia Scheme of April 01, 2012. The effective date of Delmia Scheme was October 08, 2012.

Pursuant to the Delmia Scheme on the appointed date, the Company had recorded assets taken over of ₹ 203,978,220, liabilities taken over of ₹ 49,710,215 at book value and reserves of DSPL of ₹ 149,467,804. Further, the Investments of ₹ 7,311,720 of the Company in DSPL got cancelled.

The difference between the Company's recorded book value of net assets over the recorded value of reserves taken over and the cost of Investment in DSPL of ₹ 2,511,520 was adjusted with the General Reserve Account of the Company.

33. DUES TO MICRO, SMALL AND MEDIUM SCALE ENTERPRISES

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act 2006".

34. EMPLOYEE STOCK OPTIONS

Certain employees of the Company have been allotted Employee Stock Options in Geometric Limited. The Company has not incurred any expenses for issuing such options.

35. PREVIOUS YEAR COMPARATIVES

The Company has reclassified previous period figures to conform to current period classification.

As per our report of even date

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W

per Govind Ahuja

Partner

Membership No:48966

Place : Mumbai

Date : April 15, 2014

For and on behalf of the Board of Directors of 3D PLM Software Solutions Limited

Manu Parpia

Chairman

Chandan Chowdhury

Alternate Director to Didier Gaillot

Sudarshan Mogasale

CEO and Manager

Place : Navi Mumbai

Date : April 15, 2014



Geometric Americas, Inc.

Financial Statements for the year ended March 31, 2014

Regd. Office
50 Kirts Blvd, Suite A, Troy, MI 48084, USA

Directors Report of Geometric Americas, Inc.

To The Members

The Directors hereby present their Report of the Company for the year ended March 31, 2014.

1. OPERATIONS:

The Company has registered total revenue of USD 78,265,916 and a Net Loss after Tax of USD 205,178.

The Company has transferred Geometric SRL, Romania and Geometric SAS, France w.e.f April 1, 2013 to Geometric Europe GmbH.

2. Share Capital:

During the year, there was no change in the share capital of the Company.

3. Dividends:

The Directors do not recommend any Dividend.

4. FUTURE OUTLOOK:

The Company continues to see strong demand from its customer base and expects to be profitable in the year ahead.

By Order of the Board

Manu Parpia

April 25, 2014

INDEPENDENT AUDITOR'S REPORT

Board of Directors and Stockholders

Geometric Americas, Inc.

Troy, Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of Geometric Americas, Inc., which comprise the balance sheets as of March 31, 2014 and 2013 and the related statements of operations, stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial

statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Geometric Americas, Inc. as of March 31, 2014 and 2013, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Crowe Horwath LLP

Grand Rapids, Michigan

April 27, 2014



Balance Sheet as at March 31, 2014

	2014		2013	
	US\$	Equivalent INR	US\$	Equivalent INR
ASSETS				
Current assets				
Cash	7,208,396	431,782,920	2,839,318	154,174,967
Accounts receivable - trade, net	9,788,970	586,359,303	14,225,061	772,420,812
Accounts receivable - related party	2,509,271	150,305,333	3,035,645	164,835,524
Unbilled work in process, net	10,219,588	612,153,321	8,596,932	466,813,408
Other receivables including loans to employees, net	398,136	23,848,346	513,700	27,893,910
Prepaid expenses	805,012	48,220,219	426,025	23,133,158
Deferred income tax	905,518	54,240,528	1,117,861	60,699,852
Refundable income tax	1,003,075	60,084,193	1,517,296	82,389,173
Total current assets	32,837,966	1,966,994,163	32,271,838	1,752,360,803
Property and equipment, net	280,630	16,809,737	424,001	23,023,254
Other assets				
Goodwill	2,828,090	169,402,591	2,828,090	153,565,287
Deferred income tax	-	-	78,499	4,262,496
Other	987,544	59,153,886	98,876	5,368,967
Total other assets	3,815,634	228,556,477	3,005,465	163,196,750
Total assets	36,934,230	2,212,360,377	35,701,304	1,938,580,807
LIABILITIES AND STOCKHOLDER'S EQUITY				
Current liabilities				
Revolving credit agreement	5,108,557	306,002,564	5,108,557	277,394,645
Accounts payable and accrued expenses	1,013,895	60,732,311	1,728,319	93,847,722
Accounts payable - related party	9,489,443	568,417,636	5,739,860	311,674,398
Deferred revenue	4,840,581	289,950,802	3,293,215	178,821,575
Accrued wages and payroll taxes	2,736,847	163,937,135	2,499,357	135,715,085
Total current liabilities	23,189,323	1,389,040,448	18,369,308	997,453,424
Long-term liabilities				
Note payable to related party	5,500,000	329,450,000	10,000,000	543,000,000
Deferred income tax	539,835	32,336,117	-	-
Total long-term liabilities	6,039,835	361,786,117	10,000,000	543,000,000
Total liabilities	29,229,158	1,750,826,565	28,369,308	1,540,453,424
STOCKHOLDER'S EQUITY				
Common stock, no par value, 10,000 shares authorized; 1,432 shares issued and outstanding	12,062,771	722,559,983	12,062,771	655,008,465
Amounts due from Related Parties	(1,736,386)	(104,009,521)	(2,191,120)	(118,977,816)
Accumulated other comprehensive income	(2,621,313)	(157,016,649)	(2,539,655)	(137,903,267)
Total stockholder's equity	7,705,072	461,533,813	7,331,996	398,127,383
Total liabilities and stockholder's equity	36,934,230	2,212,360,377	35,701,304	1,938,580,807
Exchange rate used for translation : 1 US\$ =		59.9		54.30

Statement of Profit and Loss for the year ended March 31, 2014

	2014		2013	
	US\$	Equivalent INR	US\$	Equivalent INR
Revenue	78,265,916	4,688,128,368	92,764,949	5,037,136,731
Cost of revenue				
Software costs and services provided by related company	28,767,473	1,723,171,633	31,843,989	1,729,128,603
Payroll, payroll taxes and other labor costs	35,338,650	2,116,785,135	44,187,007	2,399,354,480
Indirect cost of revenue	2,773,545	166,135,346	2,911,792	158,110,306
Total cost of revenue	66,879,668	3,631,565,972	78,942,788	4,286,593,388
Gross profit	11,386,248	682,036,255	13,822,161	750,543,342
Operating expenses				
Selling, general and administrative expenses	9,697,976	580,908,762	8,973,726	487,273,322
Depreciation	194,886	11,673,671	337,219	18,310,992
Total operating expenses	9,892,862	592,582,434	9,310,945	505,584,314
Other income (expense)				
Interest income	-	-	-	-
Interest expense	(968,717)	(58,026,148)	(1,237,790)	(67,211,997)
Other	49,435	2,961,157	62,020	3,367,686
Total other expense, net	(919,282)	(55,064,992)	(1,175,770)	(63,844,311)
Net income before taxes	574,104	34,388,830	3,335,446	181,114,718
Income tax expense	779,282	42,315,013	1,127,620	61,229,766
Net income before other comprehensive loss	(205,178)	(12,290,162)	2,207,826	119,884,952
Other comprehensive loss – translation adjustment	-	-	-	-
Comprehensive income	(205,178)	(12,290,162)	2,207,826	119,884,952
Exchange rate used for translation : 1 US\$ =		59.90		54.30



Statement of Stockholder's (Deficit)/Equity

	Capital Stock		Amount due from related Party		Accumulated Other Comprehensive Income		Total	
	US\$	Equivalent INR	US\$	Equivalent INR	US\$	Equivalent INR	US\$	Equivalent INR
Balance, April 1, 2013	12,062,771	722,559,983	(2,191,120)	(131,248,088)	(2,539,655)	(152,125,335)	7,331,996	439,186,560
Net loss	-	-	-	-	(205,178)	(12,290,162)	(205,178)	(12,290,162)
Contribution for transfer of Subsidiary					123,520	7,398,848	123,520	7,398,848
Consideration for Investment in Transferred Subsidiary			54,734	3,278,567			54,734	3,278,567
Reclassification of Amount due from Related Party	-	-	400,000	23,960,000	-	-	400,000	23,960,000
Balance, March 31, 2014	12,062,771	722,559,983	(1,736,386)	104,009,521	(2,621,313)	(157,016,649)	7,705,072	461,533,813
Exchange rate used for translation : 1 US\$ = 59.9								

Statement of Cash Flows for the year ended March 31, 2014

	2014		2013	
	US\$	Equivalent INR	US\$	Equivalent INR
Cash flows provided (used) by operating activities				
Net income	(2,05,178)	(1,22,90,162)	22,07,826	11,98,84,952
Adjustments to reconcile net income to net cash flows provided (used) by operating activities:				
Depreciation	194,886	11,673,671	337,219	18,310,992
Allowance for doubtful accounts	-	-	-	-
Deferred income taxes	830,677	49,757,552	(615,277)	(33,409,541)
Changes in operating assets and liabilities:				
Accounts receivable and unbilled work in process	2,813,435	168,524,757	324,867	17,640,278
Accounts receivable from related party	1,049,894	62,888,651	(840,546)	(45,641,648)
Prepaid expenses and other assets	(1,267,655)	(75,932,535)	17,591	955,191
Refundable income tax	514,221	30,801,838	(1,267,253)	(68,811,838)
Other receivables including loans to employees	115,564	6,922,284	860,628	46,732,100
Accounts payable and accrued expenses	(437,803)	(26,224,400)	(20,252)	(1,099,684)
Accounts payable to related party	3,749,583	224,600,022	2,850,220	154,766,946
Deferred revenue	1,547,366	92,687,223	176,709	9,595,299
Accrued income tax	-	-	-	-
Accrued wages and payroll taxes	(39,131)	(2,343,947)	1,947,352	105,741,214
Net cash provided (used) by operating activities	8,865,859	531,064,954	5,979,084	324,664,261
Cash flows provided (used) by investing activities				
Net activity on note receivable	-	-	258,000	14,009,400
Transfer of Ownership in Subsidiary	54,734	3,278,567		
Acquisition of property and equipment	(51,515)	(3,085,749)	(70,503)	(3,828,313)
Net cash provided (used) by investing activities	3,219	192,818	187,497	10,181,087
Cash flows provided (used) by financing activities				
Principal payment of long term Debt	(4,500,000)	(269,550,000)		
Proceeds from revolving credit facility	-	-	500,000	27,150,000
Repayment of revolving credit facility	-	-	(5,141,443)	(279,180,355)
Payments on notes payable to related party	-	-	-	-
Proceeds from issuance of capital stock	-	-	-	-
Net cash provided (used) by financing activities	(4,500,000)	(269,550,000)	(4,641,443)	(252,030,355)
NET CHANGE IN CASH	4,369,078	261,707,772	1,525,138	82,814,993
Cash at beginning of year	2,839,318	170,075,148	1,314,180	71,359,974
Cash at end of year	7,208,396	431,782,920	2,839,318	154,174,967
Supplemental disclosures of cash flow information				
Cash paid for income taxes	329,500	19,737,050	2,901,864	157,571,215
Cash paid for interest	1,110,383	66,511,942	1,166,957	63,365,765
Exchange rate used for translation : 1 US\$ =		59.9		54.3



Notes to accounts for the year ended March 31, 2014

NOTE 1 - NATURE OF BUSINESS AND ORGANIZATION

Geometric Americas, Inc. ("GAI" or "the Company") was incorporated on August 18, 1997 as a Massachusetts corporation. GAI's primary operations are in the Midwestern United States, where it is principally engaged in providing engineering services to major automotive, agricultural, construction equipment manufacturers and related tier one suppliers. Additionally, GAI provides marketing assistance and promotes software products as well as provides software consulting services.

NOTE 2 - TRANSFER OF OWNERSHIP IN SUBSIDIARIES

As of March 31, 2013 GAI included wholly-owned subsidiaries, Geometric SRL, Romania and Geometric SAS, France, which provide similar services outside the United States of America. Effective April 1, 2013, GAI's reporting entity structure changed as a result of the transfer of the ownership of Geometric SRL, Romania and Geometric SAS, France to Geometric Europe GmbH, a wholly owned subsidiary of GAI's parent Geometric Ltd. The transfers were recorded at cost. Geometric Europe GmbH declared a contribution to GAI related to the transfer of ownership of Geometric SRC, Romania in the amount of \$123,520. The consideration for the transfer was received by the Company in October 2013. GAI received consideration in the amount of \$54,734 for the transfer of its ownership of Geometric SAS France which is equal to GAI's investment in the subsidiary.

The change in reporting entity was retrospectively applied to the financial statements of GAI as of and for the year ended March 31, 2013 in accordance with FASB ASC 805-50. The retrospective application of the transfer of ownership of Geometric SRL, Romania and Geometric SAS, France resulted in a decrease to total assets, liabilities, and stockholder's equity of \$1,006,657, \$665,126, and \$341,531, respectively, at March 31, 2013. The retrospective application of the transfer also resulted in a decrease in net income and comprehensive income of \$309,549 and \$155,484, respectively, for the year ended March 31, 2013.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of Geometric Americas, Inc. is presented to assist in understanding the financial statements. The financial statements and notes are representations of Geometric Americas, Inc. management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America.

Fair Value of Financial Instruments: The Company's carrying amounts for its financial instruments, which include cash, accounts receivable, accounts payable and long-term debt, approximate fair value.

Use of Estimates in Preparation of Interim Financial Statements: The preparation of interim financial statements in conformity with accounting principles generally accepted in the United

States of America requires management to make estimates and assumptions that affect the amounts reported and disclosed in the financial statements and the accompanying notes. Actual results could differ from those estimates. On an ongoing basis, management evaluates estimates including those related to receivables and the related allowance for doubtful accounts, valuation of goodwill, long-lived assets, self-insurance accruals, and income taxes, among others. Management bases estimates on historical experience and on other assumptions that are believed to be reasonable, the results of which for the basis for making judgments about the carrying values of assets and liabilities.

Cash and Cash Equivalents:

For the purpose of the statement of cash flows, cash includes cash and cash equivalents with original maturities of 90 days or less. Effective January 1, 2013, deposits held in noninterest-bearing accounts are aggregated with any interest-bearing deposits, and the combined total is insured up to at least \$250,000.

Concentration of Credit Risk:

For the year ended March 31, 2014, sales to one customer totaled \$12,627,695 which represented 16% of sales. Total accounts receivable from this customer at March 31, 2014 was \$1,582,767.

For the year ended March 31, 2013, sales to one customer totaled \$22,544,588 which represented 24% of sales. Total accounts receivable from this customer at March 31, 2013 was \$3,195,940.

Accounts Receivable and Allowance for Doubtful Accounts:

Accounts and notes receivable are stated at the amount management expects to collect from outstanding accounts. Management provides for probable uncollectible accounts for doubtful accounts through a provision for bad debt expense and an adjustment to an allowance for doubtful accounts based on its assessment of the current status of individual accounts and loan balances. Accounts outstanding after management has used reasonable collection efforts are written off through a charge to the allowance for doubtful accounts and a credit to accounts receivable. The allowance for doubtful accounts at March 31, 2014 and 2013 for both accounts receivable and unbilled work in process was \$356,445 and \$1,011,835, respectively. The Company does not require collateral from its customers.

Property and Equipment:

Property and equipment is stated at cost less accumulated depreciation.

Depreciation is provided using accelerated methods over an estimated useful life of the asset.

Expenditures for maintenance and repairs are charged to expense as incurred. The estimated lives for

Notes to accounts for the year ended March 31, 2014 (Contd.)

various categories of the assets are as follows:

Computer software	3 years
Computer equipment	3 years
Furniture and fixtures	10 years
Machinery and equipment	13 years
Leasehold improvements	Over the term of the lease

Goodwill:

The Company is required to test the carrying value of goodwill for impairment at the reporting unit level annually or more frequently if an event occurs under the provisions of FASB ASC 350, Intangibles – Goodwill and Other. A reporting unit is defined as a component of an enterprise that earns revenue and incurs expenses, of which discrete financial information is available. The Company has determined that its reportable units are those that are based on the Company's method of internal reporting, which disaggregates its business by product category and geography. The Company's reportable units are engineering services and software products and services. The company first assesses qualitative factors of the reporting unit to determine if it is more likely than not that the fair value of the reporting unit is less than the carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test. There was no goodwill impairment recognized during the year ended March 31, 2014 or 2013 as the enterprise value exceeded the carrying amount of goodwill.

Investment:

In July 2013, GAI entered into a collaboration agreement to develop and sell software with an unrelated company that provides enterprise software and solutions to manufacturing organizations. In accordance with the terms of the agreement, GAI has advanced \$1,308,000 to the unrelated company. The advances are to be recovered through royalty payments to be received from the unrelated company based upon software sales, with \$43,910 recovered in the year ended March 31, 2014. \$400,000 of the advance is recorded in prepaid expenses and other assets within the March 31, 2014 balance sheet and represents management's estimate of the royalty payments to be received in the next twelve months. The long-term portion of the advance, \$864,090, is recorded in other assets. The advance is analyzed for impairment on an annual basis and between annual evaluations if events occur or circumstances change that would indicate that the asset could be impaired. No evidence of impairment existed at March 31, 2014.

In conjunction with the collaboration agreement, GAI acquired a 3% ownership percentage in the unrelated company. The investment is recorded at cost, as a reduction to the advanced funds described above, and is not material to the overall financial statements.

Revenue Recognition:

Fixed fee projects: The Company's fixed fee contracts generally provide for billing of customers based on the agreed upon schedule specified in each contract. Revenue is recognized as service is provided to the customer. Revenue earned on in-process contracts that is in excess of billings is classified as unbilled work in process and amounts billed in excess of revenue earned are classified as deferred revenue and later recognized as revenue when service is provided to the customer.

Time and Material Projects: Revenue is recognized on a per hour basis as determined by the contract. All costs associated with the generation of revenue are expensed as incurred. Product and Services: Revenue is recognized at the time the software program is sold. Payments received for program maintenance agreements are initially recorded as deferred revenue and are recognized as revenue ratably over the term of the agreement.

Advertising Expense: The Company expenses advertising costs as incurred. Advertising expenses during the years ended March 31, 2014 and 2013 were \$211,833 and \$212,287, respectively.

Income Taxes: The Company accounts for income taxes using the liability method whereby deferred tax asset and liability account balances are determined based on differences between the financial reporting and tax basis of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value.

Uncertain tax positions are recognized and measured under provisions of FASB ASC 740. These provisions require the Company to recognize a tax benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded. There were no accrued interest or penalties recognized at March 31, 2014 or March 31, 2015 for unrecognized tax benefits.

The Company is subject to U.S. federal income tax as well as income tax of the state of Michigan as well as various other state income taxes. The Company is no longer subject to examination by taxing authorities for years before December 31, 2010 in respect to U.S. federal income tax and state taxes. The Company does not expect the total amount of unrecognized tax benefits to significantly change in the next twelve months.

The Company recognizes interest and/or penalties related to income tax matters in income tax expense. The Company had \$52,000 accrued for interest and penalties at March 31, 2014. There were no interest or penalties accrued at March 31, 2013.



Notes to accounts for the year ended March 31, 2014 (Contd.)

Deferred Income Taxes: Deferred income taxes are provided for temporary differences between financial statement income and tax return income under the provisions of FASB ASC 350, Income Taxes which requires recognition, in the form of deferred tax liabilities and assets, of the future tax consequences of transactions and events that have been recognized in the Company's financial statements. The principal temporary differences arise from allowance estimates, various accrued expenses and goodwill amortization. The tax effect of such differences is included quarterly on the statement of operations and on the balance sheet as an adjustment to deferred income taxes.

Subsequent Events: Management has performed an analysis of activities and transactions subsequent to March 31, 2014 to determine the need for any adjustments to and/or disclosures within these financial statements for the year ended March 31, 2014. Management has performed an analysis through April 27, 2014, which was the date that the financial statements were available for issuance and has determined that there are no subsequent events to disclose.

NOTE 4 - PROPERTY AND EQUIPMENT, NET

Property and equipment consists of the following at March 31, 2014 and 2013:

	As at March 31,	
	2014	2013
Machinery and equipment	\$ 263,421	\$ 263,421
Computer equipment and software	4,014,955	4,012,860
Furniture and fixtures	588,035	538,617
Leasehold improvements	193,348	193,348
	5,059,759	5,008,246
Less accumulated depreciation	4,779,129	4,584,245
	\$ 280,630	\$ 424,001

NOTE 5 - REVOLVING CREDIT AGREEMENT

At March 31, 2014 and 2013, the Company had drawn \$5,108,557 under a revolving credit facility with a bank. At March 31, 2014 and 2013, the Company was able to borrow up to \$6,500,000 and \$10,000,000, respectively, with interest at the six month LIBOR rate plus 425 basis points (the six month LIBOR rate at March 31, 2014 and 2013 was .33% and .46%, respectively). The credit facility, amended in October 2013, matures in September 2014 and is secured by the current assets of the Company. The credit facility is guaranteed by Geometric Ltd., the Company's parent.

NOTE 6 - NOTE PAYABLE TO RELATED PARTY

At March 31, 2014 and 2013, the Company had a note payable to a related party in the amount of \$5,500,000 and \$10,000,000, respectively, with quarterly interest payments at 8.5% per annum. Under the terms of the note, principal payments are to be made in monthly installments of \$277,778 starting in July 2014. The interest rate, number of installments, and date of the first payment may be varied upon the agreement of the Company and the related party. The Company made payments totaling \$4,500,000 during the year ended March 31, 2014. These prepayments extended the date of the monthly required payment dates, and the required monthly payments will resume once the principal balance is in agreement with the amortization schedule per the terms of the agreement. Additional prepayments may be made depending on working capital needs. As of March 31, 2014, management was not able to estimate the amount of prepayments, if any, that will be made on the note.

Principal payments remaining on the note payable are to be paid during the following periods:

Years ended March 31,	Amount
2015	\$ -
2016	1,333,338
2017	3,333,336
2018	833,326
2019	-

NOTE 7 - DEFERRED REVENUE

Engineering Services

Amounts billed in excess of revenue earned under fixed fee contracts are deferred and recognized as revenue when service is provided to the customer. At March 31, 2014 and 2013, deferred revenue for engineering services totaled \$3,115,363 and \$2,016,796, respectively.

Product Services

Revenue is deferred and recognized for program maintenance agreements sold in conjunction with software programs over the term of the agreement. At March 31, 2014 and 2013, deferred revenue for product services totaled \$1,725,218 and \$1,276,419, respectively.

NOTE 8 - CONTINGENCIES AND COMMITMENTS

Lease Commitment

The Company conducts operations from facilities and has various pieces of equipment that are leased under non-cancelable operating leases agreements. Total rent expense under these leases was \$646,538 and \$629,218 for the years ended March 31, 2014 and 2013, respectively.

Notes to accounts for the year ended March 31, 2014 (Contd.)

Minimum future rental payments under non-cancelable operating leases having initial or remaining terms in excess of one year as of March 31, 2014 are to be paid during the following periods:

Years ended March 31,	Amount
2015	\$ 566,500
2016	585,730
2017	405,744
2018	31,344
2019	31,344
	\$ 1,620,662

NOTE 9 - INCOME TAXES

Income tax expense consists of the following:

	2014	2013
Current expense - federal	\$ 27,866	\$ 1,364,020
Current expense (benefit) - state	(131,260)	293,087
Deferred expense (benefit) – federal	818,183	(454,530)
Deferred expense (benefit) – state	12,493	(74,957)
Penalties	52,000	-
	\$ 779,282	\$ 1,127,620

The deferred tax assets and liabilities are as follows:

	2014	2013
Current expense - federal	\$ 27,866	\$ 1,364,020
Current expense (benefit) - state	(131,260)	293,087
Deferred expense (benefit) – federal	818,183	(454,530)
Deferred expense (benefit) – state	12,493	(74,957)
Penalties	52,000	-
	\$ 779,282	\$ 1,127,620

	2014	2013
Deferred tax assets - current	\$ 921,711	\$ 1,139,733
Deferred tax assets – noncurrent	167,038	192,657
Deferred tax liabilities – current	16,193	21,872
Deferred tax liabilities – noncurrent	706,873	114,158

No valuation allowance was provided on deferred tax assets. Management believes that the realization of the deferred tax assets is more likely than not based on the expectation that the Company will generate the necessary taxable income in future periods. Significant temporary differences between financial statements and tax returns are accumulated depreciation, accrued vacation pay, allowance for doubtful accounts, basis of goodwill and various other accrued expenses. The income tax rate differs from the statutory rate due to permanent tax differences and adjustments to the deferred tax liability related to differences in the tax basis of Goodwill.

NOTE 10 - PROFIT SHARING PLAN

The Company has a 401(k) plan covering substantially all employees who are 21 years of age or older. Participants may defer up to the lesser of 50% of their compensation or the maximum annual contribution set by law. In addition, the 401(k) plan provides for a discretionary matching contribution to be set by the employer. There was no 401(k) match for the years ended March 31, 2014 and 2013.

NOTE 11 - SELF INSURANCE

The Company has established a self-funded group health, prescription, vision and dental insurance plan. The Company has acquired stop-loss insurance for the group health plan which limits its liability to \$100,000 per individual. At March 31, 2014 and 2013, the Company has accrued \$223,564 and \$229,395, respectively, for claims that have been incurred but not reported.

NOTE 12 - RELATED PARTY TRANSACTIONS

The related parties of Geometric Americas, Inc. (GAI) are as follows:

- (i) Geometric Ltd. (GLTD-Parent)
- (ii) Geometric China, Inc. (China-Common Ownership)
- (iii) 3D PLM Software Solutions Limited (3DPLM-Common Ownership)
- (iv) Geometric Asia Pacific Pte Limited (GAP-Common Ownership)
- (v) Geometric SRL, Romania (Romania-Common Ownership)
- (vi) Geometric SAS, France (France-Common Ownership)
- (vii) Geometric Europe GmbH (Germany-Common Ownership)



Notes to accounts for the year ended March 31, 2014 (Contd.)

Following are the related party transactions as of and for the year ended March 31, 2014:

Description	GLTD	China	3D PLM	GAP	Romania	France	Germany
Outstanding billed due to GAI	\$ 1,527,052	\$ 739,058	\$ 21,382	\$ -	\$ 221,779	\$ -	\$ -
Outstanding billed to GAI	9,109,910	258,386	24,860	12,048	21,816	12,233	50,190
Loan to GAI	5,500,000	-	-	-	-	-	-
Amounts due to GAI (equity)	-	-	-	-	-	1,736,386	-
Software services provided by GAI	349,733	-	-	-	-	-	-
Management fee billed to GAI	183,644	-	-	-	-	-	-
Software services billed to GAI	26,127,207	1,625,058	-	141,652	848,248	-	25,308
Interest on loan to GAI	616,347	-	-	-	-	-	-
Outstanding billed due to GAI	2,197,283	827,552	10,810	-	-	-	-
Outstanding billed to GAI	4,571,868	658,598	22,344	95,699	391,351	-	-
Loan to GAI	10,000,000	-	-	-	-	-	-
Amounts due to GAI (equity)	-	-	-	-	400,000	1,790,386	-
Software services provided by GAI	649,751	-	-	-	-	-	-
Software services billed to GAI	28,368,447	2,233,268	-	113,151	1,242,274	-	-
Interest on loan to GAI	849,996	-	-	-	-	-	-

In addition to the above related party transactions, employees relocating from India to the United States are entitled to a \$10,000 interest free relocation loan that is ordinarily repaid over 12 months. Employee loans outstanding, net of an allowance for doubtful accounts, at March 31, 2014 and 2013 were \$145,123 and \$291,431, respectively.

During the year ended March 31, 2014, the Company changed its estimate regarding the collectability of the amounts due from Geometric SRL, Romania. The Company expects that the amounts due from Romania will be collected within one year of the balance sheet date; therefore, \$400,000 has been reclassified out of equity and into receivables – related parties within the March 31, 2014 balance sheet.

NOTE 13 - BOARD OF DIRECTORS APPROVAL

The Board of Directors approved the financial statements for Geometric Americas, Inc. on April 25, 2014.



Geometric Asia Pacific Pte. Ltd.

**Financial Statements
for the year ended March 31, 2014**

Regd. Office
78 Shenton Way #26-02A, Singapore 079210



Directors Report

The directors are pleased to present their report to the members together with the audited consolidated financial statements of Geometric Asia Pacific Pte. Ltd. ("the Company") and its subsidiaries (collectively "the Group") for the financial year ended 31 March 2014.

1. DIRECTORS

The directors of the Company in office at the date of this report are:

Parpia Manu Mahmud

Low Tiak Huan

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the directors of the Company to acquire benefits through the acquisition of shares in or debentures of the Company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors holding office at the end of the financial year and their interests in the shares of the Company and related corporations as recorded in the register kept by the Company for the purposes of Section 164 of the Companies Act, Cap. 50 were as follows:

Name of Directors	Holding in the name of the Directors		Other holdings in which Directors are deemed to have an interest	
	Ordinary shares @ INR 2			
	At beginning of year	At end of year	At beginning of year	At end of year
Holding Company				
- Geometric Limited				
Parpia Manu Mahmud	4,267,925	4,307,925	210,000	210,000
Low Tiak Huan	27,110	27,110	-	-

*Options convertible into shares of INR 2 each.

Geometric Limited has issued stock option to the above directors of the Company. The holding company has not incurred any cost for issuing such options. By virtue of Section 7 of the Companies Act, the above directors with shareholdings are deemed to have an interest in the shares the Company and of its subsidiaries in the Group.

Except as disclosed above, no director who held office at the end of the financial year had interest in shares, debentures or share options of the Company, or of related corporations, either at beginning or at the end of the financial year.

4. DIRECTORS' CONTRACTUAL BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit (except as disclosed in the financial statements and in this report) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

5. SHARE OPTIONS

There were no options granted during the financial year to subscribe for unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

Directors Report (Contd.)

6. AUDITORS

The auditors, Messrs. Rohan • Mah & Partners, Chartered Accountants, Singapore, have expressed their willingness to accept re-appointment.

On Behalf Of The Board

Parpia Manu Mahmud
Director

Low Tiak Huan
Director

Singapore,
25 April 2014

Statement by directors

In the opinion of the directors, the accompanying consolidated financial statements together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of Geometric Asia Pacific Pte Ltd ("the Company") and its subsidiaries (collectively "the Group") as at 31 March 2014 and of the results of the business, changes in equity and statement of cash flows of the Group and of the Company for the year ended on that date, and at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On Behalf Of The Board

Parpia Manu Mahmud
Director

Low Tiak Huan
Director

Singapore,
25 April 2014



Independent Auditors' Report To The Members Of Geometric Asia Pacific Pte. Ltd. (Incorporated In The Republic Of Singapore) And Its Subsidiaries

Report on the Financial Statements

We have audited the accompanying financial statements of Geometric Asia Pacific Pte. Ltd. ("the Company") and its subsidiaries (collectively "the Group"), which comprise the balance sheets of the Group and the Company as at 31 March 2014, and consolidated statement of comprehensive income, statement of changes in equity of the Group and of the Company and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Cap 50 ("the Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. 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.

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

judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 March 2014 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

ROHAN • MAH & PARTNERS

Public Accountants and
Chartered Accountants

Singapore
25 April 2014

Balance Sheet as at March 31, 2014

	Note	The Group				The Company			
		Current Year		Previous Year		Current Year		Previous Year	
		S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR
ASSETS LESS LIABILITIES									
Non-Current Asset									
Plant and equipment	4	19,810	942,956	20,820	911,083	8,778	417,833	6,673	292,010
Investment in subsidiary	6			-	-	75,500	3,593,800	75,500	3,303,880
		19,810	942,956	20,820	911,083	84,278	4,011,633	82,173	3,595,890
Current Assets									
Trade receivables	7	2,691,004	128,091,790	3,140,009	137,406,794	1,324,094	63,026,874	1,532,112	67,045,221
Other receivables, deposits and prepayments	8	264,508	942,956	261,101	11,425,780	499,155	417,833	622,532	27,242,000
Cash and cash equivalents	9	2,632,060	125,286,056	1,417,140	62,014,046	1,553,344	73,939,174	977,008	42,753,870
		5,587,572	265,968,427	4,818,250	210,846,620	3,376,593	160,725,827	3,131,652	137,041,092
Current Liabilities									
Trade and other payables	10	2,756,862	131,226,631	3,093,408	135,367,534	1,479,734	70,435,338	1,468,173	64,247,250
Provision for taxation		132,413	6,302,859	71,969	3,149,363	855	40,698	921	40,303
		2,889,275	137,529,490	3,165,377	138,516,898	1,480,589	70,476,036	1,469,094	64,287,553
Net Current Assets		2,698,297	128,438,937	1,652,873	72,329,722	1,896,004	90,249,790	1,662,558	72,753,538
Net Assets		2,718,107	129,381,893	1,673,693	73,240,806	1,980,282	94,261,423	1,744,731	76,349,429
EQUITY									
Capital and reserve attributable to equity holders of the company									
Share capital	11	100,000	4,760,000	100,000	4,376,000	100,000	4,760,000	100,000	4,376,000
Retained earnings		2,210,335	105,211,946	1,151,471	50,388,371	1,880,282	89,501,423	1,644,731	71,973,429
Translation exchange reserve		407,772	19,409,947	422,222	18,476,435	0	-	0	0
Total Equity		2,718,107	129,381,893	1,673,693	73,240,806	1,980,282	94,261,423	1,744,731	76,349,429
Exchange rate used for translation 1 SGD = ₹			47.60		43.76		47.60		43.76



Profit and Loss Statment for the year ended March 31, 2014

	Note	The Group				The Company			
		Current Year		Previous Year		Current Year		Previous Year	
		S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR
Continuing operations									
Revenue	12	10,067,318	479,204,337	11,275,140	493,400,126	5,415,861	257,794,984	6,912,456	302,489,075
Cost of services	13	(3,004,211)	(143,000,444)	(5,869,449)	(256,847,088)	(2,952,893)	(140,557,707)	(4,598,352)	(201,223,884)
Gross profit		7,063,107	336,203,893	5,405,691	236,553,038	2,462,968	117,237,277	2,314,104	101,265,191
Other income	14	103,556	4,929,266	105,944	4,636,109	67,133	3,195,531	50,357	2,203,622
Administration expenses	16	(5,762,358)	(274,288,241)	(4,583,059)	(200,554,662)	(2,153,164)	(102,490,606)	(2,148,691)	(94,026,718)
Other operating expenses	17	(165,618)	(7,883,417)	(397,419)	(17,391,055)	(148,107)	(7,049,893)	(394,861)	(17,279,117)
Profit/(Loss) before taxation		1,238,687	58,961,501	531,157	23,243,430	228,830	10,892,308	(179,091)	(7,837,022)
Taxation	18	(179,823)	(8,559,575)	(157,381)	(6,886,993)	6,721	319,920	(39,086)	(1,710,408)
Profit/(Loss) from operations		1,058,864	50,401,926	373,776	16,356,438	235,551	11,212,228	(218,177)	(9,547,430)
Total Profit/(Loss)		1,058,864	50,401,926	373,776	16,356,438	235,551	11,212,228	(218,177)	(9,547,430)
Other comprehensive income									
Currency translation differences arising from consolidation		(14,450)	(687,820)	(3,153)	(137,975)	-	-	-	-
Other comprehensive income, net tax		(14,450)	(687,820)	(3,153)	(137,975)	-	-	-	-
		1,044,414	49,714,106	370,623	16,218,462	235,551	11,212,228	(218,177)	(9,547,430)
Total comprehensive income			-		-		-		-
		1,058,864	50,401,926	373,776	16,356,438	235,551	11,212,228	(218,177)	(9,547,430)
Profit/(Loss) attributable to:			-		-		-		-
Equity holders of the Company			-		-		-		-
Total comprehensive income attributable to:									
Equity holders of the Company		1,044,414	49,714,106	370,623	16,218,462	235,551	11,212,228	(218,177)	(9,547,430)
Exchange rate used for translation 1			47.60		43.76		47.60		43.76
SGD = ₹									

Change in Equity for the year ended March 31, 2014

	Share Capital		Translation Exchange Reserve		Retained Earnings		Total	
	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR
The Group								
As at 1 April 2012	100,000	4,760,000	425,375	20,247,850	777,695	37,018,282	1,303,070	62,026,132
Total comprehensive loss for the year	-	-	(3,153)	(150,083)	373,776	17,791,738	370,623	17,641,655
As at 31 March 2013	100,000	4,760,000	422,222	20,097,767	1,151,471	54,810,020	1,673,693	79,667,787
Total comprehensive income for the year	-	-	(14,450)	(687,820)	1,058,864	50,401,926	1,044,414	49,714,106
As at 31 March 2014	100,000	4,760,000	407,772	19,409,947	2,210,335	105,211,946	2,718,107	129,381,893
The Company								
As at 1 April 2012	100,000	4,760,000			1,862,908	88,674,421	1,962,908	93,434,421
Total comprehensive loss for the year	-	-			(218,177)	(10,385,225)	(218,177)	(10,385,225)
As at 31 March 2013	100,000	4,760,000			1,644,731	78,289,196	1,744,731	83,049,196
Total comprehensive income for the year	-	-			235,552	11,212,275	235,552	11,212,275
As at 31 March 2014	100,000	4,760,000			1,880,283	89,501,471	1,980,283	94,261,471
Exchange rate used for translation 1 SGD = ₹		47.60						



Statement of Cash Flows for the year ended March 31, 2014

	The Group			
	Current Year		Previous Year	
	S\$	Equivalent INR	S\$	Equivalent INR
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax	1,238,687	58,961,501	531,157	23,243,430
Adjustments for:				
Depreciation of plant and equipment	8,024	381,942	11,587	507,047
Exchange difference on plant and equipment	156	7,426	991	43,366
Allowance for doubtful debts	(40,138)	(1,910,569)	(7,352)	(321,724)
Interest income	(1,886)	(89,774)	(858)	(37,546)
Operating profit before working capital changes	1,204,843	57,350,527	535,525	23,434,574
Trade and other receivables	485,736	23,121,034	(1,106,069)	(48,401,579)
Trade and other payables	(336,546)	(16,019,590)	595,242	26,047,790
Cash generated from operations	1,354,033	64,451,971	24,698	1,080,784
Interest received	1,886	89,774	858	37,546
Taxation paid	(119,379)	(5,682,440)	(110,587)	(4,839,287)
Net cash (used in)/generated from operating activities	1,236,540	58,859,304	(85,031)	(3,720,957)
CASH FLOWS FROM INVESTING ACTIVITY				
Acquisition of plant and equipment	(7,170)	(341,292)	(10,324)	(451,778)
Net cash used in investing activities	(7,170)	(341,292)	(10,324)	(451,778)
Net (decrease)/increase in cash and cash equivalents	1,229,370	58,518,012	(95,355)	(4,172,735)
Cash and cash equivalents at beginning of year	1,417,140	67,455,864	1,514,593	66,278,590
Effect of exchange rate on cash held	(14,450)	(687,820)	(2,098)	(91,808)
Cash and cash equivalents at end of year (Note 9)	2,632,060	125,286,056	1,417,140	62,014,046
Exchange rate used for translation 1 SGD = ₹		47.60		43.76

Notes to Financial Statements

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. CORPORATE INFORMATION

Geometric Asia Pacific Pte. Ltd. ("the Company") is a limited liability company incorporated in Singapore with its registered office at 78 Shenton Way, #26-02A, Singapore 079120 and the principal place of business at Blk 231 Yishun Street 21, #12-408, Singapore 760231. The consolidated financial statements of the Company for the year ended 31 March 2014 relate to the Company and its subsidiaries (collectively "the Group").

The principal activities of the Company in the course of the financial year are those of software development services and sale of software products. There have been no significant changes in the nature of these activities during the financial year.

The principal activities of the subsidiary are developing, designing, marketing and selling of engineering solutions, services and technologies for vehicle and heavy-duty equipment and supplying related after sales service and technical consultation.

The Company is a wholly-owned subsidiary of Geometric Limited, a company incorporated in India, which is also the Company's ultimate holding corporation.

The financial statements of the Group for the year ended 31 March 2014 were authorised for issue in accordance with a resolution of the Directors on 25 April 2014.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis Of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements, expressed in Singapore Dollar ("SGD or S\$") are prepared based on the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the recognition of applying the Group's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reporting amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from

those estimates. There are no critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity except as disclosed in Note 3.

In the current financial year, the Group has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual years beginning on or after 1 April 2013. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's accounting policies except as disclosed in Note 3 and has no material effect on the amounts reported for the current or prior years.

The Group has not applied any new standard or interpretation that has been issued but is not yet effective. The new standards that have been issued and not yet effective do not have any impact on the result of current or prior years.

2.2 Group Accounting

2.2.1 Subsidiaries

(i) Consolidation

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which



Notes to Financial Statements (Contd.)

are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

(ii) Acquisitions

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any noncontrolling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of (i) the consideration transferred, the amount of any noncontrolling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (ii) fair value of the net identifiable assets acquired is recorded as goodwill. Please refer to note 2.3 for the accounting policy on goodwill.

(iii) Disposals

When a change in the Group ownership interest in a subsidiary results in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised

in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to note 2.4 for the accounting policy on investment in subsidiary.

2.2.2 Transactions with non-controlling interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.3 Goodwill

Goodwill on acquisitions of subsidiaries and businesses on or after 1 January 2012 represents the excess of (i) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over (ii) the fair value of the net identifiable assets acquired.

Goodwill on acquisition of subsidiaries and businesses prior to 1 January 2012 and on acquisition of joint ventures and associated companies represents the excess of the cost of the acquisition over the fair value of the Group's share of the net identifiable assets acquired.

Goodwill on subsidiaries and joint ventures is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on associated companies is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associated companies include the carrying amount of goodwill relating to the entity sold, except for goodwill arising from acquisitions prior to 1 January 2001. Such goodwill was adjusted against retained profits in the year of acquisition and is not recognised in profit or loss on disposal.

Notes to Financial Statements (Contd.)

2.4 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Group's balance sheet. On disposal of investments in subsidiaries, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2.5 Plant and Equipment

2.5.1 Measurement

All other items of plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

2.5.2 Components Of Costs

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2.5.3 Depreciation

Depreciation is provided on the straight-line basis so as to write off the cost of plant and equipment over their estimated useful lives as follows:

	Years
Computer	3 – 5
Building fixtures	10
Furniture and fittings	3 – 5

The useful lives of plant and equipment are reviewed and adjusted as appropriate at each balance sheet date.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2.5.4 Subsequent Expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expense

in the statement of comprehensive income during the financial year in which it is incurred.

2.5.5 Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of comprehensive income. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2.6 Revenue Recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the statement of comprehensive income as follows:

2.6.1 Time and Material Contracts

Revenue from time and material contracts for software development is recognised on completion of contracts or at stages as per the applicable terms and conditions agreed with the customers and when the deliverables are dispatched to customers.

2.6.2 Fixed Price Contracts

In case of fixed price contracts, revenue is recognised on milestones achieved as specified in the contracts on the proportionate completion method on the basis of work completed.

2.6.3 Other Revenue

Revenue from sale of traded software products and software upgrading fee is recognised when the sale has been completed with the passing of the title. Revenue from software upgrading fees on software developed by the Group is recognised over the period for which it is received.

2.6.4 Interest Income

Interest income is measured using the effective interest method.

2.7 Foreign Currency

2.7.1 Functional and Presentation Currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the "functional currency"). The



Notes to Financial Statements (Contd.)

financial statements are presented in Singapore Dollar, which is the Group's functional and presentation currency.

2.7.2 Foreign Currencies Transactions

Foreign currency transactions during the year are translated into recording currencies at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Singapore Dollar at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the statement of comprehensive income.

2.7.3 Translation of Group entities' financial statements

The results and financial position of group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses for each statement of comprehensive incomes are translated at average exchange rates (unless this average is not reasonable approximation of the cumulative effect of the rates prevailing on the translation dates, in which case income and expenses are translated at the dates of the transactions); and commitment all resulting exchange differences are taken to the foreign currency translation reserve within equity.

Goodwill and fair value adjustments arising on acquisition of a foreign entity on or after 1 January 2005 are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.8 Fair Value Estimation

The fair values of financial instruments traded in active markets are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Group are the current bid prices; the appropriate quoted market prices for financial liabilities are the current ask prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used where appropriate. Other techniques, such as estimated discounted cash flows, are also used to determine the fair values of the financial instruments.

The carrying amounts of current receivables and payables are assumed to approximate their fair values. The fair values of non-current receivables for disclosure purposes are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments.

2.9 Related Parties

A related party is defined as follows:

- (a) **A person or a close member of that person's family is related to the Group and Company if that person:**
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) **An entity is related to the Group and the Company if any of the following conditions applies:**
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or and associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.

Notes to Financial Statements (Contd.)

- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a);
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

2.11 Impairment Of Non-Financial Assets

2.11.1 Goodwill

Goodwill is tested annually for impairment, as well as when there is any indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of the Group's cash-generating-units (CGU) expected to benefit from synergies of the business combination.

An impairment loss is recognised in the income statement when the carrying amount of CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of the CGU is the higher of the CGU's fair value less cost to sell and value in use.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

Impairment loss on goodwill is not reversed in a subsequent period.

2.11.2 Plant And Equipment

Plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs to.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the income statement unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

2.12 Financial Assets

2.12.1 Initial Recognition and Measurement

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially,



Notes to Financial Statements (Contd.)

they are measured as fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2.12.2 Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The Group has not designated any financial assets upon initial recognition at fair value through profit or loss.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss.

Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

(ii) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

(iii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

(iv) Available-for-sale financial assets

Available for-sale financial assets include equity and debts securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that

Notes to Financial Statements (Contd.)

impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

2.12.3 Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2.13 Impairment of Financial Assets

The Group assesses at each end of the reporting period whether there is any objective evidence that a financial asset is impaired.

2.13.1 Financial Assets Carried at Amortised Cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them

for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.13.2 Financial Assets Carried at Cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows



Notes to Financial Statements (Contd.)

discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.13.3 Available-For-Sale Financial Assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include significant financial difficulty of the issuer or obligor, information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and a significant or prolonged decline in the fair value of the investment below its costs. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed in profit or loss.

2.14 Financial Liabilities

2.14.1 Initial Recognition and Measurement

Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

2.14.2 Subsequent Measurement

The measurement of financial liabilities depends on their classification as follows:

- (i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

- (ii) Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the

Notes to Financial Statements (Contd.)

liabilities are derecognised, and through the amortization process.

2.14.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.15 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.17 Operating Leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the

lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of comprehensive income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2.18 Finance Costs

Interest expense and similar charges are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are recognised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the statement of comprehensive income using the effective interest rate method.

2.19 Employee Benefits

2.19.1 Defined Contribution Pension Costs

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contribution to defined contribution plans are recognised in the financial year to which they relate.

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to balance sheet date.

2.20 Income Taxes

Current income tax liabilities (and assets) for the current and prior periods are recognised at the amounts expected to be paid to (or recovered from) the tax authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted by the balance sheet date.



Notes to Financial Statements (Contd.)

Deferred income tax assets/liabilities are recognised for all deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax assets/liabilities arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be recognised.

Deferred income tax assets and liabilities are measured at:

- (i) the tax rates that are expected to apply when the related deferred income tax asset is recognised or the deferred income tax liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date; and
- (ii) the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expenses in the statement of comprehensive income for the year, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax on temporary differences arising from the revaluation gains and losses on land and buildings, fair value gains and losses on available-for-sale financial assets and cash flow hedges, and the liability component of convertible debts are charged or credited directly to equity in the same period the temporary differences arise. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.21 Government Grants

Grants from the government are recognised as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Group will comply with all the attached conditions.

Government grants receivable are recognised as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government

grants relating to expenses are shown separately as other income.

Where the grant relates to an asset, the fair value is recognized as deferred government grant on the balance sheet and is amortised as income on a systematic and rational basis over the useful life of the asset.

Jobs credit grants, which are government grants given to match staff and business costs, are recognised in the month of payment only as certain conditions have to be fulfilled before payment.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

Estimates and judgement are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(ii) Depreciation of plant and equipment

The costs of plant and equipment are depreciated on straight-line basis over their estimated useful lives. Management estimates the useful lives of these plant and equipment to be within 3 to 5 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets therefore future depreciation charges could be revised.

(iii) Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group

Notes to Financial Statements (Contd.)

recognised liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(iv) Impairment of advance costs

The Group determines the recoverability of the costs incurred on contracts that cannot be billed. This determination requires significant judgment. The Group exercises its judgment using historical and industry trends, general market conditions, forecasts and other available information. An error in the judgment may impact the amount of advance cost to be carried in the balance sheet.

(v) Impairment of trade and receivables

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency

or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

(vi) Revenue

Included in revenue is estimated revenue amounting to S\$756,000 (2013: \$370,415) for the Company.

In making its judgment, the management considered the detailed criteria for the recognition of revenue from the rendering of services set out in FRS 18 Revenue and in particular, whether the Group has measured reliably the amount of revenue and it is probable that the economic benefits associated with the transaction will flow to the entity.

The Group reviews and when necessary, revises the estimates of revenue as the service is performed. The need for such revisions does not necessarily indicate that the outcome of the transactions cannot be estimated reliably.

4 PLANT AND EQUIPMENT

The Group

2014	Building Fixtures S\$	Computer S\$	Furniture and Fittings S\$	Total S\$
Cost				
At beginning of year	11,318	124,323	15,576	151,217
Additions	-	7,170	-	7,170
Disposal	-	(10,048)	-	(10,048)
Translation adjustment	(654)	(276)	(899)	(1,829)
At end of year	10,664	121,169	14,677	146,510
Accumulated Depreciation				
At beginning of year	8,800	106,021	15,576	130,397
Depreciation	600	7,424	-	8,024
Disposal	-	(10,048)	-	(10,048)
Translation adjustment	(515)	(259)	(899)	(1,673)
At end of year	8,885	103,138	14,677	126,700
Carrying Amount				
At end of year	1,779	18,031	-	19,810



Notes to Financial Statements (Contd.)

4 PLANT AND EQUIPMENT (Contd.)

2013	Building Fixtures S\$	Computer S\$	Furniture and Fittings S\$	Total S\$
At beginning of year	13,098	98,209	28,162	139,469
Additions	-	10,324	-	10,324
Reclassification	-	8,796	(8,796)	-
Translation adjustment	(1,780)	6,994	(3,790)	1,424
At end of year	11,318	124,323	15,576	151,217
Accumulated Depreciation				
At beginning of year	9,239	79,274	27,821	116,334
Depreciation	957	10,630	-	11,587
Reclassification	-	8,480	(8,480)	-
Translation adjustment	(1,396)	7,637	(3,765)	2,476
At end of year	8,800	106,021	15,576	130,397
Carrying Amount				
At end of year	2,518	18,302	-	20,820

The Company

2014	Building Fixtures S\$	Computer S\$	Furniture and Fittings S\$	Total S\$
Cost				
At beginning of year	11,318	32,716	15,576	59,610
Additions	-	6,164	-	6,164
Disposal	-	(10,048)	-	(10,048)
Exchange difference	(654)	(1,269)	(899)	(2,822)
At end of year	10,664	27,563	14,677	52,904
Accumulated Depreciation				
At beginning of year	8,800	28,561	15,576	52,937
Depreciation	600	3,062	-	3,662
Disposal	-	(10,048)	-	(10,048)
Exchange difference	(515)	(1,011)	(899)	(2,425)
At end of year	8,885	20,564	14,677	44,126
Carrying Amount				
At end of year	1,779	6,999	-	8,778

Notes to Financial Statements (Contd.)

4 PLANT AND EQUIPMENT (Contd.)

2013	Building Fixtures S\$	Computer S\$	Furniture and Fittings S\$	Total S\$
At beginning of year	13,098	21,920	28,162	63,180
Additions	-	4,018	-	4,018
Reclassification	-	8,796	(8,796)	-
Exchange difference	(1,780)	(2,018)	(3,790)	(7,588)
At end of year	11,318	32,716	15,576	59,610
Accumulated Depreciation				
At beginning of year	9,239	15,283	27,821	52,343
Depreciation	957	6,140	-	7,097
Reclassification	-	8,480	(8,480)	-
Exchange difference	(1,396)	(1,342)	(3,765)	(6,503)
At end of year	8,800	28,561	15,576	52,937
Carrying Amount				
At end of year	2,518	4,155	-	6,673

5 GOODWILL ON ACQUISITION

The Group	2014 S\$	2013 S\$
Cost		
At beginning and end of year	953,123	953,123
Impairment losses		
At beginning and end of year	953,123	953,123
Carrying amount		
At 31 March 2014 and 31 March 2013	-	-

6. INVESTMENT IN SUBSIDIARIES

	2014 S\$	2013 S\$
Unquoted equity, at cost		
Balance at beginning of the year	86,448	86,448
Addition	-	-
	86,448	86,448
Less: Impairment loss	(10,948)	(10,948)
Balance at end of the year	75,500	75,500



Notes to Financial Statements (Contd.)

Details of the subsidiaries are as follows:

Name of Company	Principal activities	Country of incorporation	Effective equity held by the Group		Cost of investment	
			2014	2013	2014	2013
			%	%	S\$	S\$
Shanghai You Hua Engineering Machinery Design Co. Ltd.*	Designing of automobiles and their spare parts.	China	100	100	10,948	10,948
Nihon Geometric Kabusiki Kaisya ^	Computer software development, operation & maintenance control	Japan	100	100	75,500	75,500

* On 18 January 2008, the Company had entered into an agreement with Mr Michael, Mr Connell, CEO of Geometric Engineering Inc. in USA to acquire the entire equity of USD140,000 free of charge. The effective date of the share transfer is on 1 February 2008. The cost of investment of S\$10,948 relates to the professional fees for the share transfer.

* Audited by My Whole Way Certified Public Accountants, Shanghai, the People's Republic of China.

^ The subsidiary was incorporated on 1 April 2012 and has not been active since incorporation.

7 TRADE RECEIVABLES

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
Trade receivables	1,912,838	1,803,979	545,928	1,141,488
Less: impairment				
Balance at beginning of year	40,179	47,531	40,179	47,531
Allowance written back	(40,138)	(7,352)	(40,138)	(7,352)
Exchange difference	(41)		(41)	
Balance at end of year	-	40,179	-	40,179
	1,912,838	1,763,800	545,928	1,101,309
Amount due from holding company - trade	22,166	1,063,904	22,166	118,498
Unbilled revenue	756,000	312,305	756,000	312,305
	2,691,004	3,140,009	1,324,094	1,532,112

Trade receivables are non-interest bearing and are generally on 30 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

The aging of trade receivables (outside party and related party) at the reporting date is:

The Group	Gross	Impairment losses	Gross	Impairment losses
	2014	2014	2013	2013
	S\$	S\$	S\$	S\$
Not past due	479,093	-	973,351	
Past due 31 - 60 days	1,250,426	-	1,676,346	
Past due 61 - 90 days	32,006	-	15,923	
More than 90 days	173,479	-	202,263	
	1,935,004	-	2,867,883	

Notes to Financial Statements (Contd.)

7 TRADE RECEIVABLES - cont'd

The Company	Gross 2014 S\$	Impairment losses 2014 S\$	Gross 2013 S\$	Impairment losses 2013 S\$
Not past due	479,093	-	733,799	-
Past due 31 - 60 days	34,829	-	292,591	-
Past due 61 - 90 days	32,006	-	64,796	-
More than 90 days	22,166	-	168,800	40,179
	568,094	-	1,259,986	40,179

Based on historical default rates, the Group and the Company believes that no impairment allowance is necessary in respect of trade receivables not past due and past due up to 90 days. These receivables are mainly arising by customers that have good record with the Group and the Company.

The carrying amounts of trade receivables approximate their fair values.

The Company and the Group does not have concentration of credit risk in respect of a customer or a group of customers.

Trade receivables are denominated in the following currencies:

	The Group 2014 S\$	2013 S\$	The Company 2014 S\$	2013 S\$
China Renminbi	892,742	662,491	-	-
Japanese Yen	1,023,795	675,771	1,023,795	676,372
Korean Won	15,446	-	15,446	-
Singapore Dollar	191,597	251,062	191,597	251,062
United States Dollar	567,424	1,550,685	93,256	604,678
	2,691,004	3,140,009	1,324,094	1,532,112

8 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group 2014 S\$	2013 S\$	The Company 2014 S\$	2013 S\$
Amount due from subsidiaries	-	-	415,814	450,121
Amount due from related parties	134,603	-	-	-
Deposits	66,529	82,391	57,397	72,711
Prepayment	25,944	42,852	25,944	42,852
Amount due from staff	-	54,193	-	54,193
Other receivables	37,432	81,665	-	2,655
	264,508	261,101	499,155	622,532

Amounts due from subsidiaries, related parties and staff are unsecured, non-interest bearing and have no fixed term of repayment.



Notes to Financial Statements (Contd.)

8 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS - Cont'd

The carrying amounts of other receivables, deposits and prepayments approximate their fair values and are denominated in the following currencies:

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
China Renminbi	181,167	50,028	-	-
Japanese Yen	77,851	84,789	77,851	84,789
Korean Won	-	8,234	-	8,234
Singapore Dollar	5,490	118,050	5,490	79,388
United States Dollar	-	-	415,814	450,121
	264,508	261,101	499,155	622,532

9 CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
Cash and bank balances	2,632,060	1,417,140	1,553,344	977,008

The carrying amounts of cash and cash equivalents approximate their fair values and are denominated in the following currencies:

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
China Renminbi	1,020,703	359,145	-	-
Japanese Yen	1,033,943	759,279	975,951	687,904
Korean Won	27,079	6,274	27,079	6,274
Singapore Dollar	25,460	741	25,460	741
United States Dollar	524,875	291,701	524,854	282,089
	2,632,060	1,417,140	1,553,344	977,008

10 TRADE AND OTHER PAYABLES

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
Trade payables	3,421	1,953	3,421	1,953
Advance from customers	-	40,558	-	40,558
Amount due to holding corporation - trade	825,345	1,130,699	825,345	933,332
Amount due to related companies - trade	1,134,064	1,171,269	-	-
Accrued operating expenses	541,572	234,430	541,572	234,430
Deferred revenue	87,080	103,118	87,080	103,118
Other payables	165,380	411,381	22,316	154,782
	2,756,862	3,093,408	1,479,734	1,468,173

These amounts are non-interest bearing. Trade payables are normally settled on 30-day terms while other payables have an average term of six months.

Notes to Financial Statements (Contd.)

The carrying amounts of trade and other payables approximate their fair values and are denominated in the following currencies:

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
China Renminbi	206,850	256,600	-	-
Japanese Yen	881,649	550,021	881,649	550,022
Korean Won	36,863	26,840	36,863	26,840
Singapore Dollar	534,218	377,252	534,218	377,252
United States Dollar	1,097,282	1,882,695	27,004	514,059
	2,756,862	3,093,408	1,479,734	1,468,173

11 SHARE CAPITAL

	2014		2013	
	No of shares	S\$	No of shares	S\$
Ordinary shares issued and fully paid				
At beginning and end of the year	100,000	100,000	100,000	100,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction and have no par value.

12 REVENUE

Revenue represents the software development services and sale of software products.

13 COST OF SERVICES

	The Group	
Cost of services include the following:	2014	2013
	S\$	S\$
Staff costs (Note 16)		
Wages, salaries and related costs	1,912,848	2,648,444
Defined contribution pension costs	239,496	528,867
	2,152,344	3,177,311

14 OTHER INCOME

	The Group	
	2014	2013
	S\$	S\$
Bad debts written back	45,495	-
Foreign exchange gain	40,098	-
Interest income	1,886	858
Miscellaneous income	12,690	54,799
Reimbursement of expenses	3,387	45,287
SME grants	-	5,000
	103,556	105,944



Notes to Financial Statements (Contd.)

15 ADMINISTRATION EXPENSES

Administration expenses include:

	The Group	
	2014	2013
	S\$	S\$
Accountancy fees	84,039	99,300
Bad debts	41,369	-
Reversal of doubtful debts	(40,138)	(7,352)
Professional fees	63,937	58,527
Staff costs (Note 16)	3,330,385	3,354,083
Transport expenses	83,413	96,436
Travelling expenses	402,811	292,749

16 STAFF COSTS

Staff costs (including executive directors)

	The Group	
	2014	2013
	S\$	S\$
Salaries, bonus and other related costs	5,104,932	5,810,192
Defined contribution pension costs	377,797	721,202
	5,482,729	6,531,394
Less: included in cost of services (Note 13)	(2,152,344)	(3,177,311)
	3,330,385	3,354,083

17 OTHER OPERATING EXPENSES

Other operating expenses include:

	The Group	
	2014	2013
	S\$	S\$
Depreciation	8,024	11,587
Foreign exchange loss	157,594	385,832
	165,618	397,419

18 TAXATION

Major components of income tax expense are as follows:

	The Group	
	2014	2013
	S\$	S\$
Current Taxation		
- Singapore	-	14,620
- Foreign	189,210	118,295
(Over)/Under provision in prior years		
- Singapore	(9,387)	24,466
	179,823	157,381

Notes to Financial Statements (Contd.)

18 TAXATION – cont'd

A reconciliation between the tax expense and the product of accounting profit or loss multiplied by the applicable tax rate are as follows:

	The Group	
	2014	2013
	S\$	S\$
Profit before taxation	1,238,687	531,157
Tax expense on profit before tax at 17%	210,577	90,297
Non-deduction expenses	1,848	11,871
Adjustment of expenses	(140,396)	-
(Utilised)/Unutilised tax losses	(10,394)	47,121
(Over)/Under provision in prior years	(9,387)	24,466
Difference in tax rate	127,575	4,702
Foreign tax suffered	-	(21,076)
Tax expense	179,823	157,381
Unrecognised deferred tax assets:		
Deferred tax assets have not been recognised in respect of the following items:		
Tax losses	36,727	47,121

Deferred tax assets in Singapore are not recognised as it is not probable that these tax losses will be utilised in the foreseeable future. As at year end, the Company estimates unrecognised tax effect on the Company's losses from its operations in Singapore to be approximately S\$36,727 (2013: S\$47,121), available for set-off against future taxable profits. The use of these tax losses and capital allowances are subject to agreement of the tax authorities and compliance with relevant provisions of the Singapore tax legislation.

19 SIGNIFICANT RELATED PARTIES TRANSACTIONS

Significant related parties transactions are as follows:

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
Holding company				
- services rendered from	1,365,324	2,326,139	614,946	2,326,139
Related companies				
- services rendered to	(176,052)	(2,721,736)	-	(111,405)
- services rendered from	-	151,159	-	29,551

Balances with related parties at the balance sheet date are set out in Note 7, 8 and 10.

Director's compensation and benefits

	The Group and Company	
	2014	2013
	S\$	S\$
Remuneration	212,661	222,177



Notes to Financial Statements (Contd.)

20 OPERATING LEASE COMMITMENT

Rental expenses for offices, accommodation and equipment for the Company and the Group were S\$219,280 (2013: S\$89,766) and S\$263,613 (2013: S\$121,565). The leases have varying terms, escalation clauses and renewal rights. Future minimum rental under non-cancellable leases contracted for at balance sheet date but not recognised as liabilities are as follow as at 31 March:

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
Payable within 1 year	184,627	182,551	162,460	138,656
Payable within 2 - 5 years	110,813	106,571	110,813	40,729
	295,440	289,122	273,273	179,385

21 FINANCIAL INSTRUMENTS

Categories of Financial Instruments

The carrying amounts presented in the balance sheet relate to the following categories of financial assets and financial liabilities:

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
Financial assets				
Loans and receivables:				
Trade receivables	1,935,004	2,827,704	568,094	1,219,807
Other receivables and deposits	238,564	218,249	473,211	579,680
Cash and cash equivalents	2,632,060	1,417,140	1,553,344	977,008
	4,805,628	4,463,093	2,594,649	2,776,495
Financial liabilities				
Financial liabilities measured at amortised cost:				
Trade and other payables	2,669,782	2,949,732	1,392,654	1,324,497

Financial Risk Management Objectives and Policies

The main risks arising from the Group's financial instruments are credit, foreign currency, interest rate and liquidity risks. The policies of managing each of these risks are summarised below:

Credit Risk

The credit risk refers to the risk that counter parties may default on their contractual obligations resulting in a financial loss to the Group. The Group's customer portfolio is diversified and there is no reliance on any customer. These exposures are monitored and provision for potential credit losses is adjusted when necessary. The aggregate amount of its trade and other receivables and bank balance represents the Group maximum exposure to credit risk.

Cash and bank balances are placed with reputable local financial institutions. Therefore, credit risk arises mainly from the inability of the Group's customers to make payments when due. The amounts presented in the balance sheet are net of allowances for impairment of trade receivables, estimated by management based on prior experience and the current economic environment.

Information regarding financial assets that are either past due or impaired is disclosed in Note 7 (Trade Receivables).

Notes to Financial Statements (Contd.)

Foreign Currency Risk

Foreign currency risk arises from change in foreign exchange rates that may have an adverse effect on the Group in the current reporting period and in the future years. The Group relies on natural hedges of matching foreign currency denominated assets and liabilities. Consistent effort has also been employed by the Group to keep track of exchange rate fluctuations such that funds are converted at favourable exchange rates.

The Group's exposures to major foreign currency are as follows:

2014	RMB	JPY	WON	USD
	S\$	S\$	S\$	S\$
Trade receivables	892,742	1,023,795	15,446	567,424
Other receivables	181,167	77,851	-	-
Cash and cash equivalents	1,020,703	1,033,943	27,079	524,875
Trade and other payables	(206,850)	(881,649)	(36,863)	(1,097,282)
	1,887,762	1,253,940	5,662	(4,983)

2013	RMB	JPY	WON	USD
	S\$	S\$	S\$	S\$
Trade receivables	662,491	675,771	-	1,550,685
Other receivables	50,028	84,789	8,234	-
Cash and cash equivalents	359,145	759,279	6,274	291,701
Trade and other payables	(256,600)	(550,021)	(26,840)	(1,882,695)
	815,064	969,818	(12,332)	(40,309)

The Company's exposures to major foreign currency are as follows:

2014	RMB	JPY	WON	USD
	S\$	S\$	S\$	S\$
Trade receivables	-	1,023,795	15,446	93,256
Other receivables	-	77,851	-	415,814
Cash and cash equivalents	-	975,951	27,079	524,854
Trade and other payables	-	(881,649)	(36,863)	(27,004)
	-	1,195,948	5,662	1,006,920

2013				
Trade receivables	-	676,372	-	604,678
Other receivables	-	84,789	8,234	450,121
Cash and cash equivalents	-	687,904	6,274	282,089
Trade and other payables	-	(550,022)	(26,840)	(514,059)
	-	899,043	(12,332)	822,829



Notes to Financial Statements (Contd.)

Sensitivity analysis

A 5% strengthening of Singapore Dollar against the following currencies at the reporting date would increase/(decrease) equity and profit or loss (before tax) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

As at 31 March 2014	Statement of comprehensive income	
	The Group	The Company
	S\$	S\$
Chinese Renminbi	(94,388)	-
Japanese Yen	(62,697)	(59,797)
Korean Won	(283)	(283)
United States Dollar	249	(50,346)
	(157,119)	(110,426)

As at 31 March 2013		
Chinese Renminbi	(40,753)	-
Japanese Yen	(48,490)	(44,952)
Korean Won	616	616
United States Dollar	2,015	(41,141)
	(86,612)	(85,477)

A 5% weakening of Singapore Dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

To manage liquidity risk, the Company monitors its net operating cash flow and maintains an adequate level of cash and cash equivalent.

The table below summarises the maturity profile of the Group's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

Notes to Financial Statements (Contd.)

The Group

2014	Within 1 year S\$	Within 2 to 5 years S\$	More than 5 years S\$	Total S\$
Financial Assets				
Trade receivables	1,935,004	-	-	1,935,004
Other receivables and deposits	238,564			238,564
Cash and cash equivalents	2,632,060	-	-	2,632,060
Total undiscounted financial assets	4,805,628	-	-	4,805,628
Financial liabilities				
Trade and other payables	2,669,782	-	-	2,669,782
Total undiscounted financial liabilities	2,669,782	-	-	2,669,782
Total net undiscounted financial assets/(liabilities)	2,135,846	-	-	2,135,846
2013	Within 1 year S\$	Within 2 to 5 years S\$	More than 5 years S\$	Total S\$
Financial Assets				
Trade receivables	2,827,704	-	-	2,827,704
Other receivables and deposits	218,249			218,249
Cash and cash equivalents	1,417,140	-	-	1,417,140
Total undiscounted financial assets	4,463,093	-	-	4,463,093
Financial liabilities				
Trade and other payables	2,949,732			2,949,732
Total undiscounted financial liabilities	2,949,732	-	-	2,949,732
Total net undiscounted financial assets/(liabilities)	1,513,361	-	-	1,513,361

The Company

2014	Within 1 year S\$	Within 2 to 5 years S\$	More than 5 years S\$	Total S\$
Financial Assets				
Trade receivables	568,094	-	-	568,094
Other receivables and deposits	473,211			473,211
Cash and cash equivalents	1,553,344	-	-	1,553,344
Total undiscounted financial assets	2,594,649	-	-	2,594,649
Financial liabilities				
Trade and other payables	1,392,654	-	-	1,392,654
Total undiscounted financial liabilities	1,392,654	-	-	1,392,654
Total net undiscounted financial assets/(liabilities)	1,201,995	-	-	1,201,995



Notes to Financial Statements (Contd.)

2013	Within 1 year	Within 2 to 5 years	More than 5 years	Total
	S\$	S\$	S\$	S\$
Financial Assets				
Trade receivables	1,219,807	-	-	1,219,807
Other receivables and deposits	579,680	-	-	579,680
Cash and cash equivalents	977,008	-	-	977,008
Total undiscounted financial assets	2,776,495	-	-	2,776,495
Financial liabilities				
Trade and other payables	1,324,497	-	-	1,324,497
Total undiscounted financial liabilities	1,324,497	-	-	1,324,497
Total net undiscounted financial assets/(liabilities)	1,451,998	-	-	1,451,998

Fair Value of Financial Instruments

As at the end of the financial year, the Company has no financial assets or financial liabilities that are carried at fair value measurements.

The carrying amounts of financial assets and financial liabilities of the Company recorded at amortised cost in the financial statements approximate their fair values due to their short term nature.

22 CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maximize shareholder's value.

The Group manages its capital structure and make adjustments to it, in light of changes in the working capital requirements, business performance and economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2014 and 31 March 2013.

The Group will continue to be guided by prudent financial policies of which gearing is an important aspects. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	The Group		The Company	
	2014	2013	2014	2013
	S\$	S\$	S\$	S\$
Net debts	124,802	1,676,268	-	491,165
Total equity	2,718,107	1,673,693	1,980,282	1,744,731
Total capital	2,842,909	3,349,961	1,980,282	2,235,896
Gearing ratio	0.04	0.50	-	0.22

The Group and the Company does not have any externally imposed capital requirements for the financial year ended 31 March 2014 and 31 March 2013.

23 SUBSEQUENT EVENTS

On 22 April 2014, the Company invest additional US\$350,000(RMB2,200,000) in the paid-up capital of the subsidiary, Shanghai You Hua Engineering Machinery Design Co. Ltd.

24 COMPARATIVE FIGURES

Certain comparative figures have been reclassified so as to conform to the current financial year presentation.

The Group

Statement of comprehensive income for the year ended at 31 March 2013	Balance as previously stated	Current year reclassification	Balance restated
	S\$	S\$	S\$
Cost of services	(4,773,976)	(1,095,473)	(5,869,449)
Administration expenses	(5,678,532)	1,095,473	(4,583,059)

Detailed Income Statement for the year ended March 31, 2014

The Company	2014 S\$
Revenue	5,415,861
COST OF SALES	
COS – Accrued leave	39,847
COS – Commission on sales	372,897
COS – Group life insurance	207,519
COS – Payroll taxes	239,496
COS - Salaries	1,873,001
COS - Travel	109,102
COS – House rent allowance	105,332
COS – Others	5,699
	2,952,893
Gross profit	2,462,968
Other Income	
Bad debts written back	45,495
Foreign exchange gain	18,923
Interest income	104
Miscellaneous income	35
Reimbursement of expenses	3,387
Interest expense - others	(811)
	67,133
	2,530,101
Less:	
Administration expenses	2,153,164
Other operating expenses	148,107
	2,301,271
Profit before taxation	228,830



Schedule of Operating Expenditure for the year ended March 31, 2014

	2014 S\$
Administration expenses	
Accounting fees	84,039
Accommodation	16,499
Advertisement	109,850
AMC Software soft package	16,322
Audit fee - current	45,000
over provision	(16,000)
Bad advances written off	8,593
Bad debts written off	32,776
Bank charges	11,260
Books and periodicals	602
Defined contribution pension cost	7,468
Directors' accommodation	26,400
Directors' emoluments	120,000
Entertainment	17,907
Insurance	3,692
Legal fees	5,043
Miscellaneous expenses	34,163
Office rental	71,094
Postage and courier	7,530
Printing and stationery	3,374
Professional fees	63,937
Provision for doubtful debts - reversal	(40,138)
Reimbursement of other expenses	10,084
Repair and maintenance	2,260
Software development charges	1,365,324
Staff welfare and benefits	6,068
Sundry balances written back	3,847
Telephone charges	46,019
Transport charges	83,413
Travelling expenses	5,411
Visa processing charges	1,327
	2,153,164
Other operating expenses	
Depreciation of plant and equipment	3,662
Loss on foreign exchange	144,445
	148,107
Total operating expenses	2,301,271



Geometric China, Inc

Financial Statements for the year ended March 31, 2014

Regd. Office

23B, 855 South Pudong Rd Pudong New Area, Shanghai, PRC



Statement By Director

In the opinion of the director, the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 March 2014 and the results, changes in equity and cash flows of the company for the year then ended and at the date of this statement there are

reasonable grounds to believe that the company will be able to pay its debts as and when they fall due

MANU MAHMUD PARPIA

Executive Director / Legal Representative

Date: 10 April 2014

Independent Auditors' Report to the Members of Geometric China, Inc.

We have audited the accompanying financial statements of Geometric China, Inc., which comprise the balance sheet as at 31 March 2014 and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

MANAGEMENT' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

INDEPENDENT AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

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

OPINION

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of International Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 31 March 2014 and the results, changes in equity and cash flows of the company for the year then ended.

This report has been prepared for the purpose of preparation of consolidated financial statements of Geometric Asia Pacific Pte. Ltd. for the year ended 31 March 2014.

My Whole Way CPAs
Shanghai, The People's Republic of China
10 April 2014

Balance Sheet as at March 31, 2014

		31-Mar-2014		31-Mar-2013	
	Note	RMB	Equivalent INR	RMB	Equivalent INR
Assets					
Property, plant and equipment	4	54,477	526,248	70,702	619,350
Total Non-Current Assets		54,477	526,248	70,702	619,350
Trade receivables	5	6,750,171	65,206,652	8,035,466	70,390,682
Other receivables, deposits & prepayments	6	894,653	8,642,348	250,013	2,190,114
Cash and bank balances	7	5,040,615	48,692,341	1,842,866	16,143,506
Total current assets		12,685,439	122,541,341	10,128,345	88,724,302
Total assets		12,739,916	123,067,589	10,199,047	89,343,652
Liabilities					
Trade and other payable	8	8,360,209	80,759,619	10,178,384	89,162,644
Tax payable		649,668	6,275,793	355,060	3,110,326
Total current liabilities		9,009,877	87,035,412	10,533,444	92,272,970
Owners' equity					
Paid-up capital	9	1,125,552	10,872,832	1,125,552	9,859,835
Accumulated losses		2,604,487	25,159,344	(1,459,949)	(12,789,153)
Total owners' equity		3,730,039	36,032,176	(334,397)	(2,929,318)
Total liabilities and owners' equity		12,739,916	123,067,588	10,199,047	89,343,652
Exchange rate used for translation 1 RMB = ₹			9.66	8.76	

The accompanying notes are an integral part of these financial statements.



Statement of Profit & Loss Account for the year ended March 31, 2014

	Note	31-Mar-2014		31-Mar-2013	
		RMB	Equivalent INR	RMB	Equivalent INR
Revenue	10	22,601,832	218,333,697	21,759,020	190,609,015
Cost of sales		(128,000)	(1,236,480)	(606,526)	(5,313,168)
Business tax		(121,360)	(1,172,338)	(269,402)	(2,359,962)
Gross profit		22,352,472	215,924,879	20,883,092	182,935,885
Administrative and general expenses		(17,460,285)	(168,666,353)	(17,563,925)	(153,859,983)
Marketing and Distribution Expenses		(98,300)	(949,578)	(57,600)	(504,576)
Operating Income	11	4,793,887	46,308,948	3,261,567	28,571,326
Finance (expenses)/income	12	100,790	973,631	7,617	66,725
Non- Operating Income		76,193	736,024	273,200	2,393,232
Profit before taxation		4,970,870	48,018,603	3,542,384	31,031,283
Income tax	13	(906,434)	(8,756,152)	(590,000)	(5,168,400)
Net loss		4,064,436	39,262,451	2,952,384	25,862,883
Exchange rate used for translation 1 RMB = ₹			9.66		8.76

The accompanying notes are an integral part of these financial statements.

Change in Owner's Equity

	Paid-in capital		Accumulated losses		Total	
	RMB	Equivalent INR	RMB	Equivalent INR	RMB	Equivalent INR
Balance at 31 March 2012	1,125,552	10,872,832	(4,412,333)	(42,623,137)	(3,286,781)	(31,750,304)
Net profit for for the year ended March 31, 2012	-	-	2,952,384	28,520,029	2,952,384	28,520,029
Balance at 31 March 2013	1,125,552	10,872,832	(1,459,949)	(14,103,108)	(334,397)	(3,230,275)
Net profit for the year ended March 31, 2014	-	-	4,064,436	39,262,452	4,064,436	39,262,452
Balance at 31 March 2014	1,125,552	10,872,832	2,604,487	25,159,344	3,730,039	36,032,177
Exchange rate used for translation 1 RMB = ₹			9.66			

The accompanying notes are an integral part of these financial statements.

Cash flow for the year ended March 31, 2014

	31-Mar-2014		31-Mar-2013	
	RMB	Equivalent INR	RMB	Equivalent INR
Cash flows from operating activities:				
Profit before taxation	4,064,436	39,262,452	3,542,384	31,031,284
Adjustments to reconcile net profit to net cash generated from operating activities:				
Depreciation of fixed assets	21,194	204,734	22,393	196,163
Finance Costs	100,790	973,631	5,623	49,257
Interest income	(8,660)	(83,656)	(3,982)	(34,882)
Operating loss before working capital changes	4,177,760	40,357,161	3,566,418	31,241,822
Net Decrease / (increase) in trade and other receivables	640,655	6,188,727	(5,075,776)	(44,463,798)
Net (Decrease) / increase in trade and other payables	(1,523,567)	(14,717,657)	1,286,927	11,273,481
Cash generated from operations	3,294,848	31,828,232	(222,431)	(1,948,496)
Interest income (net)	(92,130)	(889,976)	(1,640)	(14,366)
Net cash generated from operating activities	3,202,718	30,938,256	(224,071)	(1,962,862)
Cash flows from investing activities:				
Purchase equipment	(4,969)	(48,001)	(31,450)	(275,502)
Net cash used in investing activities	(4,969)	(48,001)	(31,450)	(275,502)
Net Increased in cash and cash equivalents	3,197,749	30,890,255	(255,521)	(2,238,364)
Cash and cash equivalents at the beginning of the year	1,842,876	17,802,182	2,098,397	18,381,958
Cash and cash equivalents at the end of the year	5,040,625	48,692,438	1,842,876	16,143,594
Exchange rate used for translation 1 RMB = ₹		9.66		8.76

The accompanying notes are an integral part of these financial statements.



Notes to Financial Statements

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 CORPORATE INFORMATION

Geometric China, Inc. (the “Company”) is a wholly foreign owned enterprise registered in Shanghai Pudong New Area Municipal People’s Government on 12 December 2005. The registered capital of the Company is USD140,000. On 25 February 2008, the ownership of the USD 140,000 of paid up capital was transferred from Michael Mc Connell to Geometric Asia Pacific Pte. Ltd. The principal activities of the Company are developing, designing, marketing and selling of engineering solutions, services and technologies for vehicle and heavy-duty equipment; supplying related after sales service and technical consultation. The address is 23 B, 855 South Pudong Road, Shanghai, China.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are prepared based on the management accounts of the Company. The principal accounting policies adopted in the preparation of the management accounts are in conformity with the Accounting Standards for Business Enterprises and the Accounting Regulations for Business Enterprises issued by the Ministry of Finance of the People Republic of China (the “MOF”), which differ in certain respects from International Financial Reporting Standards (“IFRS”). These financial statements have incorporated adjustments made to the management accounts in order to conform with IFRS. The amounts shown in these financial statements are presented in Renminbi (“RMB”).

2.2 Accounting Year

The accounting year of the Company is from 1 April 2013 to 31 March 2014

2.3 Plant and Equipment

2.3.1 Plant and Equipment

All other items of property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

2.3.2 Components Of Costs

The cost of an item of plant and equipment includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2.3.3 Depreciation

Depreciation is provided on the straight-line basis so as to write off the cost of plant and equipment less residual value over their estimated useful lives as follows:

	Years
Computer	5
Office equipments	5

The useful lives of plant and equipment are reviewed and adjusted as appropriate at each balance sheet date.

2.3.4 Subsequent Expenditure

Subsequent expenditure relating to plant and equipment that has already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Other subsequent expenditure is recognized as repair and maintenance expense in the income statement during the financial year in which it is incurred.

2.3.5 Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the income statement. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2.4 Revenue Recognition

Provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the income statement as follows:

2.4.1 Time and Material Contracts

Revenue from time and material contracts for software development is recognised on completion of contracts or at stages as per the applicable terms and conditions agreed with the customers and when the deliverables are dispatched to customers.

2.4.2 Fixed Price Contracts

In case of fixed price contracts, revenue is recognised on milestones achieved as specified in the contracts on the proportionate completion method on the basis of work completed.

Notes to Financial Statements (Contd.)

2.4.3 Other Revenue

from sale of traded software products and software upgrading fee is recognised when the sale has been completed with the passing of the title. Revenue from software upgrading fees on software developed by the Group is recognised over the period for which it is received.

2.4.4 Interest Income

Interest income is measured on a time proportion basis using the effective interest method.

2.5 Foreign Currency

2.5.1 Functional and Presentation Currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in RMB, which is the Company's functional and presentation currency.

2.5.2 Foreign Currencies Transactions

The functional currency is the Renminbi ("RMB") as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the balance sheet and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in the income statement except when deferred in equity as qualifying cash flow hedges. The presentation is in the functional currency.

2.6 Fair Value Estimation

The fair values of financial instruments traded in active markets are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Company are the current bid prices; the appropriate quoted market prices for financial liabilities are the current ask prices. The fair values of financial instruments that are not traded in an active market are determined

by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used where appropriate. Other techniques, such as estimated discounted cash flows, are also used to determine the fair values of the financial instruments. The carrying amounts of current receivables and payables are assumed to approximate their fair values. The fair values of non-current receivables for disclosure purposes are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments.

2.7 Related Parties

A related party is an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. This includes parents, subsidiaries, fellow subsidiaries, associates, joint ventures and post-employment benefit plans, if any. The company is a subsidiary of Geometric Asia Pacific Pte. Ltd, incorporated in Singapore. There are transactions and arrangements between the company and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements. The current inter-company balances are unsecured without fixed repayment terms and interest unless stated otherwise.

2.8 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Company's cash management.



Notes to Financial Statements (Contd.)

2.9 Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down through the income statement to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognized in the income statement. The recoverable amount of an asset or a cash-generating unit ("CGU") is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each reporting date non-financial assets other than goodwill with impairment loss recognized in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.10 Impairment of Financial Assets

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired. If there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognized in the income statement. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the income statement, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

2.11 Trade and Other Receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance is recognized in the income statement. Other receivable are stated at fair value and subsequently measured at amortized cost, using effective interest method. Liabilities for trade and other payables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Interest-bearing liabilities are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowing on an effective interest basis. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the amortization process.

2.12 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.13 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as finance costs. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of

Notes to Financial Statements (Contd.)

resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.14 Operating Leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lesser are classified as operating leases. Payments made under operating leases (net of any incentives received from the lesser) are taken to the income statement on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lesser by way of penalty is recognized as an expense in the period in which termination takes place.

2.15 Finance Costs

Interest expense and similar charges are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the income statement using the effective interest rate method.

2.16 Employee Benefits

Pursuant to the relevant regulations of the PRC government, the company has participated in a local municipal government retirement benefit and housing schemes (the "Schemes"), whereby the company is required to contribute a certain percentage of the basic salaries of its employees to the Schemes to fund their retirement and housing benefits. The local municipal government undertakes to assume the retirement and housing benefits obligations of all existing and future employees of the company. The only obligation of the company with respect to the Schemes is to pay the ongoing required contributions under the Schemes mentioned above. Contributions under the Schemes are charged to the income statement as and when they are incurred.

For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognized in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognized where the entity is contractually obliged or where there is constructive obligation based on past practice.

2.17 Income Taxes

Current income tax liabilities (and assets) for the current and prior periods are recognized at the amounts expected to be paid to (or recovered from) the tax authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted by the balance sheet date. Deferred income tax assets/liabilities are recognized for all deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax assets/liabilities arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax assets and liabilities are measured at:

- (i) the tax rates that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date; and
- (ii) the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognized as income or expenses in the income statement for the period, except to the extent that the tax arises from a business combination or a transaction which is recognized directly in equity. Deferred tax on temporary differences arising from the revaluation gains and losses on land and buildings, fair value gains and losses on available-for-sale financial assets and cash flow hedges, and the liability component of convertible debts are charged or credited directly to equity in the same period the temporary differences arise. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

3 CRITICAL JUDGEMENTS, ASSUMPTION AND ESTIMATION UNCERTAINTIES

The critical judgments made in the process of applying the accounting policies that have the most significant effect on the amounts recognized in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed



Notes to Financial Statements (Contd.)

below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Allowance for doubtful accounts:

An allowance is made for doubtful accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management generally analyses accounts receivables and analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for doubtful accounts. To the extent that it is feasible impairment and uncollectability is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the reporting year, the receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year.

Deferred tax estimation:

Management judgment is required in determining the provision for income taxes, deferred tax assets and liabilities and the extent to which deferred tax assets can be recognized. A deferred tax asset is recognized if it is probable that sufficient taxable income will be available in the future against which the temporary differences and unused tax losses can be utilized. Management also considers future taxable income and tax planning strategies in assessing whether deferred tax assets should be recognized in order to reflect changed circumstances as well as tax regulations. As a result, due to their inherent nature, it is likely that deferred tax calculation relates to complex fact patterns for which assessments of likelihood are judgmental and not susceptible to precise determination.

Impairment of advance costs

The Company determines the recoverability of the costs incurred on contracts that cannot be billed. This determination requires significant judgment. The Company exercises its judgment using historical and industry trends, general market conditions, forecasts and other available information. An error in the judgment may impact the amount of advance cost to be carried in the balance sheet.

4 PROPERTY, PLANT AND EQUIPMENT

	Computer and office equipment	Total
	RMB	RMB
Cost:		
As at 1 April 2013	413,850	413,850
Additions	4,969	4,969
As at 31 March 2014	418,819	418,819
Accumulated depreciation:		
As at 1 April 2013	(343,148)	(343,148)
Additions	(21,194)	(21,194)
As at 31 March 2014	(364,342)	(364,342)
Net book value:		
As at 31 March 2014	54,477	54,477

5 TRADE RECEIVABLES

	2014	2013
	RMB	RMB
Trade receivables		
Third parties	4,587,599	3,310,798
Amount due from related company	2,162,572	4,724,668
	6,750,171	8,035,466
Less: impairment		
Balance at beginning	-	-
Allowance made during the year	-	-
Allowance no longer required	-	-
Balance at end	6,750,171	8,035,466

The carrying amounts of trade receivables approximate their fair values. No provision for impairment of trade debt for the company.

Amount due from related company is unsecured, non-interest bearing and no fixed term of repayment.

The Company does not have concentration of credit risk in respect of a customer or a group of customers.

Trade receivables are denominated in the following currencies:

Notes to Financial Statements (Contd.)

	2014	2013
	RMB	RMB
Renminbi	4,408,603	3,310,798
United States Dollar	2,341,568	4,724,668
	6,750,171	8,035,466

Aging of trade receivables at the reporting date is:

	2014	2013
	RMB	RMB
Past due 0 - 60 days	6,002,949	7,272,282
Past due 61 - 90 days	-	-
Past due 90 - 180 days	-	-
More than 180 days	747,222	763,184
	6,750,171	8,035,466

6 OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2014	2013
	RMB	RMB
Other receivables		
Third parties	184,850	201,639
Amount due from related company	664,706	-
Deposits	45,097	48,374
	894,653	250,013

The carrying amounts of other receivables approximate their fair values and dominated by Renminbi currency.

7 CASH AND CASH EQUIVALENTS

	2014	2013
	RMB	RMB
Cash and bank balances	5,040,615	1,842,866

The carrying amounts of cash and cash equivalents approximate their fair values.

Cash and cash equivalents are denominated in the following currencies:

	2014	2013
	RMB	RMB
Renminbi	5,040,509	1,794,830
United States Dollar	106	48,036
	5,040,615	1,842,866

8 TRADE AND OTHER PAYABLES

	2014	2013
	RMB	RMB
Trade and other payables		
Amount due to holding company	2,064,455	2,056,268
Amount due to related companies	5,600,317	6,839,757
Other payables	695,437	1,282,359
	8,360,209	10,178,384

The amount due to the holding company was payments made on behalf of the company. The amount is unsecured, interest free and payable on demand.

Amount due to related companies are unsecured, non-interest bearing and repayable on demand.

The carrying amounts of trade and other payables approximate their fair values and are denominated in the following currencies:

	2014	2013
	RMB	RMB
Renminbi	1,021,480	1,282,359
United States Dollar	7,338,729	8,896,025
	8,360,209	10,178,384

9 SHARE CAPITAL

	2014	2013
	USD	USD

Registered capital and paid-in capital:

Balance at end of year	140,000	140,000
------------------------	---------	---------

The Company's paid-in capital is RMB1,125,552 (USD140,000) and is certified by an independent Certified Public Accountants. The report is dated as 9 June 2006.

10 REVENUE

	2014	2013
	RMB	RMB
Revenue: Contract Revenue	22,601,832	21,759,020



Notes to Financial Statements (Contd.)

11 OPERATING PROFIT

	2014	2013
	RMB	RMB
Profit from operations is after charging:		
Depreciation and amortization	21,194	22,393
Director's remuneration	-	-
Rental of premises & equipment	218,928	208,974
Staff cost	14,842,981	15,379,829
Travelling expenses	1,931,003	1,041,446

Director's remuneration

There is no director remuneration offer to the directors during the financial year

12 FINANCE INCOME

	2014	2013
	RMB	RMB
Finance costs	(10,763)	(6,060)
Interest income	8,660	4,038
Profit on foreign exchange	102,893	9,638
	100,790	7,617

13 TAXATION

Reconciliation between the tax expenses of accounting profit multiplied by the applicable tax rate as per China tax requirement for the year ended 31 March 2014 was as follows:

	2014	2013
	RMB	RMB
Profit before taxation	4,970,870	3,542,384
Adjustment of accrued expenses	30,894	15,448
Adjustment of accrued salary/bonus	(713,088)	366,910
Taxable income	4,288,676	3,924,742
Taxable income carried forward	4,288,676	3,924,742
Tax rate in the period ended 31 Dec 2013	15%	15%
Tax rate afterwards 31 Dec 2013	25%	-
Tax for the financial year	906,434	590,000

The Company was granted the status of Advance Technology Servicing Enterprise on 12 March 2013 and enjoyed the tax rate of 15% from 1 January 2012 to 31 December 2013.

14 SIGNIFICANT RELATED COMPANY/PARTIES

TRANSACTIONS

Significant related companies/parties transactions on terms agreed between the Company and its related parties are as follows:

	2014	2013
	RMB	RMB
Related companies transaction:		
Contract Revenue	9,845,216	13,019,107
Cost of sales	(128,000)	(606,526)
	9,717,216	12,412,581

Director's remuneration

There is no director remuneration offer to the directors during the financial year.

15 OPERATING LEASE COMMITMENT

Rental expenses for offices and equipment for the Company were RMB 218,928 (2013: RMB 208,974). The leases have varying terms, escalation clauses and renewal rights. Future minimum rental under non-cancellable leases contracted for at balance sheet date but not recognised as liabilities are as follow as at 31 March:

	2014	2013
	RMB	RMB
Payable with 1 year	109,464	218,928
Payable with 2-5 years	-	328,392

16 FINANCIAL INSTRUMENTS

Financial Risk Management Objectives and Policies

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There is exposure to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following good market practices. The company is exposed to currency and interest rate risks. There are no arrangements to reduce such risk exposures through derivatives and other hedging instruments. Credit Risk Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash

Notes to Financial Statements (Contd.)

balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is the fair value of the financial instruments at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter-parties are banks with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed of the debtors' financial condition and a loss from impairment is recognised in the income statement. There is no significant concentration of credit risk, as the exposure is spread over a large number of counter-parties and customers unless otherwise disclosed in the notes to the financial statements. The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management. The average credit period generally granted to trade receivable customers is about 30 days. But some customers take a longer period to settle the amounts. The table below illustrates the ageing analysis:

	31-Mar-2014	31-Mar-2013
	RMB	RMB
Trade receivables:		
Less than 90 days	6,002,949	7,272,282
Over 90 days	747,222	763,184
Total	6,750,171	8,035,466

Foreign Currency Risk

Analysis of amounts denominated in non-functional currencies:

Financial assets:

	Trade and other Receivables	Cash and cash equivalents
	RMB	RMB
At 31 March 2014: United States Dollar	2,341,568	106
At 31 March 2013: United States Dollar	4,724,668	48,036

Financial liabilities:

	Trade and other Payables
	RMB
At 31 March 2014: United States Dollar	7,338,729
At 31 March 2013: United States Dollar	8,896,025

Sensitivity analysis

A 5% strengthening of RMB against the US dollar would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest Rate Risk

The interest rate risk exposure is mainly from changes in interest rates. The interest rate risk on financial assets is not significant.

Liquidity Risk

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities.

The following table analyses financial liabilities by remaining contractual maturity:

	31-Mar-2014	31-Mar-2013
	RMB	RMB
Trade and other payables:		
Within 1 year	648,616	1,282,359

Fair Value of Financial Instruments

There are no other differences between the book value and the fair value of the company's financial assets and liabilities. The company does not engage in transactions involving financial derivatives.

17 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Company on 10 April 2014.



Geometric Japan K.K.

Financial Statements for the year ended March 31, 2014

Regd. Office

Hikari Bldg 9F, 1-43-7 Yoyogi, Shibuya-Ku, Tokyo 151-0053, Japan

Directors Report of Geometric Japan KK

To The Members

The Directors hereby present their report for the year ended March 31, 2014

1. OPERATIONS:

The Company was incorporated on April 1, 2011 and has not yet commenced business.

2. FUTURE OUTLOOK:

The Company is expected to start its operations once the overall business restructuring is finalised.

By Order of the Board

Manu Parpia

April 25, 2014

Balance Sheet as at March 31, 2014

	As at March 31, 2014		As at March 31, 2013	
	Japanese Yen	INR	Japanese Yen	INR
SOURCES OF FUNDS:				
1. SHAREHOLDERS' FUNDS				
a) Share Capital	50,00,000	29,31,500	50,00,000	28,83,500
TOTAL	50,00,000	29,31,500	50,00,000	28,83,500
APPLICATION OF FUNDS:				
2. CURRENT ASSETS, LOANS AND ADVANCES				
a) Bank Account	50,00,000	29,31,500	50,00,000	28,83,500
TOTAL	50,00,000	29,31,500	50,00,000	28,83,500

Exchange rate used for translation : 1 Japanese Yen =

0.59

0.58



Geometric Europe GmbH

**Financial Statements
for the year ended March 31, 2014**

Regd. Office
Friedrichstrasse 15 70174, Stuttgart, Germany

Directors Report of Geometric Europe GmbH

To The Members

The Directors hereby present their Report of the Company for the year ended March 31, 2014.

1. OPERATIONS:

The Company has registered total revenue of € 2,691,424 and a Net Loss of € 1,310,366.

The Company acquired Geometric SRL, Romania and Geometric SAS, France w.e.f April 1, 2013 with a view of consolidating its operations in Europe.

2. SHARE CAPITAL:

During the year, there was no change in the share capital of the Company.

3. FUTURE OUTLOOK:

The Company expects to be profitable in the year ahead.

By Order of the Board

Manu Parpia

April 21, 2014

Balance Sheet as at March 31, 2014

	31 Mar 14		31 Mar 13	
	€	Equivalent ₹	€	Equivalent ₹
ASSETS AND LIABILITIES				
Non current Assets				
Advance towards acquisition of Geometric GmbH (formerly known as 3cap technologies, GmbH)	1,14,54,939	94,31,99,712	1,13,20,590	78,55,35,754
Current Assets				
Trade and Other Receivables	10,60,520.94	8,73,23,388	38,427	26,66,421
Advances - Staff Salary		-	15,709	10,90,030
Expenses Recoverable from Customer		-	1,50,000	1,04,08,495
Unbilled Revenue	5,35,044	4,40,55,511	2,74,499	1,90,47,486
Cash and bank Balance	7,30,214	6,01,25,856	14,653	10,16,779
Total Current Assets	23,25,779	19,15,04,755	4,93,287	3,42,29,211
Current Liabilities				
Trade and Other Payable	94,05,795	77,44,73,188	4,78,586	3,32,09,117
Escrow Liability	35,00,000	28,81,90,000	35,00,000	24,28,65,000
Total Current Liabilities	1,29,05,795	1,06,26,63,188	39,78,586	27,60,74,117
Net Current Assets	(1,05,80,016)	(87,11,58,433)	(34,85,299)	(24,18,44,905)
Net Assets	8,74,923	7,20,41,278	78,35,291	54,36,90,849
EQUITY & DEBT				
Share Capital	25,50,000	20,99,67,000	25,50,000	17,69,44,500
Loan taken from Geometric Limited		-	56,50,000	39,20,53,500
Retained Earning	(16,75,076)	(13,79,25,722)	(3,64,709)	(2,53,07,151)
Total Equity	8,74,924	7,20,41,278	78,35,291	54,36,90,849

Exchange rate used for translation : 1 € =

82.34

69.39



Statement of Profit and Loss for year ended March 31, 2014

	31 Mar 14		31 Mar 13	
	€	Equivalent ₹	€	Equivalent ₹
Sales	26,73,121	22,01,04,755	3,06,202	2,12,47,323
Other Income	18,303	15,07,093	22,484	15,60,144
Total Income	26,91,424	22,16,11,848	3,28,685	2,28,07,467
Cost Of Expenses				
Cost of Sales	-	7,92,83,079	3,42,161	2,37,42,524
Depreciation	-	-	-	-
Other Operating Expenses	26,87,485	22,12,87,477	3,50,097	2,42,93,238
Total Expenses	36,50,359	30,05,70,556	6,92,258	4,80,35,762
Profit / (Loss) from operations	(9,58,935)	(7,89,58,708)	(3,63,572)	(2,52,28,294)
Finance costs	3,51,432	2,89,36,882	1,136	78,857
Profit / (Loss) before Taxation	(13,10,367)	(10,78,95,590)	(3,64,709)	(2,53,07,151)
Taxation	-	-	-	-
Net Profit / (Loss) for the year	(13,10,367)	(10,78,95,590)	(3,64,709)	(2,53,07,151)
Exchange rate used for translation : 1 € =		82.34		69.39



Geometric GmbH

Financial Statements for the year ended March 31, 2014

Regd. Office

Dachauer Strasse 15, 85764 Oberschleissheim, Germany



Directors Report of Geometric GmbH (formerly known as 3cap technologies GmbH)

To The Members

The Directors hereby present their Report of the Company for the year ended March 31, 2014.

1. OPERATIONS:

The Company is a wholly owned subsidiary of Geometric Europe GmbH w.e.f January 1, 2013. The Company has registered total revenue of EUR 68,44,628 and a Net Loss of EUR 539,023 for the year under review.

2. DIVIDENDS:

The Directors do not recommend any Dividend.

3. FUTURE OUTLOOK:

The Company expects to be profitable in the year ahead.

By Order of the Board

Swadhin Bhide

April 21, 2014

Balance Sheet as at March 31, 2014

	31-Mar-14		31-Mar-13	
	EURO	Equivalent ₹	EURO	Equivalent ₹
ASSETS AND LIABILITIES				
Non current Assets				
Fixed assets	94,457	7,777,593	112,471	7,804,363
(Tangible and Intangible assets)				
Current Assets				
Trade and other receivables	1,167,481	96,130,405	1,895,559	131,532,842
Prepaid expenses	8,660	713,074	40,504	2,810,600
Cash and cash equivalents	637,953	52,529,020	517,597	35,916,037
Other assets	37,034	3,049,380	234,652	16,282,500
Total Current Assets	1,851,128	152,421,879	2,688,312	186,541,979
Current Liabilities				
Trade and Other Payable	673,106	55,423,551	216,974	15,055,857
Other liabilities & Provisions	264,774	21,801,482	719,123	49,899,946
Total Current Liabilities	937,880	77,225,033	936,097	64,955,803
Net Current Assets	913,248	75,196,846	1,752,215	121,586,176
Net Assets	1,007,705	82,974,439	1,864,686	129,390,539
EQUITY & DEBT				
Share Capital	25,000	2,058,500	25,000	1,734,750
Retained Earning	982,705	80,915,939	1,839,686	127,655,789
Total Equity	1,007,705	82,974,439	1,864,686	129,390,539
Exchange rate used for translation : 1EURO =		82.34		69.39

Profit and Loss Statment for the year ended March 31, 2014

	31-Mar-14		31-Mar-13	
	EURO	Equivalent ₹	EURO	Equivalent ₹
Sales	6,844,628	563,586,653	2,127,341	147,616,194
Other Income	2,374	195,474	20,061	1,392,039
Total Income	6,847,002	563,782,127	2,147,402	149,008,233
Cost Of Expenses				
Cost of Sales	4,546,527	374,361,009	1,871,872	129,889,221
Depreciation	50,863	4,188,034	17,533	1,216,588
Other Operating Expenses	2,763,168	227,519,219	229,402	15,918,214
Total Expenses	7,360,557	606,068,263	2,118,807	147,024,023
Profit / (Loss) from operations	(513,555)	(42,286,136)	28,595	1,984,210
Finance costs	22,910	1,886,398	5,459	378,799
Profit / (Loss) before Taxation	(536,465)	(44,172,534)	23,136	1,605,411
Taxation	2,558	210,626	6,750	468,390
Net Profit / (Loss) for the year	(539,023)	(44,383,160)	16,386	1,137,021
Exchange rate used for translation : 1EURO =		82.34		69.39



Geometric SAS, France

Financial Statements for the year ended March 31, 2014

Regd. Office

17, Avenue Didier Daurat Bâtiment Socrate, First Floor 31702 Blagnac Cedex, Toulouse, France

Directors' Report of Geometric SAS

To the Members

The Directors hereby present their report for the year ended March 31, 2014

1. OPERATIONS

The Total Revenue of the Company during the year was EUR 587,440 and Net Loss for the year was EUR 105,413

2. DIVIDEND

The Directors do not recommend payment of any dividend .

3. FUTURE OUTLOOK

The Company expects to perform better in the coming financial year, once the overall global economy recovers.

April 17, 2014

By Order of the Board

Manu Parpia

Balance Sheet as at March 31, 2014

	March 31, 2014		March 31, 2013	
	€	Equivalent ₹	€	Equivalent ₹
ASSETS AND LIABILITIES				
Non current Assets				
Plant And Equipment	312	25,716	1,230	85,349
Current Assets				
Trade And Other Receivables	742,641	61,149,046	353,454	24,526,128
Cash And bank balance	209,778	17,273,161	283,496	19,671,799
Total Current Assets	952,419	78,422,207	636,950	44,197,927
Current Liabilities				
Trade and Other Payable	2,364,127	194,662,217	1,944,162	134,905,404
provision For Taxation	-	-	-	-
Total Current Liabilities	2,364,127	194,662,217	1,944,162	134,905,404
Net Current Assets	(1,411,708)	(116,240,010)	(1,307,212)	(90,707,477)
Net Assets	(1,411,395)	(116,214,294)	(1,305,982)	(90,622,128)
EQUITY				
Share Capital	37,000	3,046,582	37,000	2,567,431
Reserves & Surplus	(1,448,395)	(119,260,875)	(1,342,982)	(93,189,525)
Total Equity	(1,411,395)	(116,214,293)	(1,305,982)	(90,622,094)
Exchange rate used for translation : 1€		82.34		69.39



Statement of Profit and Loss for year ended March 31, 2014

	March 31, 2014		March 31, 2013	
	€	Equivalent ₹	€	Equivalent ₹
Sales	587,440	48,369,838	759,187	52,679,979
Other Income			812,744	56,396,294
Total Income	587,440	48,369,838	1,571,931	109,076,273
Cost Of Expenses				
Cost of Sales	653,294	53,792,188	653,745	45,363,334
Depreciation	918	75,563	973	67,493
Other Operating Expenses	30,553	2,515,752	945,547	65,611,508
Total Expenses	684,764	56,383,503	1,600,264	111,042,335
Profit / (Loss) from operations	(97,324)	(8,013,666)	(28,333)	(1,966,062)
Finance costs	8,089	666,032		-
Profit / (Loss) before Taxation	(105,413)	(8,679,697)	(28,333)	(1,966,062)
Taxation	-	-	-	-
Net Profit / (Loss) for the year	(105,413)	(8,679,697)	(28,333)	(1,966,062)

Notes To Financial Statements

NOTE 1 - BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following is a summary of certain accounting policies followed in the preparation of these financial statement . The policies confirms to the generally accepted accounting principles and have been consistently applied in the preparation of the financial statement

NOTE 2 - BASIS OF ACCOUNTING

The financial statement are prepared using the accrual method of accounting

NOTE 3 - USE OF ESTIMATES

Preparation of financial statement in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and reported amount of income and expenses during the reporting periods. Actual result could differ from those estimates.

NOTE 4 - REVENUE RECOGNITION

Fixed Price projects:

Revenue is recognised using the percentage of completion method up to the amount specified on the customer contract. On a monthly basis, percentage of completion is determined and revenue is recognised based on that percentage. The corresponding entry is a debit to Unbilled Accounts receivable. Upon invoicing the project, the balance in unbilled Accounts Receivable is transferred to Billed accounts receivable. All costs associates with the revenue generation are expensed, matching revenues and expenses. Invoicing schedules vary from project to project but include billed upon completion and progress or milestone billings.

Time and Material projects:

Revenue is recognized on per hour basis. The revenue rate per hour is determined by the customer contract value or specification. Each hour of time incurred is multiplied by the per hour rate. The corresponding entry to revenue recognition is a debit to Unbilled Accounts Receivable. Upon invoicing the project, the balance in unbilled accounts Receivable is transferred to Billed Accounts Receivable.

All costs associated with the revenue generation is expensed, matching revenues and expenses. Invoicing schedules vary from project-to project but include weekly and monthly billings.

NOTES 5 - FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes, incidental expenses and financing cost of borrowed funds of fixed assets up to the date of commissioning/commercial exploitation of assets.

Depreciation of fixed assets is charged on the straight line basis on a pro-rata basis from the month the assets are put to use using the estimated lives specified by management. The estimated lives for various categories of the assets are as follows:

Computer Software	3 years
Computer Equipment	3 years
Office Equipment	13years
Furniture And Fixture	10 years
Machinery And Equipment	13 years
Leasehold Improvement	Over the term of the lease



Geometric SRL, Romania

Financial Statements for the year ended March 31, 2014

Regd. Office

Parcul Mic 19-21, bl.2 sc. A Mezzanine, Brasov, 500386, Romania



Directors' Report of Geometric SRL

To the Members

The Directors hereby present their report for the year ended March 31, 2014

1. OPERATIONS

Total Revenue of the Company during the year was RON 5,082,299 and Net Profit for the year was RON 65,791

2. DIVIDEND

The Directors do not recommend payment of any dividend

3. FUTURE OUTLOOK

The Company expects to perform better in the coming financial year, once the overall global economy recovers.

April 17, 2014

By Order of the Board

Manu Parpia

Balance Sheet as at March 31, 2014

	March 31, 2014		March 31, 2013	
	RON	Equivalent ₹	RON	Equivalent ₹
ASSETS AND LIABILITIES				
Non current Assets				
Intangible	46,294	855,567		
Plant And Equipment	48,286	892,368	167,684	2,644,382
Current Assets				
Trade And Other Receivables	626,062	11,570,256	1,658,417	26,153,232
Cash And bank balance	487,854	9,016,036	297,009	4,683,832
Total Current Assets	1,113,917	20,586,292	1,955,426	30,837,064
Current Liabilities				
Trade and Other Payable	437,214	8,080,152	483,598	7,626,340
Notes Payable	444,179	8,208,875	1,378,200	21,734,208
Total Current Liabilities	881,393	16,289,026	1,861,798	29,360,548
Net Current Assets	232,523	4,297,266	93,628	1,476,516
Net Assets	327,104	6,045,201	261,312	4,120,897
EQUITY	327,103	6,045,201	261,312	4,120,897
Total Equity	327,103	6,045,201	261,312	4,120,897
Exchange rate used for translation : 1RON =		18.48		15.77

Statement of Profit and Loss for year ended March 31, 2014

	March 31, 2014		March 31, 2013	
	RON	Equivalent ₹	RON	Equivalent ₹
Sales	5,082,299	93,925,961	7,035,278	110,946,337
Other Income	194	3,585	(137,575)	(2,169,563)
Total Income	5,082,493	93,929,546	6,897,703	108,776,774
Cost Of Expenses				
Cost of Sales	4190586.3	77,446,225	4,217,756	66,514,008
Depreciation	113,107	2,090,332	193,328	3,048,787
Other Operating Expenses	586,627	10,841,457	1,354,534	21,361,007
Total Expenses	4,890,321	90,378,015	5,765,618	90,923,802
Profit / (Loss) from operations	192,172	3,551,531	1,132,085	17,852,973
Finance costs	84,248	1,556,996	-	-
Profit / (Loss) before Taxation	107,924	1,994,535	1,132,085	17,852,973
Taxation	42,132	778,642		
Net Profit / (Loss) for the year	65,791	1,215,893	1,132,085	17,852,973

Notes To Financial Statements

NOTE 1 - BASIS OF ACCOUNTING AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Following is a summary of certain accounting policies followed in the preparation of these financial statement . The policies confirms to the generally accepted accounting principles and have been consistently applied in the preparation of the financial statement

NOTE 2 -BASIS OF ACCOUNTING

The financial statement are prepared using the accrual method of accounting

NOTE 3- USE OF ESTIMATES

Preparation of financial statement in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and reported amount of income and expenses during the reporting periods. Actual result could differ from those estimates.

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Revenue is recognised using the percentage of completion method up to the amount specified on the customer contract. On a monthly basis, percentage of completion is determined and revenue is recognised based on that percentage. The corresponding entry is a debit to Unbilled Accounts receivable. Upon invoicing the project, the balance in unbilled Accounts Receivable is transferred to Billed accounts receivable. All costs associates with the revenue generation are expensed, matching revenues and expenses. Invoicing schedules vary from project

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Depreciation of fixed assets is charged on the straight line basis on a pro-rata basis from the month the assets are put to use using the estimated lives specified by management. The estimated lives for various categories of the assets are as follows:

Computer Software	3 years
Computer Equipment	3 years
Office Equipment	13 years
Furniture And Fixture	10 years
Machinery And Equipment	13 years
Leasehold Improvment	Over the term of the lease

Statement pursuant to Section 212 of the Companies Act, 1956 relating to the Subsidiary Companies.

A. Name of The Subsidiary	Geometric America, Inc	Geometric SRL, Romania **	Geometric SAS, France **	Geometric Asia Pacific Pte Ltd.	Geometric China, Inc.	Geometric Japan K. K	3D PLM Software Solutions Ltd.	Geometric Europe GmbH	Geometric GmbH
B. Financial year of the subsidiary ended on	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014	March 31, 2014
C. The company's interest in the subsidiary on the aforesaid date									
a) Numbers of shares held	Geometric Ltd held the entire stock of aggregate value of US \$ 12,062,771	Geometric Europe GmbH held the entire stock	Geometric Europe GmbH held the entire stock of aggregate value of EUR 37,000	Geometric Ltd held the entire stock of aggregate value of Singapore \$100,000	Geometric Asia Pacific Pte Ltd held the entire stock of aggregate value of RMB 1,125,552	Geometric Asia Pacific Pte Ltd held the entire stock of aggregate value of JPY 5,000,000	Geometric Limited held 900,200 Equity Shares	Geometric Ltd held the entire stock of aggregate value of EUR 2,550,000	Geometric Europe GmbH held the entire stock of aggregate value EUR 25,000
b) Face Value per share	US \$ 1	Common stock - No face value	Common stock - No face value	S \$ 1	Common stock - No face value		10	Common Stock- No Face Value	Common Stock- No Face Value
c) Extent of Holdings	100%	100%	100%	100%	100%	100%	58%	100%	100%
D. The net aggregate of the Profits/(Losses) of the subsidiary so far it concerns the members of the company.									
a) Not dealt with in the accounts of the company amounted to									
1. For the Subsidiary's financial year ended as in "B" above	US\$ (205,178)	EUR 14,724	EUR (105,413)	S\$ 235,551	S\$ 836,461	-	₹ 467,510,579	EUR (13,10,367)	EUR (539,023)
Equivalent INR*	(12,290,162)	1,212,374	(8,679,710)	11,212,228	39,815,544	-	467,510,579	(107,895,590)	(44,383,160)
2. For the previous financial years of the subsidiary since it became the company's subsidiary	US\$ 2,036,183	US\$ 339,309	US\$ (29,762)	(S\$ 218,177)	S\$ 591,953	-	₹ 448,163,258	EUR (362,194)	EUR 16,386
Equivalent INR*	110,564,737	18,424,479	(1,616,077)	9,547,426	25,903,863	-	448,163,258	(25,132,642)	1,137,025
b) dealt with in the accounts of the company amounted to									
1. For the Subsidiary's financial year ended as in "B" above	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Equivalent INR*	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. For the previous financial years of the subsidiary since it became the company's subsidiary	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Equivalent INR*	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

* Exchange Rate used: 1 USD = ₹ 59.90, 1 SGD = ₹ 47.60 and 1 EUR= ₹ 82.34

** Effective April 01, 2013, Geometric Americas Inc. has transferred the ownership of Geometric SRL, Romania and Geometric SAS, France to Geometric Europe GmbH, a wholly owned subsidiary of Geometric Ltd. This transfer does not have an impact on overall consolidated Financial statements and results.

Disclaimer:

We have translated the foreign currency amounts in the financial data derived from our subsidiaries' financial statements at the closing rate as on March 31, 2014. The translations should not be considered as a representation that such foreign currency amounts have been, could have been or could be converted into Rupees at any particular rate, the rate stated above, or at all.

For and behalf of the Board

J. N. GODREJ
Chairman

MANU PARPIA
Managing Director & CEO

MILIND SARWATE
Director

Date: April 29, 2014



Ratio Analysis for the year ended March 31, 2014

	FY 14	FY 13
Ratio - Growth compared to previous year		
Growth in Operating revenue	6.78%	26.30%
Growth in Total revenue	6.13%	26.85%
Growth in PBT	(18.12)%	22.57%
Growth in PAT	(32.73)%	16.21%
Ratio - Financial Performance		
Export revenue/Total Revenue	94.71%	93.56%
Domestic(india) Revenue/ total Revenue	4.75%	5.29%
Other Income/Total revenue	0.54%	1.15%
Manpower cost/Total Revenue	62.49%	63.26%
Other operating Expenses/Total Revenue	25.99%	21.20%
Operating & Other expenses/Total Revenue	88.48%	84.47%
Interest Costs/total revenue	0.32%	0.34%
Depreciation/Total Revenue	3.16%	3.19%
PBT/Total Revenue	9.30%	12.06%
PBT/Average Net Worth	30.39%	56.10%
ROCE(PBIT/Average capital Employed)	27.67%	43.59%
Capital Output Ratio (Total Revenue/Average Capital Employed)	2.88	3.52
Payout Ratio (Dividend paid/PAT)	27.50%	15.60%
Ratio - Balance Sheet		
Debt/ Equity Ratio	0.11	0.11
Current Ratio	1.78	1.57
Cash & Bank Balances/ Total Assets	12.20%	5.86%
Cash & Bank Balances/ Total Revenue	7.35%	3.22%
Sundry Debtors/Total Revenue	11.94%	14.32%
Depreciation for the year/Average gross block of assets	12.37%	13.52%
Per Share Data		
Earning per share (Basic) (₹)	7.31	10.95
Cash Earnings per share(Basic) (₹)	12.77	16.19
Dividend %	100%	85%
Dividend per share	2.00	1.71
Book Value per share	52.82	41.51

* previous year figures reinstated wherever classification changes to make it comparable

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3D PLM Software Solutions Ltd.

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Geometric Ltd.
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Geometric Ltd.
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Survey No. 12/3 & 12/4 of
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Tal. Mulshi, Pune 411 057 India

3D PLM Software Solutions Ltd.
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Peoria, IL, USA

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Plano, TX, USA

Geometric Americas, Inc.
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Scottsdale, AZ, USA

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Paris, France

Germany

Geometric Ltd.
Friedrichstrasse 15 70174
Stuttgart, Germany

Geometric Europe GmbH
Friedrichstrasse 15 70174
Stuttgart, Germany

Geometric GmbH
(Previously known as 3cap
technologies GmbH)
Dachauer Straße 15a 85764
Oberschleißheim, Germany

Geometric GmbH
(Previously known as 3cap
technologies GmbH)
businessPARK - Osterhofener Str. 12,
93055, Regensburg, Germany

Romania

Geometric SRL
Parcul Mic 19-21, bl.2 sc.
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Romania

United Kingdom

Geometric (India) Ltd.
Ground Floor Office 210
2430 / 2440 The Quadrant,
Aztec West, Almondsbury,
Bristol, BS32 4AQ, United Kingdom

Netherlands

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5656 AE Eindhoven,
The Netherlands

Sweden

Geometric Europe GmbH
filial Sweden Frejs Revisor AB
Box 53100 (Ullevigatan 19)
400 14 Göteborg, Sweden

ASIA PACIFIC

Australia

Geometric Asia Pacific Pvt. Ltd.
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NSW 2154 Australia

China

Geometric China, Inc.
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Pudong New Area, Shanghai, PRC

Japan

Geometric Japan K.K.
Hikari Bldg 9F, 1-43-7 Yoyogi,
Shibuya-Ku, Tokyo 151-0053 Japan

Korea

Geometric Asia Pacific Pte. Ltd.
2703, 27F, Korea World Trade
Center, 159, Samseong-Dong,
Kangnam-GU, Seoul, Korea

Singapore

Geometric Asia Pacific Pte. Ltd.
78 Shenton Way #26-02A
Singapore 079120



Geometric

People Building Partnerships



GLOBAL Presence

Global Headquarters

Mumbai

Registered Office

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