



Geometric

15 Years
of
Building Partnerships



Annual Report
2009-2010



Partnerships

15 Years of People Building Partnerships

A partner is an entity, which works with you through thick and thin, shares your concerns, and works with you towards a common goal; and most importantly shares the pains and gains. At Geometric, we believe in not just creating strong relationships, but building partnerships with our key stakeholders. Over the last fifteen years, the company has lived by the ethos of 'People Building Partnerships'; and continues to establish and grow illustrious associations with our customers, employees, technology alliances, and shareholders.

Partnering with Employees

Even a company with the best infrastructure and deep pockets, cannot exist without its lifeline – its people. Geometricians work in an open environment where they can express their ideas, learn from experience and formal trainings, debate over new technologies, and build innovative solutions and products for customers and the company alike. Geometric recognizes the criticality of its people, and from its very inception, has made them stakeholders in the success of the company through equity participation. Today, our employees partner together for creating and delivering niche offerings; and also partner with our customers for building enduring relationships.

Partnering with Customers

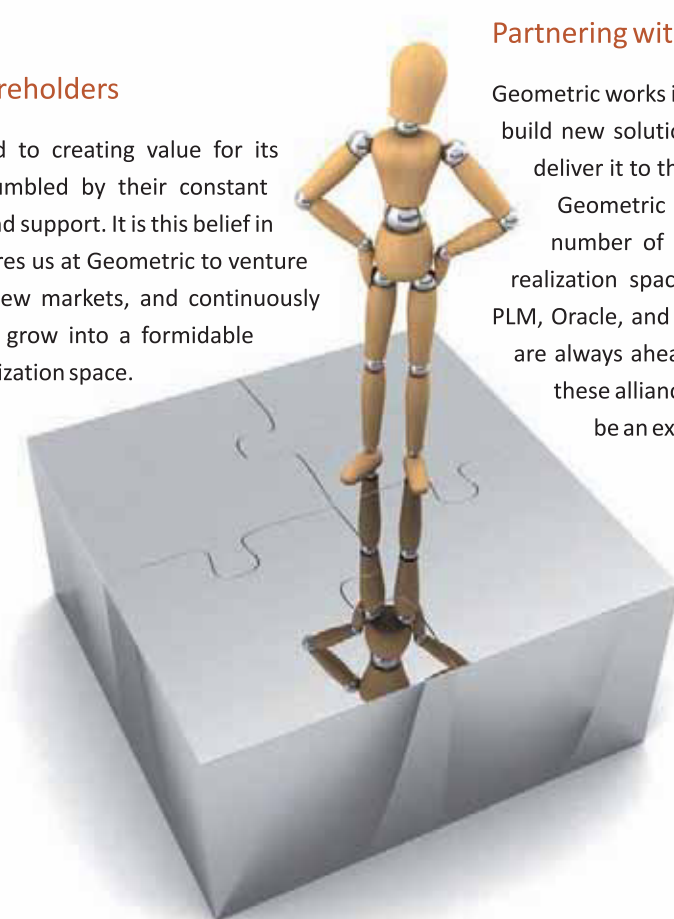
As an extended engineering arm of our customers, we believe in delivering beyond our customer's explicit requirements, through our understanding of the customers' business needs, markets, and evolutions in technologies. Our solutions are customized to address customer pain-points, and give our customers a competitive edge in the market. Repeat business and references from our existing customers is a clear testimony of the value we bring to the table in our partnerships.

Partnering with Shareholders

Geometric is committed to creating value for its shareholders, and is humbled by their constant faith, encouragement, and support. It is this belief in our abilities, which inspires us at Geometric to venture into new areas, enter new markets, and continuously expand our horizons to grow into a formidable player in the product realization space.

Partnering with Alliances

Geometric works in close conjunction with software ISVs to build new solutions, explore new industry verticals, and deliver it to the end customers. Over the last 15 years, Geometric has forged strategic alliances with a number of leading Software OEMs in the product realization space such as Dassault Systèmes, Siemens PLM, Oracle, and Microsoft to ensure that our customers are always ahead of the technology curve. For some of these alliances, Geometric has been and continues to be an extension of their own organization.



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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.



Quotes



“ I would like to congratulate the management, employees and all shareholders on the occasion of completion of 15 years. Time has certainly passed quickly, and seems only yesterday that Geometric was a part of the EBE division at Godrej. I do hope that Geometric grows in strength, and continues to be recognized as a leader in the product lifecycle management space. I believe there is great opportunity for the company to grow globally, and bring rapid value to its shareholder. I wish everyone all the very best for the years to come. ”



“ Our success over these 15 years has been anchored by our Philosophy, ‘People Building Partnerships’. Building partnerships requires us to understand our customer’s needs, build relationships that will sustain over time and deliver solutions that help our customer’s win. Any partnership requires an investment in time and energy, but above all requires us to act with integrity, as mutual benefit and trust are the drivers for sustaining any relationship.

We have been through a tough year, just as our customer’s have. I am convinced our success in overcoming these tough times is directly linked to our employees living our Philosophy of Building Partnerships – because the word itself conveys, its not a one way street. Just as customers can count on us, we can count on them.

I am sure, as long as we stick to our Philosophy, we will continue to grow and succeed. I take this opportunity to thank our shareholders, customers and employees for their continued support. ”



Vision, Mission & Values

Vision

To be the world's most innovative provider of product realization solutions.

Mission

Our mission is to help our customers achieve their business goals through excellence in global product realization. We will enable this through solutions based on innovative technologies, efficient processes and world-class competencies in our people.

Values

Our corporate values are reflected in all our people and in everything we do.

**Global
Mindset**

**Valuing the
Individual**

**Unyielding
Integrity**

**Customer
Focus**

**Passion for
Excellence**



Board of Directors



Jamshyd N. Godrej
Chairman

Manu M. Parpia
Founder and
Vice Chairman



Ravishankar G.
Managing Director
and CEO

Dr. Kyamas A. Palia
Director



Milind S. Sarwate
Director

Dr. Richard Riff
Director



Anita Ramachandran
Director

Ajay Mehra
Director



Compliance Officer

Priya Jadhav

Auditors

Kalyaniwalla & Mistry
Chartered Accountants

Registrars & Share Transfer Agents

Link Intime India Pvt. Ltd.
C-13, Pannalal Silk Mills
Compound, L.B.S. Marg, Bhandup,
Mumbai 400 078, India
Tel: +91 22 2596 3838
Fax: +91 22 2594 6969

Registered Office

Geometric Ltd.
Plant 6, Pirojshanagar, Vikhroli (W),
Mumbai 400 079, India
Tel: +91 22 6705 6500
Fax: +91 22 6705 6891





Management Team

Corporate Functions



Ravishankar G.
Managing Director and CEO



Rani Desai
Vice President and Head,
Human Resources &
Organizational Development



Priya Jadhav
Vice President, Finance



Venkatesh Jagannath
Vice President and Head,
New Business Development



Narendra Pitre
Vice President and Head, Quality



Basil Almeida
Vice President and
General Counsel



Sarvesh Naik
Senior Director and Head,
Corporate Marketing
& Communications



Sanjeev Joshi
Director and Head,
Internal Info Systems



Management Team



Business Heads



Raja Ramana Macha
Executive Vice President
and Head, Consulting

Avinash Salelkar
Vice President and Head,
Engineering Services



Nitin Tappe
Vice President and Head,
Software Services

Dr. Vinay Kulkarni
Vice President and Head,
Desktop Products & Technologies



Regional and Vertical Heads



Nambi Chandrasekaran
Vice President and Head,
North America

Kalidas Surapaneni
Senior Vice President and
Global Head, Industrial Vertical



Pavan Yalgi
General Manager and Head,
Europe

Ajit Joshi
Senior Vice President
and Head, Asia



Joint Venture



Shashank Patkar
CEO, 3D PLM Software Solutions Ltd.
(Joint Venture Company with
Dassault Systèmes)



Letter to the Shareholders



Dear Shareholders,

‘People Building Partnerships’ has been the Company’s core ideology since its incorporation 15 years ago, and continues to be a driving factor in our business today. Treating all our stakeholders as a part of ourselves, we have carved a niche for ourselves in the ecosystem in which we work. Before talking about the year gone by, on behalf of the management team, I’d like to thank you, our partner shareholders, for your faith in the Company through these 15 years.

FY 2010 was a year of transformation for your Company and the industry as a whole. To combat the downturn in the customer markets, companies across the board evaluated their workings and looked for means to invent newer business models, reduce costs, and improve productivity. At Geometric as well, we concentrated on creating a more nimble organization, improving our productivity, and turning around the Company’s loss-making US operations (from the acquired Modern Engineering, Inc. business). I am happy to inform you that we have been fairly successful in these objectives, despite a challenging year.

We are seeing a positive trend in the markets that we operate in, with discretionary spends slowly opening up. Our customers, who are primarily in the manufacturing sector, have been showing signs of cautious optimism. Traditionally, the manufacturing sector has lagged behind other sectors such as BFSI in responding to market trends be it recession or recovery. We expect the manufacturing sector to start catching up within the next couple of quarters.

FY10 Financial Performance

On a consolidated basis, we recorded revenues of Rs. 5,115.62 Mn, that’s USD 108.12 Mn, which was lower than our revenues for FY09 – Rs. 5,980.79 Mn (USD 129.47 Mn). There was a drop in our total revenues primarily because at the beginning of the year, we rationalized our customer portfolio and exited some non-profitable accounts. These accounts were mostly from our acquired engineering services business, and this exit has helped in reducing the losses of the unit. In the last quarter, we also pre-terminated the leases on rented offices in the US, and are consolidating our operations in Michigan to one office. With these changes in place, this business will start breaking even by early FY11.

On an operations level, we’ve improved our contribution margin in FY10 to 40.5% from 38.7% in FY09. The Company also reduced its SG&A expenses from Rs. 1,472.42 Mn in FY09 to Rs. 1,186.74 Mn this year. This played a significant impact on our operating profits, which rose by 11.9% to Rs. 586.17 Mn from Rs. 524.04 Mn in FY09. The Company’s concentrated efforts on reducing wastage, and improving productivity, helped us improve our operating margins from 8.8% in FY09 to 11.5% in FY10. Your Company recorded profit before tax of Rs. 600.26 Mn, which is over eight times the previous year’s PBT of Rs. 69.69 Mn. The EBITDA of the Company also improved by 165.1% to Rs. 868.36 Mn from Rs. 327.50 Mn in FY09. The Company closed the year with a net profit of Rs. 466.61 Mn; resulting in an EPS of Rs. 7.51 per share, as against Rs. 0.55 per share in the previous year.

During the year, we added 37 new customers, and won new orders worth USD 48.99 Mn, of which orders of USD 13.38 Mn were booked in Q4 FY10. We are seeing that the demand environment has started picking up, and although there is an optimism in the customer market, the customers are cautious on spends. We also expect an increase in non discretionary spends and in-turn an increase in off-shoring. Therefore, going forward this will have a positive impact on our revenues.

Markets and offerings

As a part of a planned diversification strategy, we expanded into adjacent verticals last year. Software for machine tool OEMs was one such area, which has emerged as a lucrative market for us, and we have successfully been able to build competencies in this area. Should cost modeling and digital assembly instructions are two new offerings in the engineering services space from which we are already seeing some good traction. We are slowly seeing traction in the embedded systems space as well, especially in the automotive domain. In fact, this is an important white-space in



our offerings portfolio currently, and we are exploring inorganic growth opportunities in this domain, to quickly ramp-up our presence in the market.

We launched the Pro/Engineer version of our automated design for manufacturability product, DFMPPro; and have received good feedback from the market. In fact, DFMPPro won the IIT Bombay Alumni Association's Innovations 2010 Award. We have also been recognized as one of NASSCOM's IT Innovators for 2009 for our orthodontics solution. This is the third consecutive year, in which we've been recognized for innovation by NASSCOM, and I'm sure with the Company's strong penchant for innovation, we will win many such accolades in the coming years.

Your Company's joint venture with Dassault Systèmes, 3D PLM Software Solutions Ltd., has been progressing well. Although the industry as a whole was facing a slowdown, the pipeline of work coming into 3DPLM has been expanding consistently, growing the venture to a 1000+ employee-strong organization this year.

Way forward

This year, we stepped back, and evaluated the workings of the Company to see how we can improve customer experience, as well as identify the changes required to take the company to the next level. With this agenda, we have laid down three priorities for the coming year:

- **Quality:** There is no substitute for good quality work, and no surer way to customer delight than delivering requirements on-time and with zero defects. Quality, therefore, will continue to be an area of focus for us to delight our customers, and thereby, generate repeat business.
- **Offerings Portfolio:** With a critical lens, we have revisited our current offerings portfolio with the market dynamics and changing customer needs to identify the white-spaces in our portfolio for each target vertical, that we need to fulfill. On a priority basis, we would be concentrating on two such spaces this year, one of them being embedded systems.
- **Competency Management:** For both the above priorities, finding the right people and right competencies is crucial. We will be reenergizing our competency building model as well as PLMi (PLM institute, our technical training engine). The company also plans to put in place a succession planning framework from a competency building perspective and with a view to promote young talent in the organization.

To meet the above objectives, we have restructured the Company into a matrix organization with horizontal and vertical

units being supported by corporate functions with effect from April 1, 2010. At this juncture, it is important for us to achieve customer focus and responsiveness, while ensuring product excellence and scale. The new matrix structure will help us:

- Take both software and engineering solutions more effectively to market
- Deliver enhanced value through our customer relationships management structure and gain advantage through better penetration and knowledge of customers and verticals
- Meet customers increasing demands for focused solutions and systems that address their business problems

Our core businesses and delivery organization form the horizontals or business units. We have consolidated three of our business units – PLM Services, Software Product Engineering and Manufacturing IT into one Software Services business unit, to better leverage the cross-sell opportunities and adjacencies in these businesses. We, now, have three horizontals, namely Software Services, Engineering Services and Desktop Products & Technologies. The verticals will front end customers, and are divided based on industry or geography. Due to the critical mass of the industrial and automotive customers, Industrial and Auto will be the two main vertical units, while the other industries like oil & gas, defense & aerospace, software OEMs, will be targeted through our three regional units of USA, Europe and Asia. Besides driving business development and building customer relations, each vertical will be responsible for gathering vertical specific domain knowledge and identifying trends.

Also, in accordance with our focus on new offerings and markets, we have created a new department called New Business Development, to identify and penetrate uncharted territories.

I am confident, with these changes, and renewed focus on quality and innovation, your Company will be in a unique position to leverage the growth spurt expected in the market by 2012. In conclusion, I'd like to thank you, our employees, the Board of your Company, and all our partners, for believing in the management team, and supporting us to emerge stronger despite an uncertain environment.

Yours sincerely,

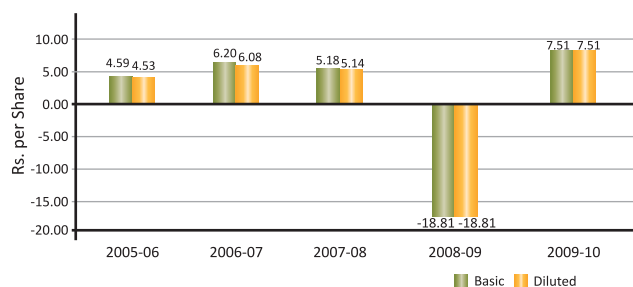
Ravishankar G.
Managing Director & CEO



Financial Highlights

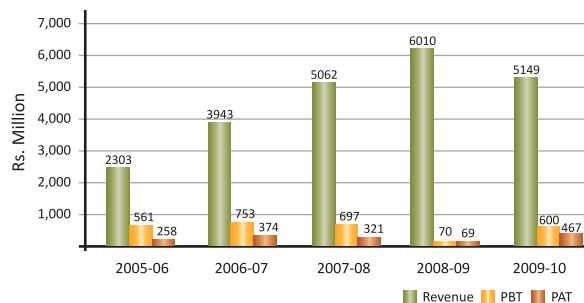
(Consolidated)

EPS Consolidated

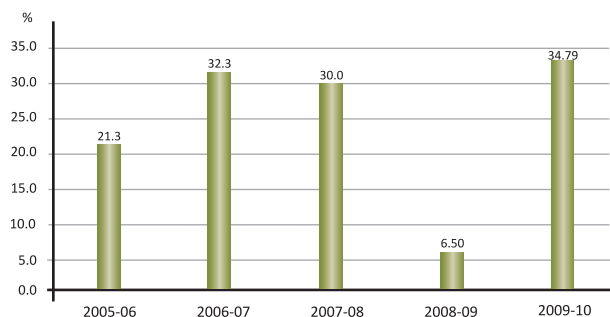


* Refer to Note no. 12 of schedule 14 in the notes to accounts for 2008-2009.

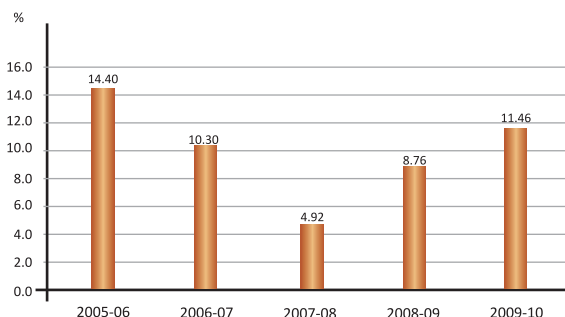
Revenue/PBT/PAT



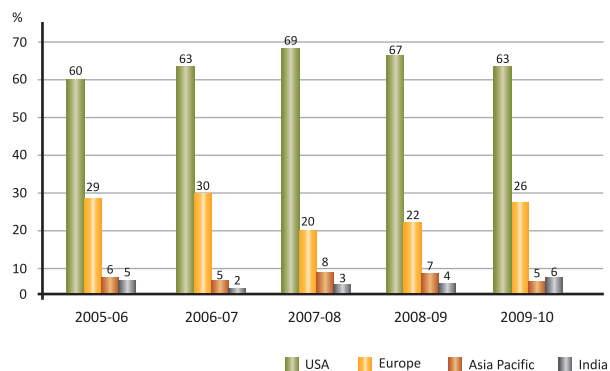
Return on Net Worth



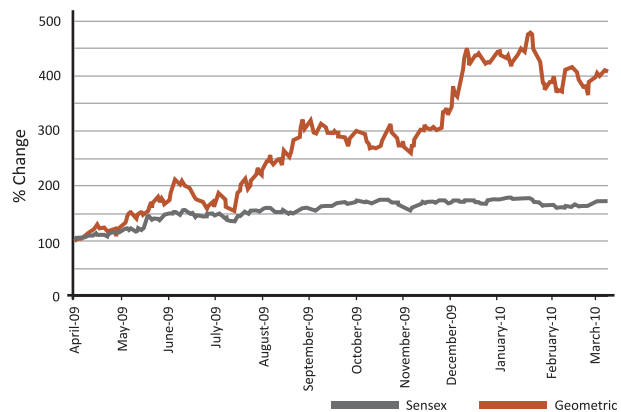
Operating Profit as % of Operating Revenue



Break up of Revenue by Region



Share Price Movement





Financial Highlights (Consolidated)

(Amount in '000 except Share price)

Particulars	Year ended March 31,			
	2010		2009	
	INR	US\$	INR	US\$
Revenue	5,115,620	113,328	5,980,671	117,915
Other Income	33,787	749	29,344	576
Total Revenue	5,149,407	114,076	6,010,015	118,492
EBITDA	600,247	13,297	327,501	6,457
Depreciation	231,523	5,129	209,620	4,133
Interest Expenses	36,583	810	48,186	950
Income Tax	4,053	90	40,802	804
Minority Interests	127,401	2,822	94,356	1,860
Other prior period items	(2,189)	(48)	134,299	2,648
Profit After Tax (PAT)	466,605	10,337	68,834	1,357
Basic EPS	7.51	0.17	(18.81)	(0.37)
Diluted EPS	7.51	0.17	(18.81)	(0.37)
Dividend (%)	55%	55%	40%	40%
PAT as % of total income	9.06%	9.06%	1.15%	1.15%
Share Price (NSE/BSE)				
-High	79.60	1.76	65.90	1.30
-Low	14.40	0.32	10.73	0.21
-Closing	63.80	1.41	14.51	0.29
US \$ Exchange Rate (Rs.)		45.14		50.72

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, 2010.

1A. Financial Results: (Standalone)

The Company's operating performance (standalone) during the year ended March 31, 2010 as compared to the previous year is summarized below:

	(Rupees in Millions)	
	Current Year	Previous Year
Sale and Other Income	2,210.42	2,453.85
Profit before Interest, Depreciation and Tax	234.57	116.55
Less : Interest and Finance Charges	4.03	10.58
Less : Depreciation	80.43	96.58
Profit before Taxes	150.11	9.40
Less : Tax adjustment in respect of earlier years	-	-
Less : Provision for Taxes	10.61	3.48
Net Profit before Extraordinary Items and Minority Interest	139.5	5.92
Add: Extraordinary Items and Prior Period Items	(3.13)	424.22
Net Profit	136.37	430.15
Surplus brought forward	1,052.96	1,257.98
Residual Dividend for previous year	-	(0.01)
Corporate Dividend Tax thereon	-	-
Profit available for Appropriation	1,189.33	1,688.12
Appropriations		
Proposed Dividend	68.33	49.69
Dividend Tax	9.32	3.86
Transfer To Investment Reorganization Reserve	-	538.51
Transfer To General Reserve	13.65	43.10
Surplus Carried Forward	1,098.03	1,052.96
Total	1,189.33	1,688.12

1B. Financial Results: (Consolidated)

The Company's operating performance (consolidated) during the year ended March 31, 2010 as compared to the previous year is summarized below:

	(Rupees in Millions)	
	Current Year	Previous Year
Sale and other Income	5,149.40	6,010.02
Profit before Interest, Depreciation and Tax	868.36	327.50
Less : Interest and Finance Charges	36.58	48.19
Less : Depreciation	231.52	209.62
Profit before Taxes	600.25	69.69
Less : Tax adjustment in respect of earlier years	-	-
Less : Provision for Taxes	4.05	40.80
Net Profit before Extraordinary Items and Minority Interest	596.20	28.89
Add: Extraordinary Items	(2.19)	134.30
Net Profit before Minority Interest	594.01	163.19
Less: Minority Interest	(127.40)	(94.36)
Net Profit	466.61	68.84
Surplus brought forward	861.84	1,503.43
Residual dividend for previous year	-	(0.01)
Corporate Dividend Tax thereon	-	-
Profit available for Appropriation	1,328.45	1,572.26
Appropriations		
Proposed Dividend	68.33	49.69
Interim Dividend	-	28.94
Dividend Tax	11.50	3.86
Transfer To Investment Reorganisation Reserve	-	538.51
Transfer To General Reserve	43.40	73.03
Corporate Dividend Tax Paid By Subsidiary	3.28	16.39
Surplus Carried Forward	1,201.94	861.84
Total	1,328.45	1,572.26



Directors' Report to the Members (Contd.)

2. DIVIDEND:

The Directors recommend payment of dividend to the shareholders for the year at the rate of Rs. 1.10 per Equity Share of Rs. 2 each, the same as last year's dividend at the rate of Rs. 0.80 per Equity Share plus a special dividend at the rate of Rs. 0.30 per Equity Share. The Directors believe that in view of the future prospects of the Company, the significant cash accumulations with the Company and the fact that the Company is celebrating its 15th year since inception, it was appropriate to increase the dividend in the form of a special dividend of 15%, together with the same dividend of 40% as per the previous year.

3. BUSINESS REVIEW:

The Financial Year 2009-10 was a challenging year as we had to adapt quickly to the changing economic scenario. The Company had to take some tough decisions to strike a balance in order to maintain the pillars of growth for the economic turnaround, while focusing on improving productivity and quality to serve the customers more efficiently than ever before.

The consolidated revenues for year ended FY10 declined from USD 129.47 mn to USD 108.12 mn, a decline of 16.5 %. However, revenues in rupee terms declined from INR 598.07 Crores to INR 511.56 Crores, a decline of 14.5 % on back of a favourable dollar to rupee exchange rate. For the same period, profit-after-tax increased from INR 6.88 Crores to INR 46.67 Crores (after adjustment for extraordinary items). A significant contributor to this increase was differential in forex loss compared to the last year which dropped from INR 48.36 crores in FY09 to INR 1.97 crores in FY10.

The three business segments of the Company – software services, engineering services and products recorded the following trends in the year FY10:

- Software services contribution to the top-line increased from 60.30% in FY09 to 64.25%. In absolute terms, this business decreased by 11% over the previous year.
- Engineering services contribution to the top line decreased from 33% in FY09 to 28.42% in FY10. This was on account of conscious efforts to get out of loss making contracts in the US as also focused efforts at retaining only the offshorable contracts.
- Products business contribution to the top-line increased from 6.7% in FY09 to 7.3% in FY10. Although, in absolute terms, the products business decreased by 9.6% over the previous year.
- The Company's performance in the four regions in which we operate can be summarized as follows:
 - USA's share moved from 67.1% in FY09 to 62.9% in FY10; remaining flat in absolute terms.
 - Europe's share of revenue increased from 22.5% in FY09 to 26.5% in FY10.

- APAC's share dropped from 6.7% in FY09 to 4.8% in FY10.
- India's share rose from 3.7% in FY09 to 5.7% in FY10.

These numbers reflect the effect of the economic slowdown that has hit the US first and the auto industry specifically.

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

- Software ISV & Partners: Segment share of business reduced marginally from 47.71% in FY09 to 47.1% in FY10; remained flat in absolute terms.
- Automotive: Segment share of business increased from 31.5% in FY09 to 32.5% in FY10. In absolute terms, this segment recorded a de-growth of 14.3% over the previous year. (USD 32.58 mn in FY10 Vs USD 38.02 mn in FY09).
- Agricultural and Construction Equipment: Segment share of business is almost flat at 10.8% in FY10 compared to 11% in FY09. In absolute terms, this segment recorded a de-growth of 18.1% over the previous year. (USD 10.84 mn in FY10 Vs USD 13.23 mn in FY09).
- Industrial and Marine Engineering: Segment share of business increased from 4.6% in FY09 to 5.3% in FY10. In absolute terms, this segment recorded a year-on-year de-growth of 4.3%. (USD 5.29 mn in FY10 Vs USD 5.53 mn in FY09).

During the year, the Company saw increasing traction in the apparel, oil & gas and aerospace industry, clearly indicating the impact of diversification and efforts to reduce dependence on the auto industry.

4. INVESTMENTS:

We had initiated the process of subsidiary restructuring with the objective of having single legal entity in each of the Geographies. This will help in consolidation and optimization of the administrative costs. As part of this process:

We merged Geometric Americas Inc., and Geometric Engineering Inc., (formerly Modern Engineering, Inc.) to form Geometric Americas Inc., in 2008.

Geometric China, a subsidiary of Geometric Engineering Inc., was taken over by Geometric APAC in 2008.

Effective April 1, 2009, we regrouped the shareholdings to make Geometric Technologies, Inc. a 100% subsidiary of Geometric Limited. Geometric Americas Inc., is a 100% subsidiary of Geometric Technologies, Inc., as a result any loss/profits in the US businesses can be offset between the 100% owned subsidiary and parent (between Geometric Technologies, Inc and Geometric Americas, Inc).

On April 1, 2010 Geometric Technologies, Inc. merged with Geometric Americas, Inc. and the merged entity is renamed as *Geometric Americas, Inc.* As a result we have one subsidiary in the US to consolidate operations.

Directors' Report to the Members (Contd.)

5. DIRECTORS:

In terms of Article 131 of the Articles of Association of the Company, Mr. Manu Parpia and Ms. Anita Ramachandran retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

6. 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.

7. AUDIT COMMITTEE

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

8. 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.

9. SUBSIDIARIES:

The Company has the following wholly-owned Subsidiary Companies:

- Geometric Technologies, Inc., USA
- Geometric Asia Pacific Pte. Ltd., Singapore
- Geometric Europe GmbH, Germany

The Company has the following other Subsidiary Companies:

- 3D PLM Software Solutions Ltd., in which the Company holds 70% stake.
- Geometric Americas, Inc. (A WOS of Geometric Technologies, Inc.)
- Geometric S.R.L., Romania (A WOS of Geometric Americas, Inc.)
- Geometric SAS, France (A WOS of Geometric Americas, Inc.)
- Geometric China Inc. (A WOS of Geometric Asia Pacific Pte. Ltd.,)

As required under Section 212 of the Companies Act, 1956, the subsidiaries' statements of accounts for the year ended March 31, 2010 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;

- that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- that the selected accounting policies were applied consistently and the Directors made judgements 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, 2010 and of the profit of the Company for the period ended on that date;
- 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;
- 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 26, 2010



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:

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 some 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. As energy costs comprise a very small part of the total expenses, the financial impact of these measures is not material.

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 inter-operability of multiple PLM systems.

Development of new module as part of the DFMPPro product for supporting the Plastic Injection Molding process. DFMPPro anticipates manufacturing problems right at the design stage so that re-work is minimized or eliminated thereby resulting in overall reduction in product development costs. DFMPPro has been integrated with two very popular CAD systems so that designers can frequently use it as part of their regular design process. A number of new manufacturability evaluation rules have been added into the module based on the feedback provided by existing and prospective customers.

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

Improvement of existing products and introduction of new modules into the products. Customer benefits including optimization of material usage and detection or elimination of problems likely to lead to manufacturing difficulties and higher manufacturing costs.

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 (Rs.)	Previous year (Rs.)
Total Foreign Exchange used	433,457,303	892,074,892
Total Foreign Exchange earned	2,019,705,215	2,245,194,683

Annexure 'B' to Directors' Report

Particulars as prescribed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.								
Sr. No.	Name of the Employee	Position	Age	Date of Joining	Main Qualification	Total Exp. Years	Gross Remuneration	Last Company Name
1.	Ajit Joshi	Sr. Vice President - PLMS Business	45	4-Aug-97	B. Tech, MS (Engg.)	20.9	4,531,929	Computer Vision
2.	Avinash Salelkar	Vice President & Global Head - Engineering Services	47	18-Feb-08	B. Tech	24.7	3,571,229	Tata Consultancy Services
3.	Basil Almeida	Vice President - Legal & General Counsel	41	2-Nov-05	LLB, B.Sc.	15	3,651,875	Syntel India Ltd.
4.	Christopher Pinto	Technical Director	46	16-Dec-96	M.Sc. (Tech.)	17	3,258,214	Larsen and Toubro Ltd.
5.	Narendra Pitre	Delivery Centre Head - Pune	44	10-Jun-96	BE, ME	20.2	2,979,419	Telco
6.	Nikunj Desai	Senior Director - Delivery	46	12-Dec-08	BE, M.Tech.	25.4	3,238,936	Fundtech India
7.	Prasanna Dhakephalkar	Delivery Head	50	14-Jul-08	B.Tech, MS (Engg.)	27.5	2,793,134	Tech Mahindra Limited
8.	Raja Ramana Macha	Executive - Vice President & COO	43	11-Dec-06	BE	22.6	9,440,940	Tata Consultancy Services
9.	Rajeev Narayanan	Director	44	1-Jul-94	BE	21.8	2,558,750	Godrej & Boyce Mfg. Co. Ltd.
10.	Rajesh Godbole	Director - Delivery	41	5-Jan-09	BE, M.Tech.	12.2	2,840,648	Persistent Systems Pvt. Ltd
11.	Rajiv Singh	Vice President	43	1-Jul-94	B.Tech, M.Tech.	17.1	2,982,006	IIT
12.	Ramachandran Narasimhan	Vice President & Head - Global Productivity System	56	11-Aug-08	B.Tech, M.Tech., PhD	8.11	3,183,453	Tata Consultancy Services
13.	Ravi Kumar Dondapati	Director - Global Staffing & Resourcing	37	29-Nov-07	MBA, B.Sc. (Tech.)	7.10	2,424,074	Kale Consultants Limited
14.	Ravishankar G.	Managing Director & CEO	42	28-Feb-07	B.Sc., CA, ICWA	19.2	10,586,007	GE Healthcare
15.	Rohinirani Desai	Vice President - HR & OD	50	6-Oct-08	MA, LLM, LLB	25.1	3,804,620	Mahindra & Mahindra Ltd.
16.	Sarvesh Naik	Director & Head - Corp. Marketing & Communications	38	14-Dec-07	BE, MBA	14.7	2,895,060	Tata Consultancy Services
17.	Shirish Kulkarni	Director	40	16-Jun-08	BE, ME	19.3	2,948,171	BMC Software India Pvt. Ltd.
18.	Shripad Kale	Practice Head - Research and Development	42	1-Aug-95	BE, M.Tech.	20.1	2,492,538	Telco
19.	Venkatesh Jagannath	Vice President - SPE Business	42	1-Jul-94	BE, M.Tech.	16.11	4,035,389	Godrej & Boyce Mfg. Co. Ltd.
20.	Vijayshankar Malliya	Delivery Head, Engineering	42	9-Dec-03	BE	20.5	2,630,240	Scandent Group
21.	Vinay Kulkarni	Vice President - Desktop Product Business	44	12-Jun-95	B.Tech., PhD	21.5	3,283,999	IIT Bombay
The following table states the details of employees worked with the Company for the part of the year.								
Sr. No.	Name of the Employee	Position	Age	Date of Joining	Main Qualification	Total Exp. Years	Gross Remuneration	Last Company Name
1.	Priya Jadhav	Vice President - Finance	39	18-May-09	B.Com., CA, CS	17	3,168,469	Genpact
2.	Suchendra Kulkarni	Vice President	53	29-Nov-07	BE, MMS	29	3,008,257	Tata Technologies Ltd.

Notes:

- The Gross remuneration shown above is subject to tax and comprises salary, allowances, cash incentive, monetary value of perquisites as per Income tax rules and Company's contribution to Provident Fund & Superannuation Fund.
- In addition to the above remuneration, employees are entitled to gratuity, medical benefits etc., in accordance with the Company's rules.
- The remuneration as indicated above, includes performance linked payments for employees for the previous year, which were approved by the Management during the year.
- All appointments are non-contractual, except in case of the Managing Director & Chief Executive Officer and Executive - Vice President & Chief Operating Officer of the Company.
- None of the employees are related to any director of the Company.



Annexure 'C' to the Directors' Report

Disclosure as required under SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 as on March 31, 2010

Sr. No.	Particulars	Scheme V ESOP Scheme 2003		Scheme VII ESOP Scheme 2006	Scheme VIII ESOP Scheme 2009	Scheme IX ESOP Scheme 2009 - Directors	Scheme X ESOP Scheme 2009 - Employees
1.	Details of the Meeting	Annual General Meetings (June 18, 2003 and June 29, 2004)		Extraordinary General Meetings (November 21, 2006)	Extraordinary General Meetings (April 6, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (September 25, 2009)
2.	Approved	2,750,000 (Note 1)		1,850,000	1,000,000	300,000	600,000
3.	The Pricing Formula	Closing price on NSE on date immediately preceding grant of options. The options may be granted at Market Price computed in accordance with the ESOP Guidelines.		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.
		Pre Spilt	Post Spilt				
4.	Options Granted	630,956	2,477,695	1,872,500	1,000,000	250,000	600,000
5.	Options Vested	71,135	169,540	79,375	-	-	-
6.	Options Exercised	27,336	1,012,015	-	-	-	-
7.	Options Forfeited / Surrendered (Note 2)	108,081	687,750	1,555,000	20,000	-	18,000
8.	Options Unexercised / Unvested	495,539	169,540	317,500	1,000,000	250,000	582,000
9.	Options Lapsed	-	608,390	-	-	-	-
10.	Total Number of Options in force	-	169,540	317,500	1,000,000	250,000	582,000
11.	Variation in terms of ESOP	NA		NA	NA	NA	NA
12.	Total Number of Shares arising as a result of Exercise of Options	1,148,695		-	-	-	-
13.	Money realised by exercise of Options (Rs. in Lakhs)	570.10		-	-	-	-

Notes :

- The No. of Options mentioned above have been adjusted for subdivision of the Company's shares from face value of Rs. 10 each into five shares of face value of Rs. 2 each on August 9, 2005 and on account of issue of bonus shares on August 6, 2004.
- The surrendered options can be reissued as per the terms of Scheme 2003, 2006, 2009 & 2009 - (Directors & Employees).

Annexure 'C' to the Directors' Report (Contd.)

B. Employee-wise details of options granted during the financial year 2009-10 to:

(i) Senior managerial personnel

ESOP Scheme 2009

Name	No. of options granted
Ravishankar G	250000
Raja Ramana Macha	200000
Shashank Patkar	60000
Ajit Joshi	50000
Venkatesh Jagannath	40000
Vinay Kulkarni	40000
Avinash Salelkar	40000
Surapaneni Kalidas	40000
Rajiv Singh	40000
Rohinirani Desai	40000
Basil Almeida	30000
Sarvesh Naik	20000
Priya Jadhav	20000
Milind Shastri	17000
Sudarshan Mogasale	17000
Narendra Pitre	13650
Sameer Atre	12000
Vijayshankar Mallya	11350
Vandana Gohain	11000
Hemant Gadgil	10000
Vishnu Chakraborty	10000
Total	972000

ESOP Scheme 2009 - Employees

Name	No. of options granted
Umeshchandra Ananthanarayana	10900
Nikunj Desai	10900
Laura Wisnewski	10900
Nitin Tappe	9400
Nambi Chandrasekaran	9400
Sameer Kondejkar	9400
Sreekanth Jayanti	9400
Manoj Deshmukh	9400
Shripad Kale	9400
Rajendra Agarkar	9400
Ravi kumar Dondapati	9400
Prasanna Dhakephalkar	9400
Michael Pelkey	9400
Sanjeev Joshi	9400
Total	136100

ESOP Scheme 2009 - Directors

Anita Ramachandran	50000
Dr. K A Palia	50000
Milind Sarwate	50000
Richard Riff	50000
Ajay Mehra	50000
Total	250,000

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

ESOP Scheme 2009

Name	No. of options granted
<u>Grant on April 27, 2009</u>	
Ravishankar G	250,000
Raja Ramana Macha	200,000
Shashank Patkar	60,000
Ajit Joshi	50,000
<u>Grant on July 24, 2009</u>	
Bikash Parida	3,000
Priya Jadhav	20,000
<u>Grant on October 26, 2009</u>	
Narendra Pitre	13,650
Vijayshankar Mallya	11,350

ESOP Scheme 2009 - Directors

Name	No. of options granted
Anita Ramachandran	50000
Dr K A Palia	50000
Milind Sarwate	50000
Richard Riff	50000
Ajay Mehra	50000

(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 2.20

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

(a) Exercise price equals market price	32.41
(b) Exercise price is greater than market price	NA
(c) Exercise price is less than market price	NA



Annexure 'C' to the Directors' Report (Contd.)

Weighted average fair value of options granted during the year whose:

(a) Exercise price equals market price	14.20
(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 2009-10 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 2009-10 would be (Rs. 9,627,380). 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	Rs.
Net Income	
As Reported	139,495,661
Add: Intrinsic Value Compensation Cost	-
Less: Fair Value Compensation Cost	(9,627,380)
Adjusted Pro Forma Net Income	129,868,281
Earning Per Share: Basic	
As Reported	2.20
Adjusted Pro Forma	2.09
Earning Per Share: Diluted	
As Reported	2.20
Adjusted Pro Forma	2.09

- 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	
1. Risk Free Interest Rate	6.24%
2. Expected Life (in years)	3.46
3. Expected Volatility	57.68%
4. Dividend Yield	0.99%
5. Price of the underlying share in market at the time of the option grant.	32.00

The Assumptions used in the model (grant wise) are as follows:

Variables	27-Apr-09	24-Jul-09	26-Oct-09	26-Oct-09	26-Oct-09
1. Risk Free Interest Rate	5.66%	5.92%	6.90%	6.94%	6.89%
2. Expected Life (in years)	3.45	3.45	3.45	3.58	3.44
3. Expected Volatility	57.38%	58.74%	58.39%	58.02%	57.96%
4. Dividend Yield	0.78%	0.78	1.23%	1.23%	1.23%
5. Price of the underlying share in market at the time of the option grant.	19.40	33.85	45.95	45.95	45.95



Annexure 'D' to the Directors' Report

The Members of
Geometric Limited.
Plant 6, Pirojshanagar,
Vikhroli (West), Mumbai - 400 079.

We have examined the compliance of conditions of Corporate Governance by Geometric Limited (the Company) for the year ended on March 31, 2010, 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

Viraf R. Mehta
Partner
M. No.: 32083
Firm Reg. No. 104607W

Place: Mumbai
Date: April 26, 2010



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

Geometric's Board has an optimum combination of Executive and Non-Executive Directors, to ensure independent functioning. During the Financial Year ended March 31, 2010, the Board comprised of eight Directors out of which seven were Non-Executive. 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, 2010 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 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 out of five Meetings held during the year	Attendance at the last AGM	No. of other Directorships held as at March 31, 2010*	Committee Position in other Public Ltd. Companies as at March 31, 2010 #	
						Member	Chairman
Mr. J. N. Godrej	Chairman	Non-Executive; Non-Independent	5	Absent	8	2	–
Mr. Manu Parpia	Founder & Vice Chairman	Promoter; Non-Executive; Non-Independent	5	Present	3	–	–
Mr. Ravishankar G.	MD & CEO	Executive; Non-Independent	4	Present	1	–	–
Dr. K. A. Palia	Director	Non-Executive; Non-Independent,	5	Present	4	1	–
Ms. Anita Ramachandran	Director	Non-Executive; Independent	5	Absent	4	1	1
Mr. Milind Sarwate	Director	Non-Executive; Independent	5	Present	2	–	–
Dr. Richard Riff	Director	Non-Executive; Independent	4	Absent	–	–	–
Mr. Ajay Mehra\$	Director	Non-Executive; Independent	4	Absent	–	–	–

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

\$ Appointed w.e.f. April 27, 2009.

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

Report on Corporate Governance (Contd.)

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 generally sent well in advance of the date of the Board Meeting to the Directors to enable the Board to take informed decision. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. Vice President – Finance 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.

Five 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)	No. of Directors present (Teleconference)
1	27-Apr-09	7	7	–
2	24-Jul-09	8	8	–
3	25-Aug-09	8	6	2
4	26-Oct-09	8	8	–
5	22-Jan-10	8	8	–

Equity Shares of the Company held by Directors as on March 31, 2010:

Name of Director	Number of Shares held	Percentage
Mr. J. N. Godrej	–	–
Mr. Manu Parpia	46,65,405	7.51
Mr. Ravishankar G.	–	–
Dr. K. A. Palia	45,000	0.07
Ms. Anita Ramachandran	45,000	0.07
Mr. Milind Sarwate	–	–
Dr. Richard Riff	–	–
Mr. Ajay Mehra*	–	–

* Appointed as Director w.e.f. April 27, 2009.

c) Re-appointment of Directors

Mr. Manu Parpia and Ms. Anita Ramachandran are retiring by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment in the Annual General Meeting.

The brief resumes of the Directors proposed to be re-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.



Report on Corporate Governance (Contd.)

- ii) 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.
- 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 judgement 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 there on.
- 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 non-payment 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	Dates on which Audit Committee Meetings were held & Attendance recorded				
		27-Apr-09	24-Jul-09	25-Aug-09	26-Oct-09	22-Jan-10
Mr. Milind Sarwate (Chairman)	Non-Executive, Independent	Attended	Attended	Attended	Attended	Attended
Dr. K. A. Palia	Non-Executive, Non-Independent	Attended	Attended	Attended	Attended	Attended
Dr. Richard Riff	Non-Executive, Independent	Attended	Absent	(Attended on teleconference)	Attended	Attended
Ms. Anita Ramachandran	Non-Executive, Independent	Attended	Attended	Attended	Attended	Attended

The Audit Committee Meetings are usually held at the Registered Office of the Company and are attended by Vice President - Finance 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. In absence of the Company Secretary, the Compliance Officer acts as Secretary of the Committee.

The previous Annual General Meeting of the Company was held on September 25, 2009 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	Dates on which Compensation Committee Meetings were held & Attendance recorded			
		27-Apr-09	24-Jul-09	25-Aug-09	26-Oct-09
Mr. J. N. Godrej (Chairman)	Non-Executive, Non-Independent	Attended	Attended	Attended	Attended
Mr. Manu Parpia	Promoter, Non-Executive, Non-Independent	Attended	Attended	Attended	Attended
Mr. Milind Sarwate	Non-Executive, Independent	Attended	Attended	Attended	Attended
Ms. Anita Ramachandran	Non-Executive, Independent	Attended	Absent	Attended	Attended
Mr. Ajay Mehra*	Non-Executive, Independent	NA	NA	Attended	Attended

* Appointed as Member w.e.f. July 24, 2009.

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.



Report on Corporate Governance (Contd.)

ii) Non-Executive Directors:

Pursuant to the Members approval at the Annual General Meeting held on August 4, 2008, 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, 2010, to the Non-Executive Directors, amounted to Rs. 6,224,428/-.

The details of commission payable for the financial year 2009-10 are summarized as below:-

Name of the Director	Commission (Rs.)	Sitting Fees (Rs.)
Mr. J. N. Godrej	778,053.50	140,000.00
Mr. Manu Parpia	1,556,107.00	140,000.00
Dr. K. A. Palia	778,053.50	200,000.00
Ms. Anita Ramachandran	778,053.50	240,000.00
Dr. Richard Riff	778,053.50	140,000.00
Mr. Milind Sarwate	778,053.50	240,000.00
Mr. Ajay Mehra	778,053.50	100,000.00
Total	6,224,428.00	1,200,000.00

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

The Company is availing professional services from Mr. Manu Parpia, Founder & Vice Chairman, Non-Executive Director of the Company for a period of three years with effect from September 1, 2009 to August 31, 2012 at fees not exceeding Rs. 36,00,000/- (Rupees Thirty Six Lacs) per annum on terms and conditions as set forth in an agreement entered into between the Company and Mr. Manu Parpia. Consequently, during the year he has been paid Rs. 2,100,000/- for the said services. The fees are subject to the approval of the Central Government under section 309 (1) of the Companies Act, 1956, for which an application has been made.

Under Directors ESOP Scheme 2009 - Directors, the eligible Directors were granted stock options.

The details of shares and Employee Stock Options held by the Non-Executive Directors as on March 31, 2010, were as given below:

Name of the Director	No. of Shares held	No. of Stock Options Held*	Grant Price (in Rs.)	Date of expiry
Mr. J. N. Godrej	—	—	—	—
Mr. Manu Parpia	46,65,405	—	—	—
Dr. K. A. Palia	45,000	50,000	47.20	October 26, 2014
Ms. Anita Ramachandran	45,000	50,000	47.20	October 26, 2014
Mr. Milind Sarwate	—	50,000	47.20	October 26, 2014
Dr. Richard Riff	—	50,000	47.20	October 26, 2014
Mr. Ajay Mehra	—	50,000	47.20	October 26, 2014

- * 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.

Report on Corporate Governance (Contd.)

iii) Executive Directors:

Mr. Ravishankar G. Managing Director and CEO, is the only Executive Director in the Company. His remuneration for the period commencing from April 1, 2009 to March 31, 2010, has been approved by the Compensation Committee, the Board of Directors and the Shareholders in the General Meeting as required by the Companies Act, 1956.

Remuneration to Executive Director –

The details of remuneration paid to Mr. Ravishankar G. for the period from April 1, 2009 to March 31, 2010, are given below:

Particulars	Amounts (Rs.)
Salary	5,511,758
Performance pay	*4,208,100
Others	909,891
Total	10,629,749

* The remuneration payable to the Managing Director as approved by the shareholders and the Board of Directors is in excess of the maximum amount payable under the provisions of section 198 of the Companies Act, 1956. The excess amount of Rs. 11,19,900 has not been paid to the Managing Director and will be paid only subject to the approval of the Central Government.

Under “ESOP Scheme 2009” the Company granted 250,000 stock options to Mr. Ravishankar G. at Rs. 19.20 and the same are exercisable by him according to the terms of the Scheme.

C. Investor Grievances Redressal Committee

The Company has constituted Investor Grievances Redressal Committee of Directors to look into and investigate 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 and the details of meetings attended by the members of the said Committee are given below:

Name of the Member	Category	Dates on which Investor Grievances Redressal Committee Meetings were held & Attendance recorded			
		27-Apr-09	24-Jul-09	26-Oct-09	22-Jan-10
Mr. J. N. Godrej (Chairman)	Non-Executive, Non-Independent	Attended	Attended	Attended	Attended
Mr. Manu Parpia	Promoter, Non Executive, Non-Independent	Attended	Attended	Attended	Attended
Dr. K. A. Palia	Non-Executive, Non-Independent	Attended	Attended	Attended	Attended
Mr. Ravishankar G.	Executive, Non-Independent	Attended	Attended	Attended	Attended

The Company Secretary acts as Secretary of the Committee. In absence of the Company Secretary, the Compliance Officer 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. (formerly known as “Intime Spectrum Registry 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 2009-2010

Nature of Requests / Grievances / Complaints	Opening Balance as on April 1, 2009	Received during the year	Resolved during the year	Closing Balance as on March 31, 2010
Non-receipt of Dividend warrants	0	12	12	0
Others	0	8	8	0
Total	0	20	20	0



Report on Corporate Governance (Contd.)

4. General Body Meetings

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

Annual General Meeting:

Year	Date	Time	Location	Special Resolutions passed
2008-2009	September 25, 2009	9.30 a.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	1. Approval of issue of 300,000 stock options under ESOP Scheme 2009 - Directors. 2. Approval of issue of 600,000 stock options under ESOP Scheme 2009 - Employees. 3. To avail professional services from Mr. Manu Parpia for a period of three years w.e.f. from September 1, 2009.
2007-2008	August 4, 2008	3.30 p.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	Alter certain clauses of the existing Articles of the Association.
2006-2007	June 29, 2007	3.30 p.m.	M. C. Ghia Hall, Bhogilal Hargovindas Bldg., 2nd Floor, 18/20, Kaikhushru Dubash Marg, Mumbai – 400001.	Nil

Extraordinary General Meeting:

Year	Date	Time	Location	Special Resolutions passed
2009-2010	May 21, 2009	4.30 p.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	Approval for utilization of amount from Securities Premium Account under the Scheme of Arrangement for financial restructuring to Investment Re-organization Reserve Account of the Company.
2009-2010	April 6, 2009	4.00 p.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	1. Appointment of Mr. Ravishankar G. as Managing Director and Chief Executive Officer of the Company for a period of three years with effect from February 21, 2009. 2. Approval of issue of 1,000,000 stock options under ESOP Scheme 2009. 3. Extending the benefits of ESOP Scheme 2009 to the senior employees and Directors of the direct and indirect subsidiaries of the Company.
2007-2008	October 8, 2007	3.00 p.m.	Plant 6, Pirojshanagar, Vikhroli (West), Mumbai – 400 079.	1. Change of the name of the Company from Geometric Software Solutions Company Limited to Geometric Limited. 2. Substitution of the new name i.e. Geometric Limited wherever it appears in Articles of Association of the Company.

Report on Corporate Governance (Contd.)

Year	Date	Time	Location	Special Resolutions passed
2006-2007	November 21, 2006	4.00 p.m.	Plant 6, Pirojshanagar, Vikhroli (West), Mumbai – 400 079.	<ol style="list-style-type: none"> 1. Appointment of Dr. Ravi Gopinath as Managing Director and Chief Executive Officer of the Company for a period of three years with effect from October 4, 2006. 2. Appointment of Mr. Manu Parpia as “Vice Chairman and Executive Director” for the period from October 4, 2006 to March 31, 2008. 3. Approval of issue of 1,850,000 stock options under Special ESOP Scheme 2006. 4. Extending the benefits of Special ESOP Scheme 2006 to the senior employees and Directors of subsidiaries of the Company. 5. Approval of grant of 1,400,000 stock options to Dr. Ravi Gopinath, Managing Director and Chief Executive Officer under Special ESOP Scheme 2006. 6. Issue of 350,000 warrants convertible into equivalent number of equity shares to Mr. Manu Parpia on preferential issue basis.
2006- 2007	May 17. 2006	4.00 p.m.	Plant 6, Pirojshanagar, Vikhroli (West), Mumbai – 400 079.	<ol style="list-style-type: none"> 1. Alteration of Articles of the Company. 2. Preferential issue of 3,867,075 Equity shares to ICICI Venture Funds Management Company Limited

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

b) Postal Ballot

During the year under review no resolution was passed through postal ballot.

5. Disclosures

1. 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.
2. 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.
3. 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 constitution of the Compensation Committee and Whistle Blower Policy, the Company has not complied with any of the Non-Mandatory requirements of Clause 49 of the Listing Agreement.
4. The Code of Conduct for Prevention of Insider Trading has also been amended during the year 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.
5. 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.
6. The Notice convening the Annual General Meeting of the Company has necessary disclosures relating to the appointment/re-appointment of Directors.
7. Annual Report has a detailed chapter on Management Discussion and Analysis.
8. The Company has paid the Listing fees of the Stock Exchanges, where the shares of the Company are listed.



Report on Corporate Governance (Contd.)

6. Means of Communication

The Un-audited/ Audited quarterly/ half yearly financial statements are announced within one month 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

1. Annual General Meeting:

Date and Time : Friday, July 23, 2010
at 11.00 a.m.
Venue : Plant 6, Pirojshanagar,
Vikhroli (W),
Mumbai 400 079

2. The financial year covers the period from April 1, to March 31

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.

3. Name & contact details of the Compliance Officer:

Ms. Priya Jadhav
Compliance Officer,
Tel No.: 67056500
Fax No.: 67056891
E-mail: investor-relations@geometricglobal.com

4. Book Closure:

The Registrar of Members and the Share Transfer Books of the Company will remain closed from Saturday, July 17, 2010 to Friday, July 23, 2010 (both days inclusive).

5. Dividend:

The Board has recommended Dividend on equity shares.

6. 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/Script Code & ISIN/Common Code Number	
The Stock Exchange, Mumbai (BSE)	532312
National Stock Exchange Ltd. (NSE)	GEOMETRIC
ISIN Number with NSDL & CDSL	INE797A01021



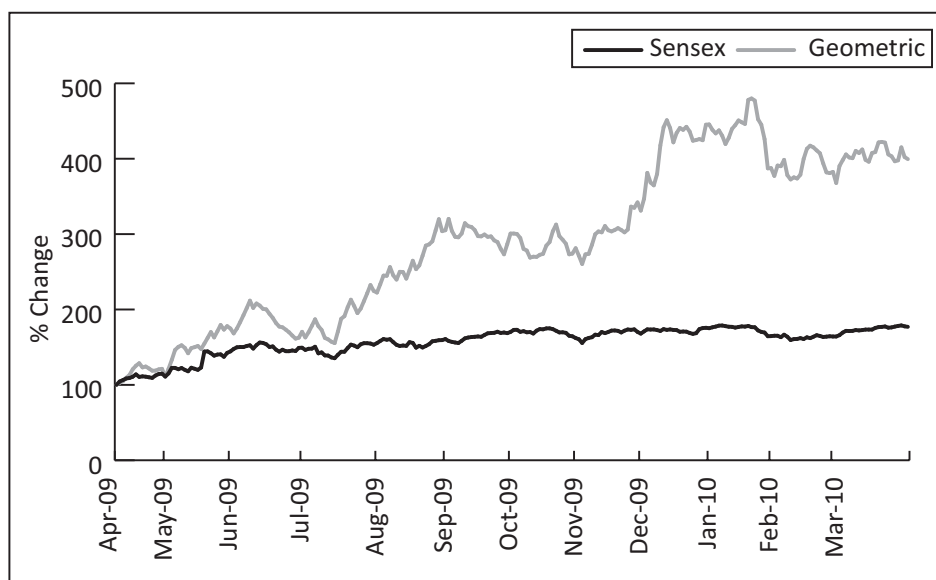
Report on Corporate Governance (Contd.)

7. Market Price Data:

High, lows and volume of Company's shares for 2009-10 at BSE & NSE

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
Apr-09	21.50	14.50	18,69,025	21.00	14.40	28,32,220
May-09	30.05	18.25	20,47,482	30.30	18.50	24,77,366
Jun-09	35.45	25.00	15,29,923	35.65	24.50	15,24,268
Jul-09	38.95	23.15	22,19,302	39.25	23.00	33,18,709
Aug-09	53.60	36.35	54,00,211	53.10	36.50	69,90,086
Sep-09	52.25	42.70	20,39,542	52.40	41.55	33,46,662
Oct-09	50.90	42.45	18,34,522	50.95	42.15	26,77,087
Nov-09	57.40	41.25	31,84,898	57.40	41.25	44,48,537
Dec-09	74.00	55.50	53,17,342	74.00	55.00	85,51,761
Jan-10	79.50	57.25	36,81,373	79.60	57.00	57,03,790
Feb-10	70.80	55.05	30,04,405	70.90	53.95	28,03,757
Mar-10	69.40	61.80	19,17,104	69.40	61.55	29,97,112

8. Performance in comparison to broad based indices such as BSE INDEX



9. Registrar & and Transfer Agents Investor Service

Link Intime India Pvt. Ltd.

(Formerly known as "Intime Spectrum Registry Ltd.")

C-13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup, Mumbai - 400078.

10. Share Transfer System

99.03% 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.



Report on Corporate Governance (Contd.)

11. Distribution of Shareholding as on March 31, 2010:

Shareholding of Shares	Number of Shareholders	Percentage of Shareholders	Shares Amount Total	Percentage of Total
1 – 5000	27,540	96.46	14,339,868	11.54
5001 – 10000	461	1.61	3,441,590	2.77
10001 – 20000	248	0.87	3,658,018	2.94
20001 – 30000	78	0.27	1,978,560	1.59
30001 – 40000	53	0.19	1,842,912	1.48
40001 – 50000	41	0.14	1,883,304	1.52
50001 – 100000	65	0.23	4,775,430	3.84
100001 and above	66	0.23	92,309,018	74.31
Total:	28,552	100.00	124,228,700	100.00

12. Categories of Shareowners as of March 31, 2010:

Category	Shares	Percent
Promoters & Promoter Group	23,851,413	38.40
Clearing Member	3,53,727	0.57
Other Bodies Corporate	20,38,712	3.28
Directors (Excluding Promoter Director)	90,000	0.14
Financial Institutions	2,000	0.00
Foreign Inst. Investor	57,75,001	9.30
Life Insurance Corpn. of India	14,64,882	2.36
Mutual Fund	9,95,575	1.60
Nationalised Banks	400	0.00
Non-Nationalised Banks	2,000	0.00
Non-Resident Indians	5,58,109	0.90
Non-Resident (Non Repatriable)	2,46,663	0.40
Public	2,27,93,747	36.70
Trusts	38,73,095	6.24
G I C & Its Subsidiaries	69,026	0.11
TOTAL	6,21,14,350	100.00

* % less than 0.01 %

13. Dematerialization of shares and Liquidity:

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

As on March 31, 2010, 99.03% 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.

14. 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 no Outstanding GDRs/Warrants or any Convertible Instruments, conversion as on March 31, 2010 which may likely impact on equity share capital of the Company.

15. Location of offices of Company & Address of correspondence (including subsidiaries)

(Registered Office) Mumbai	Plant 6, Pirojshanagar, Vikhroli (West), Mumbai 400 079.
Pune	Geometric Limited Plot No. 4, Pune Infotech Park, M.I.D.C. Hinjewadi, Taluka Mulshi, Pune - 411 057

Report on Corporate Governance (Contd.)

	Geometric Limited 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	Geometric Ltd. RMZ NXT, Campus 1A, Unit 101&102, First Floor, Whitefield Road, Sonnehalli Village, Bengaluru - 560 066.
	Geometric Limited Vikas Telecom Limited (SEZ) Ground Floor, Tower 3 of 2B, Survey No. 12/3 & 12/4 of Devarabeesanahalli Village, Varthur Hobli, Bangalore East Taluka, Bengaluru - 560 037
Chennai	Geometric Limited Dr. VSI Estate, I-9, Sintron Square, Thiruvanniyur, Chennai - 600 041
Hyderabad	Geometric Limited Q-City, 5th Floor, Block A, Survey No. 109, 110 & 111/2, Gachibowli, Nanakramguda Village, Serilingampally Mandal, R. R. District, Hyderabad - 500 032

Subsidiaries (Direct Subsidiaries)

3D PLM Software Solutions Limited	Plant 6, Pirojshanagar, Vikhroli (West), Mumbai - 400 079. Plot No. 15/B, Pune Infotech Park, M.I.D.C. Hinjewadi, Taluka Mulshi, Pune - 411 057
Geometric Asia Pacific Pte. Ltd.	78 Shenton Way #26-02A, Singapore - 079120.
Geometric Technologies, Inc.	16121 N 78# Street, Suit Number 101, Scottsdale, AZ 85260 - 1790 USA.
Geometric Europe GmbH	Friedrichstrasse, 15 70174 Stuttgart, Germany

Other Subsidiaries

Geometric China, Inc.	7G, 855 South Pudong Rd, Pudong New Area, Shanghai, PRC.
Geometric Americas, Inc.	633 South Boulevard, Rochester Hills, MI 48307 USA
Geometric SAS (FRANCE)	Immeuble 6 Parc Technologique METROTECH 42650 Saint Jean Bonnefonds, France
Geometric SRL (ROMANIA)	Parcul Mic 19-21, Brasov, 500386, ROMANIA

16. 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. (Formerly known as "Intime Spectrum Registry Ltd.")
C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup, Mumbai - 400 078.
Tel: 022 - 25963838 Fax: 022 - 25946969

For general correspondence:

Geometric Ltd.
Plant No. 6, Pirojshanagar, Vikhroli (West), Mumbai - 400 079.
Tel: 022 - 67056500 Fax: 022 - 67056891 E-mail: 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, Ravishankar G., Managing Director & CEO of Geometric Limited, do hereby declare & 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.

Place : Mumbai
Date : April 26, 2010

Ravishankar G.
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 judgements used in preparing the financial statements.

A. Business Environment and Outlook

Geometric operates in the Engineering technology and services segment (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 and Global Engineering services). Geometric provides services, solutions and technologies which increase the effectiveness and efficiency of design and manufacturing business processes for firms across the globe.

In the fiscal FY09, Geometric's primary markets have been significantly impacted by global recessionary trends. This has resulted in decrease in demand and volumes, for a wide variety of products. In particular, the US automobile industry dominated by the "Big Three" (Ford, Chrysler and GM) has faced financial crises caused by high unit costs, high costs of energy and a lack of demand caused by drop in expendable income and available credit. While automobiles form about one-fifth of the total manufacturing volumes in the USA, automobile production in USA and Canada declined by 19.3% in 2008 compared to 2007. In Europe as well there were significant declines in production, particularly in the larger markets of Western Europe.

Geometric has a high dependence on the automobile market, coupled with a high geographical dependence upon the US economy (67% of the total revenue of the company is sourced from the USA with 31.5% from the global automobile sector). As manufacturers grapple with the slump in demand, Geometric has been faced with pressures on prices and volumes from existing customers. Furthermore, new product development programs have been postponed or delayed. This has reduced the opportunities for Geometric to acquire new customers.

The native drivers for IT outsourcing, particularly focused on Engineering Services, continue to be strong and we do not foresee significant threats to the outsourcing markets. The current recession will stimulate changes in business processes and changes in product development infrastructure, which will increase the opportunity for Engineering outsourcing, both at the infrastructure or IT level, and at the level of business process execution. These changes will be driven by the need to reduce costs by optimization of manufacturing process costs, competitive sourcing of components, and increasing integration between various enterprise level systems. There will also be emphasis on reducing the energy consumption of products, and a focus on the environmental impact of managing products through their life cycle. All of these trends will favour the deepening and widening of opportunities available for Geometric.

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. The market of PLM (Product Lifecycle Management) systems which underlie IT infrastructure in the area of engineering are estimated to grow at 10% CAGR. This growth is highly correlated with opportunities for Geometric. First, Geometric is likely to acquire direct opportunities in building this growing infrastructure. Also, higher levels of IT infrastructure enable higher levels of outsourcing of engineering business processes, which again Geometric is well positioned to consume.
2. Geometric has traditional been a supplier in the discrete manufacturing segment. We see trends of higher leverage of enterprise engineering systems in the process manufacturing segment. Over the last few years, we have created entry points into such industries through the enterprise manufacturing segment. With this we are positioned to expand our market to the adjacent process industry market.
3. Geometric true Global Engineering service delivery model, combining deep domain expertise in proximity locations coupled with process and task level scalability in near-shore and offshore locations. As product manufacturers look to increase their competitiveness in the post-recession economic scenario, Geometric's positioning will enable new and broader opportunities to the market.
4. We see opportunities arising because of trends which will lead to deeper integration of ERP systems with engineering systems. This will provide a broader frame of opportunities for Geometric in extending its capabilities to integration processes related to business analytics, cost management, supply management, logistics and enterprise asset management.

Management's Discussion and Analysis Report (Contd.)

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

1. 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, 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.
2. 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.
3. Continued recession in the manufacturing market will lead to unplanned pressure on margins and topline. As reported earlier, Geometric is diversifying its customer base to include other industry segments like the oil and gas industry, the apparel industry, the transportation industry and the FMCG sector, to mitigate this risk. Over the last fiscal we have achieved entry level position in some of these markets and we will continue to invest in such adjacency-based diversification.
4. As the recession will impact investment made in IT infrastructure, Geometric's direct revenue from engineering tools (part of the Products business) and indirect revenue streams from outsourced product development (OPD) business, may be impacted. Geometric attempts to mitigate these risks by offering larger, cost-optimized solutions to its OPD customers. The Products business has set up financing mechanisms to support customers with cash flow issues.

C. Segment-wise Reporting

Geometric has organized its business into three distinct segments:

- (i) Software Solutions
 - (ii) Engineering Solutions and Services
 - (ii) Products
1. Software Solutions and Services include development, deployment and support of bespoke and packaged applications that digitize the extended PLM environment.
 - a) The driver to address the PLM market directly, reported last year, has improved Geometric's position in the overall package implementation and ADM (application development and maintenance) markets. During the last fiscal, the business had made entries into newer verticals, out of which it has gained traction in some verticals such as Oil and Gas, and Apparel, effectively diversifying the industry base of the business's markets. It has, also, successfully closed ADM deals with large industrial customers, which has been an area of strategic focus. The PLM business. The business has built up the capability to bid for large deals, and has been involved in several such RFP's. We believe that this will lead to an increase in the average deal size for the business and deepen its competitive position in the market.
 - b) Software Product Engineering (SPE) offers architecture, development, industrialization and support services to software product companies. This business has traditionally depended upon the engineering design software OEM market. During FY09, the business focused on entering adjacent markets such as metrology, medical imaging and machine tools, based on Geometric's overall positioning as a technology company in the geometry and visualization spaces. It has successfully entered into partnerships with product OEM's in these new verticals and continues to consolidate business in these areas. has provided the leverage required to acquire customers in these new markets. This derisks the dependence of traditional markets for this business.
 - c) The JV with Dassault Systèmes, 3DPLM has delivered robust performance and continues to be a strong driver of growth for the company.
 2. Engineering Solutions and Services support the engineering and manufacturing processes of industrial customers through a global delivery model, offering high-end product engineering and manufacturing engineering expertise. This business has been impacted by recession in the discrete manufacturing market, while it's sharp dependence on the Detroit centered automobile market has led to topline uncertainty. The Company has taken sharp steps to manage both variable and fixed costs for this business in line with demand uncertainty and continues to look for market and supply diversification opportunities in order to derisk it's markets. The India-located delivery centers have demonstrated sharp increases in productivity and margins, and going forward, this will also provide momentum for growth in this business.
 3. Products include interoperability solutions that integrate engineering and manufacturing applications within and across PLM and other enterprise systems; and productivity point solutions for engineering and manufacturing.



Management's Discussion and Analysis Reports (Contd.)

On one hand, the Products business is seen as a significant differentiator for the services business, while on the other it has been able to leverage service business engagements to gain market access and improvement opportunities for its products. As part of the enterprise product segment, Geometric's interoperability framework now forms part of consolidated solutions to manage disparate enterprise PLM systems in business ecosystems. Amongst point solutions, the business's new product DFMPPro has seen traction in the market as a tool to improve design-manufacturing integration, and we expect to build the revenue base for this product in the years to come.

D. Outlook

The Company has taken stock of the effect of industrial recession on demand from the engineering design and manufacturing markets, and has introduced steps to maintain margins

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 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

Sources of funds

1. Share Capital

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

During the year there was no change in the Share Capital.

2. Reserves and Surplus

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

(Rupees in Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Securities Premium Account	4.61	4.61	4.61	4.61
Cash Flow Hedges Reserve	122.88	(105.29)	200.36	(166.29)
General Reserve	56.75	43.10	204.83	149.26
Foreign currency translation Reserve	–	–	6.08	1.68
Investment Restructuring Reserve	756.07	756.07	49.36	62.93
Profit and Loss Account – Surplus	1,098.03	1,052.96	1,177.89	861.84

Management's Discussion and Analysis Report (Contd.)

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 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 Cash Flow Hedging Reserve.

3. Secured Loans

As on March 31, 2010, Total Loan funds outstanding are Rs. 185.30 Mn as compared to (Consolidated) in Previous Year Rs. 1,168.79 Mn).

As of March 31, 2010, loans outstanding are as below

(Rupees in Millions)

	Geometric Limited	Geometric Americas, Inc.	Geometric Engineering, Inc.
Loan from Citi Bank	77.64	108.34	—
Loan from ICICI Bank	—	—	1

4. Deferred tax Liability

We recorded deferred tax liability of Rs. 10.61 Mn (unconsolidated) and Rs. 30.37 Mn (consolidated) as of March 31, 2010 (Rs. 19.21 Mn (unconsolidated) and Rs.54.08 Mn (consolidated) as of March 31, 2009). Deferred tax liability represents timing differences in the financial and tax books arising from depreciation on assets (causing deferred tax liability) and provision for Bonus and others (causing deferred tax asset).

Application of funds

5. Fixed assets

A statement of movement in fixed assets is given below:

(Rupees in Millions)

Particulars	Unconsolidated			Consolidated		
	Current Year	Previous Year	Growth (%)	Current Year	Previous Year	Growth (%)
Leasehold Land	15.73	15.73	0.00	50.84	43.12	17.90
Buildings	113.70	113.70	0.00	262.15	228.67	14.64
Leasehold Improvement	—	—	—	4.68	4.68	0.00
Computers	118.25	122.47	3.00	737.75	657.13	12.27
Electrical Installations	94.21	91.83	3.00	195.74	152.34	28.49
Office Equipment and EPABX	46.40	43.44	2.96	83.67	74.97	11.61
Furniture and Fixtures	131.45	128.73	2.72	257.98	215.94	19.47
Vehicles	2.03	3.90	1.87	2.03	3.90	47.91
Computer Software	229.64	196.42	33.23	351.49	316.22	11.16
Goodwill	—	—	—	60.89	74.46	18.22
Gross Block	751.42	716.22	35.20	2007.23	1771.43	13.31
Less: Accumulated Depreciation	490.59	422.45	68.14	1150.75	939.62	22.47
Net Block	260.83	293.78	32.94	856.48	831.80	2.97
Add: Capital WIP	0.54	16.46	15.92	0.56	60.84	99.09
Net Fixed Assets	261.37	310.23	48.86	857.03	892.64	3.99

a) Capital expenditure

We incurred an amount of Rs. 278.30 Mn (excl. Goodwill) (Rs. 747.23 Mn in the previous year) as capital expenditure comprising of additions to gross block and Rs. 0.56 Mn (Rs. 60.84 Mn in the previous year) on account of increase in capital work-in-progress.



Management's Discussion and Analysis Report (Contd.)

b) Additions to gross block

(Rupees in Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Total Addition to Gross Block	52.64	85.49	278.30	747.23
Out of which, Investment in Technology Assets	36.14	58.62	124.75	16.30

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

6. Investments

(Rupees in Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Investments in Mutual Funds	146.90	130.00	166.98	200.01
Investments in Subsidiaries	126.98	125.09	—	—
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.

During the year, as a part of restructuring process, we transferred Geometric Americas, Inc., share to Geometric Technologies, Inc., thus, making a lean structure by introducing a concept of regional subsidiary.

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.

7. Sundry Debtors

(Rupees in Millions)

Particulars	Unconsolidated (Excluding Intercompany)		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Sundry Debtors	233.78	314.31	924.96	1,079.34
Days sales Outstanding (DSO)	66	75	66	66
Debtors as a % of revenue	18%	21%	18%	18%

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. For the year ended on March 31, 2010, Debtor's amounting Rs. 9.23 Mn (unconsolidated) and Rs. 69.11 Mn. (consolidated), are provided. The provision has been made for debtors outstanding for more than 180 days. Apart from that, It also includes debtors which we foresee unrealizable.

8. 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 expenditure overseas.

Management's Discussion and Analysis Report (Contd.)

(Rupees in Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Cash balances	—	—	0.05	0.05
Current Accounts	7.34	30.43	22.85	106.67
Deposit Accounts	55.50	324.43	60.47	339.62
Foreign currency accounts	1.55	1.91	90.34	140.58
Unclaimed dividend account	2.70	1.92	2.70	1.92
Investment in liquid mutual funds reported under investments	146.90	130.00	166.98	200.01
Total cash & cash equivalent	65.51	363.01	173.71	586.92
Cash & cash equivalent /assets	8.72%	50.68%	8.65%	33.13%
Cash & cash equivalent /revenues	2.96%	14.79%	3.37%	9.77%

9. 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 for the past years, tax deducted at source and refunds due for previous years. The Company's liability towards income tax has been fully provided. Sundry deposits represent deposit towards telephone, rent, electricity, lease and other deposits. Loans to employees are made to enable the purchase of assets by employees and to meet any emergency requirements.

During the year the Company granted loan amounting to Rs. 258 Mn to Geometric Americas, Inc. (A wholly owned subsidiary of Geometric Technologies, Inc). Total Loans granted to Geometric Americas, Inc. stands at Rs. 594 Mn.

10. Current liabilities

Sundry creditors represent the amount payable to vendors for the supply of goods and services. There are no amounts due to Small Scale units. Unclaimed dividends represent dividends paid but not encashed by shareholders. Other current liabilities include accrued salaries and benefits payable to the staff (including leave encashment) and amounts accrued for various other operational expenses. Advances and deposits are retention money deposits of various contractors. Loss on cash flow hedges represents the amount of loss on mark-to-market valuation of the forward covers taken by the Company.

11. Provisions

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.

Provision for Leave encashment 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.

(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)

(Rupees in Millions)

Particulars	Current Year		Previous Year	
	Rs.	%	Rs.	%
Projects	371.68	7.27	417.12	6.97
Products	4,743.94	92.73	5,563.55	93.03
Total	5,115.62	100.00	5,980.67	100.00



Management's Discussion and Analysis Report (Contd.)

b) Geographical Segmentation of total sales (Consolidated)

(Rupees in Millions)

Particulars	Current Year		Previous Year	
	Rs.	%	Rs.	%
USA	3,237.01	63.28	4,010.83	67.06
Europe	1342.00	26.23	1,348.58	22.55
Asia Pacific	242.28	4.74	401.02	6.71
India	294.33	5.75	220.37	3.68
Total	5,115.62	100%	5,980.80	100%

2. Expenditure

2.1 Operating and Other Expenses (Unconsolidated)

(Rupees in Millions)

Particulars	Current Year	% to Total Income	Previous Year	% to Total Income	Growth %
Personnel Expenses	1,283.77	58.08	1,339.38	54.58	(4)
Travelling and Conveyance Expenses	95.20	4.31	147.55	6.01	(35)
Software Tools and Packages	12.26	0.55	23.83	0.97	(49)
Royalty	47.35	2.14	61.90	2.52	(24)
Legal and Professional Charges	55.62	2.52	68.23	2.78	(18)
Rent and Service Charges	179.23	8.11	136.31	5.56	31
Repairs and Maintenance	18.26	0.83	32.31	1.32	(43)
Electricity Expenses	42.00	1.90	44.01	1.79	(5)
Computer Rental Charges	85.42	3.86	91.98	3.75	(7)
Sales and Marketing Expenses	32.50	1.47	20.59	0.84	58
Other Expenses	4.85	0.22	70.21	2.86	(93)
Total Operating and Other Expenses	1,856.46	83.99	2,036.30	82.98	(9)
Total Income	2,210.42		2,453.85		

2.2 Operating and Other Expenses (Consolidated)

(Rupees in Millions)

Particulars	Current Year	% to Total Income	Previous Year	% to Total Income	Growth %
Personnel Expenses	3,207.07	62.28	3,833.57	63.79	(16)
Travelling and Conveyance Expenses	190.74	3.70	292.38	4.86	(35)
Software Tools and Packages	48.95	0.95	63.55	1.06	(23)
Royalty	75.32	1.46	90.51	1.51	(17)
Legal and Professional Charges	104.40	2.03	115.11	1.92	(9)
Rent and Service Charges	310.23	6.02	297.34	4.95	4
Repairs and Maintenance	35.37	0.69	50.66	0.84	(30)
Electricity Expenses	75.72	1.47	80.39	1.34	(6)
Insurance	16.42	0.32	16.07	0.27	2
Communication Expenses	52.29	1.02	76.49	1.27	(32)
Other Expenses	144.83	2.81	282.86	4.71	(49)
Total Operating and Other Expenses	4,261.34	82.75	5198.93	86.52	(18)
Total Income	5,149.41		6,010.02		

Management's Discussion and Analysis Report (Contd.)

2.3 Depreciation

(Rupees in Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Depreciation	80.43	96.58	231.52	209.62
% to gross block of assets	10.70	13.48	11.53	11.83
% to Sales: Software Packages & Services	3.76	4.19	4.53	3.50

3. Operating Profit

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Operating Profit (Profit Before Tax Less non operating Income/(Loss))*	77.08	(140.64)	566.46	40.47
Sales: Software Packages & Services	2,137.39	2,303.82	5,115.62	5,980.79
Operating Margin	3.61%	(6.10)%	11.07%	0.68%

*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 programmes were organized during the year.

Number of people employed (Consolidated):

Particulars	March 31, 2010	March 31, 2009
Production	2,826	2,626
Support	343	310
Total	3,169	2,936



CEO & CFO's Certification

We, Ravishankar G., Managing Director and Chief Executive Officer and Ms. Priya Jadhav Vice President-Finance 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 quarter ended March 31, 2010 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 quarter 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

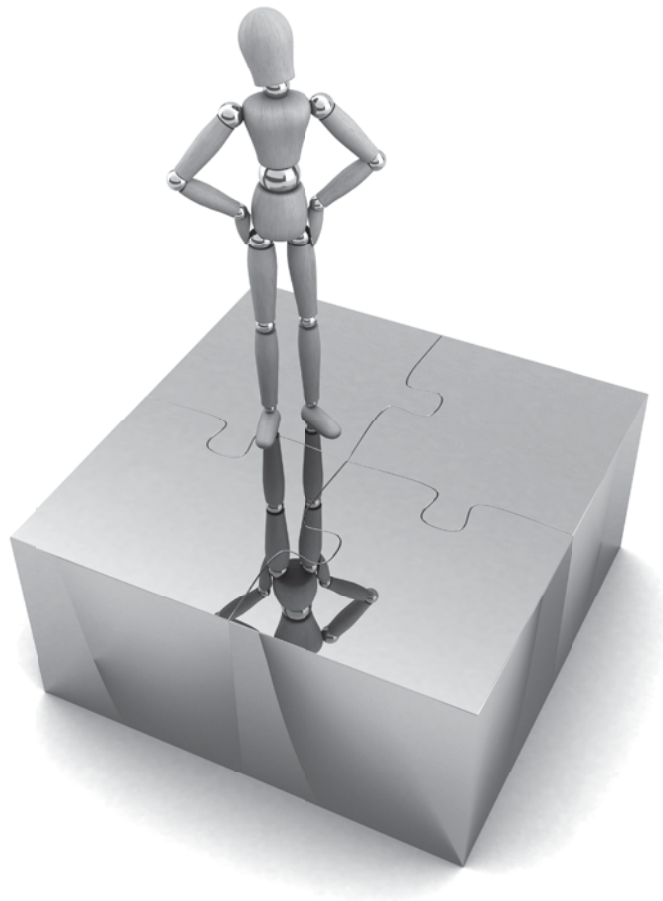
Ravishankar G.
Managing Director & Chief Executive Officer

Priya Jadhav
Vice President - Finance

Place: Mumbai
Date: April 26, 2010

Geometric Limited

Consolidated Financial Statements for the year ended March 31, 2010



Regd. Office:
Plant 6, Pirojshanagar, Vikhroli (W),
Mumbai 400 079, India



Auditors' Report on the Consolidated Financial Statements of Geometric Limited and its Subsidiaries

The Board of Directors of
Geometric Limited

1. We have audited the attached consolidated balance sheet of Geometric Limited (the Company) and its subsidiaries (collectively referred to as 'the Geometric Group') as at March 31, 2010, and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year then ended, both annexed thereto. These consolidated financial statements are the responsibility of the Company's Management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the consolidated financial statements of Geometric Asia Pacific Pte. Ltd., and its subsidiaries, 3D PLM Software Solutions Limited and Geometric Americas Inc. and its subsidiaries, whose consolidated financial statements reflect total assets of Rs. 2,156,665,946 as at March 31, 2010, total revenues of Rs. 3,835,418,622 and net cash flows amounting to Rs. 97,287,359 for the year then ended. These financial statements have been audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements prescribed by the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of Geometric Limited and its aforesaid subsidiaries, and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Geometric Group as at March 31, 2010;
 - (b) in the case of the Consolidated Profit and Loss Account, of the consolidated profit for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

For and on behalf of
Kalyaniwalla and Mistry
Chartered Accountants

Viraf R. Mehta
Partner
M. No. 32083
Firm Reg. No. 104607W

Mumbai, April 26, 2010

Consolidated Balance Sheet as at March 31, 2010

Amount in Rs.

	Schedule	As at March 31, 2010	2009
SOURCES OF FUNDS:			
1. SHAREHOLDERS' FUNDS			
a) Share Capital	1	124,228,700	124,228,700
b) Reserves and Surplus	2	1,655,006,723	914,024,394
		1,779,235,423	1,038,253,094
2. LOAN FUNDS			
Secured Loans	3	185,299,984	1,168,790,048
3. DEFERRED TAX LIABILITY (NET)	4	30,374,232	54,077,362
4. MINORITY INTEREST		338,004,367	157,043,592
TOTAL		2,332,914,006	2,418,164,096
APPLICATION OF FUNDS:			
5. FIXED ASSETS	5		
a) Gross Block		2,007,225,199	1,771,427,730
b) Less: Depreciation		1,150,746,812	939,623,554
c) Net Block		856,478,387	831,804,176
d) Capital Work-in-Progress		555,072	60,838,931
		857,033,459	892,643,107
6. INVESTMENTS	6	166,975,512	200,006,768
7. CURRENT ASSETS, LOANS AND ADVANCES	7		
a) Sundry Debtors		924,963,077	1,079,339,101
b) Cash and Bank Balances		173,713,856	586,919,941
c) Other Current Assets		1,979,630	1,285,932
d) Loans and Advances		1,032,094,060	687,551,179
		2,132,750,623	2,355,096,153
8. Less: CURRENT LIABILITIES AND PROVISIONS	8		
a) Current Liabilities		684,975,702	861,602,620
b) Provisions		138,869,886	167,979,312
		823,845,588	1,029,581,932
9. NET CURRENT ASSETS		1,308,905,035	1,325,514,221
TOTAL		2,332,914,006	2,418,164,096
NOTES TO ACCOUNTS	14		

As per our Report attached
For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

Signatures to the Balance Sheet and Schedules 1 to 8 and 14.
For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Founder & Vice Chairman

M. Sarwate
Director

Viraf R. Mehta
Partner
M. No.: 32083
Firm Reg. No. 104607W

Ravishankar G.
Managing Director & CEO

Priya Jadhav
Vice President - Finance

Place: Mumbai
Date: April 26, 2010



Consolidated Profit and Loss Account for the period ended March 31, 2010

	SCHEDULE	Amount in Rs.	
		Year ended March 31, 2010	2009
INCOME:			
1. Sales - Software Products and Services		5,115,619,601	5,980,792,639
2. Other Income	9	33,787,409	29,222,668
		5,149,407,010	6,010,015,307
EXPENDITURE:			
3. Operating and Other Expenses	10	4,261,337,973	5,198,931,850
4. Loss/(Gain) on Foreign Exchange Transactions		19,715,437	483,582,722
5. Interest and Finance Charges	11	36,583,072	48,186,157
6. Depreciation		231,523,124	209,620,463
		4,549,159,606	5,940,321,192
PROFIT BEFORE TAX, EXTRAORDINARY AND PRIOR PERIOD ITEMS		600,247,404	69,694,115
7. Provision for Taxes			
(a) Current Taxes			
- Indian Income Tax		96,520,666	67,128,510
- Foreign Taxes		4,249,671	12,164,278
(b) MAT Credit Eligible for Set-off		(73,834,196)	(50,180,795)
(c) Deferred Taxes		(22,883,113)	579,741
(d) Fringe Benefit Tax		-	11,110,678
		4,053,028	40,802,412
NET PROFIT AFTER TAX AND BEFORE EXTRAORDINARY AND PRIOR PERIOD ITEMS		596,194,376	28,891,703
9. Extraordinary Items (Net of Tax)	12	-	147,288,269
10. Prior Period Adjustments	13	(2,189,014)	(12,989,474)
NET PROFIT AFTER TAXES BEFORE MINORITY INTEREST:		594,005,362	163,190,498
11. Less: Minority Interest in Net Profit of Subsidiaries		(127,400,616)	(94,356,339)
		466,604,746	68,834,159
12. Surplus Brought Forward		861,843,585	1,503,432,716
13. Residual Dividend for Fiscal 2008		-	(8,189)
14. Dividend Tax thereon		-	(1,392)
AMOUNT AVAILABLE FOR APPROPRIATION:		1,328,448,331	1,572,257,294
APPROPRIATIONS:			
Proposed Dividend		68,325,785	49,691,480
Interim Dividend		-	28,935,000
Dividend Tax		11,502,689	3,858,182
Transfer To General Reserve		43,400,000	73,025,000
Corporate Dividend Tax paid by Subsidiary		3,278,336	16,391,678
Utilised for Creation of Investment Re-organisation Reserve		-	538,512,369
Surplus carried forward		1,201,941,521	861,843,585
TOTAL		1,328,448,331	1,572,257,294
EARNINGS PER EQUITY SHARE	14 - (12)		
(Face value Rs. 2 each)			
Before Extraordinary Items:			
Basic and diluted		7.51	(1.40)
Including Extraordinary Items:			
Basic and diluted		7.51	(18.81)
NOTES TO ACCOUNTS	14		

The Schedules referred to above form an integral part of the Profit and Loss Account

As per our Report attached Signatures to the Profit and Loss Account and Schedules 9 to 14.

For and on behalf of

For and on behalf of the Board

Kalyaniwalla & Mistry

Chartered Accountants

J. N. Godrej
Chairman

Manu Parpia
Founder & Vice Chairman

M. Sarwate
Director

Viraf R. Mehta

Partner

M. No.: 32083

Firm Reg. No. 104607W

Place: Mumbai

Date: April 26, 2010

Ravishankar G.

Managing Director & CEO

Priya Jadhav

Vice President - Finance

Consolidated Cash Flow Statement for the year ended March 31, 2010

Amount in Rs.

	As at March 31,	
	2010	2009
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax, Extraordinary and Prior Period Items	600,247,404	69,694,115
Adjustment for:		
Depreciation	231,523,124	209,620,463
(Profit) / Loss on Sale of Fixed Assets	(1,021,142)	634,170
(Profit) / Loss on Sale of Investments	(6,129,276)	(10,766,750)
Interest Expense	36,583,072	48,186,157
Interest Income	(10,147,983)	(2,120,961)
Dividend Income	(10,595,817)	(9,408,351)
Unrealised Foreign Exchange loss / (gains)	4,403,095	1,330,137
Operating Profit Before Working Capital Changes	844,862,477	307,168,980
Working Capital Changes:		
Sundry Debtors	154,376,024	(291,980,729)
Loans and Advances	(246,562,337)	(28,812,583)
Other Current Assets	-	9,244,537
Adjustment for Revaluation of Cash Flow Hedges	425,997,631	(171,483,628)
Current Liabilities and Provisions	(230,505,297)	393,124,064
Cash Generated from Operations	948,168,498	217,260,641
Income Taxes Paid	(125,736,707)	(87,002,645)
Net Cash from Operating Activities	822,431,791	130,257,996
before Prior Period Items		
Prior Period Adjustments	(2,189,014)	(12,989,474)
Net Cash from Operating Activities	820,242,777	117,268,522
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(218,014,599)	(807,012,830)
Proceeds from Sale of Fixed Assets	9,553,089	601,720,862
Purchase / Reinvestment of Investments	-	(3,879,470,718)
Proceeds from Sale of Investments	39,160,531	3,838,267,000
Dividend Received	10,595,817	9,408,351
Interest received	9,454,285	1,568,415
Extra-ordinary Item (sale of building and other assets, net of taxes)	-	239,220,444
Net Cash (used) in/from Investing Activities	(149,250,877)	3,701,525
<i>Balance carried forward</i>	670,991,900	120,970,047



Consolidated Cash Flow Statement for the year ended March 31, 2010

Amount in Rs.

	As at March 31,	
	2010	2009
<i>Balance Brought forward</i>	670,991,900	120,970,047
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital / ESOPs	-	4,186,880
Borrowings from Bank	-	609,693,605
Repayment of Bank Borrowings	(983,490,064)	(235,235,702)
Interest Paid	(36,583,072)	(48,186,157)
Dividend Paid	(54,696,281)	(78,673,286)
Dividend Tax Paid	(9,428,568)	(20,248,393)
Net Cash (used) in / from Financing Activities	(1,084,197,985)	231,536,947
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS:	(413,206,085)	352,506,994
CASH AND CASH EQUIVALENTS		
AS AT THE BEGINNING OF THE YEAR		
Cash and Bank Balances	586,919,941	234,412,947
AS AT THE END OF THE YEAR		
Cash and Bank Balances	173,935,193	605,787,824
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	(221,337)	(18,867,883)
	173,713,856	586,919,941
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS:	(413,206,085)	352,506,994

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Founder & Vice Chairman

M. Sarwate
Director

Viraf R. Mehta
Partner
M. No.: 32083
Firm Reg. No. 104607W

Ravishankar G.
Managing Director & CEO

Priya Jadhav
Vice President - Finance

Place: Mumbai
Date: April 26, 2010

Schedules annexed to and forming part of the Consolidated Balance Sheet

Amount in Rs.

	As at March 31, 2010	As at March 31, 2009
SCHEDULE 1: SHARE CAPITAL		
1. AUTHORISED:		
80,000,000 Equity shares of Rs. 2/- each (Previous year		
80,000,000 equity shares of Rs. 2/- each)	160,000,000	160,000,000
2. ISSUED, SUBSCRIBED AND PAID UP:		
62,114,350 Equity shares of Rs. 2/- each (Previous year		
62,114,350 equity shares of Rs. 2/- each) fully paid up.	124,228,700	124,228,700
TOTAL	124,228,700	124,228,700

Note:

Of the above equity shares:

- Of the above, 14,250,000 equity shares have been allotted as fully paid-up bonus shares by capitalisation of surplus in the Profit and Loss Account and 27,582,470 equity shares have been allotted as fully paid up bonus shares from share premium account.
- During the period, NIL (Previous year 10,790) equity shares of Rs. 2 each have been issued under the Employee Stock Option Plans and NIL (previous year Nil) equity shares of Rs. 2 each have been issued under the Directors' Stock Option Scheme of the Company.

SCHEDULE 2: RESERVES AND SURPLUS

CAPITAL RESERVES

1. SECURITIES PREMIUM ACCOUNT		
As per Last Balance Sheet	4,611,766	641,148,118
Add: Received during the year	-	4,611,766
Less: Utilised for creation of Investment Re-organisation Reserve	-	(641,148,118)
	4,611,766	4,611,766
2. HEDGING RESERVE		
As per last Balance Sheet	(166,293,163)	(20,953,292)
Add: Gain/(Loss) on Derivative contracts qualifying as cash flow hedge	366,650,474	(145,339,871)
	200,357,311	(166,293,163)
3. FOREIGN CURRENCY TRANSLATION RESERVE		
As per last Balance Sheet	1,678,134	347,997
Add: Amount recognised during the year	4,403,095	1,330,137
	6,081,229	1,678,134
4. GENERAL RESERVE		
As per last Balance Sheet	149,255,000	196,569,513
Add: Transfer from Profit and Loss Account	43,400,000	73,025,000
Less: Utilised for creation of Investment Re-organisation Reserve	-	(120,339,513)
	192,655,000	149,255,000
5. INVESTMENT RE-ORGANISATION RESERVE		
As per Last Balance Sheet	62,929,072	-
Add: Additions during the year		
Transfer from Securities Premium Account	-	641,148,118
Transfer from General Reserve	-	120,339,513
Transfer from Profit and Loss Account	-	538,512,369
Less: Utilisation during the year	(13,569,176)	(1,237,070,928)
	49,359,896	62,929,072
6. PROFIT AND LOSS ACCOUNT	1,201,941,521	861,843,585
TOTAL	1,655,006,723	914,024,394



Schedules annexed to and forming part of the Consolidated Balance Sheet

SCHEDULE 3: SECURED LOANS

a) Short Term Loan from Banks (Secured by hypothecation of book debts)	185,299,984	1,168,790,048
TOTAL	185,299,984	1,168,790,048

SCHEDULE 4: DEFERRED TAX LIABILITY (NET)

1. Deferred Tax Liability		
a) Depreciation on Fixed Assets	30,375,717	65,471,362
2. Deferred Tax Asset		
a) Others	(1,485)	(3,912,000)
b) Provision for Employee Benefits	-	(1,711,000)
c) Provision for Bad and Doubtful Debts	-	(3,604,000)
d) Others	-	(2,167,000)
	(1,485)	(11,394,000)
TOTAL	30,374,232	54,077,362

Schedules annexed to and forming part of the Balance Sheet

SCHEDULE 5: FIXED ASSETS

ASSET	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on April 1, 2009	Additions	Deductions	As on March 31, 2010	Upto March 31, 2009	Adjustments	For the Period	On Deductions	Upto March 31, 2010	As on March 31, 2010
										As on March 31, 2009
Leasehold Land	43,115,523	7,719,566	-	50,835,089	1,720,586	-	3,085,350	-	4,805,936	46,029,153
Buildings	228,672,022	33,493,875	13,532	262,152,365	33,401,220	-	10,848,653	-	44,249,873	217,902,492
Leasehold Improvement	4,683,863	-	-	4,683,863	4,653,073	-	12,404	-	4,665,477	18,386
Computers	657,125,667	89,470,782	8,847,415	737,749,034	494,000,144	-	106,780,860	7,950,658	592,830,346	144,918,688
Electrical Installations	152,342,095	46,587,850	3,192,232	195,737,713	76,465,006	-	16,923,271	1,263,989	92,124,288	103,613,425
Office Equipment and EPABX System	74,965,000	18,481,683	9,778,480	83,668,203	41,275,949	-	4,736,705	8,329,052	37,683,602	45,984,601
Furniture and Fixtures	215,942,267	47,270,253	5,230,213	257,982,307	89,281,298	-	24,189,849	2,278,823	111,192,324	146,789,983
Vehicles	3,903,048	-	1,869,941	2,033,107	861,887	-	312,006	577,344	596,549	1,436,558
Intangible Assets:										
- Goodwill	74,458,228	-	13,569,176	60,889,052	-	-	-	-	-	60,889,052
- Computer Software	316,220,017	35,274,449	-	351,494,466	197,964,391	-	64,634,026	-	262,598,417	88,896,049
TOTAL	1,771,427,730	278,298,458	42,500,989	2,007,225,199	939,623,554	-	231,523,124	20,399,866	1,150,746,812	856,478,387
March 31, 2009	3,047,525,825	747,229,492	2,023,327,587	1,771,427,730	852,931,692	8,630,600	209,620,463	131,559,201	939,623,554	-
Capital Work-in-Progress including Capital Advances										555,072
TOTAL										857,033,459

Note: Accumulated depreciation for Computer Software includes provision for impairment of Rs. 8,630,600 adjusted in the Investment Re-Organisation Reserve during the year 2008-09 as per the Scheme of Arrangement.



Schedules annexed to and forming part of the Consolidated Balance sheet

		Amount in Rs.	
		As at March 31,	
		2010	2009
SCHEDULE 6: INVESTMENTS			
1. IN UNITS OF MUTUAL FUNDS			
Current Investments (At lower of cost and market value)			
Unquoted, Non-Trade, Fully paid		166,975,512	200,006,768
2. OTHER TRADE INVESTMENTS			
Unquoted Trade, Fully paid Long Term (At Cost)			
1,410,176 Powerway Inc.		30,959,151	30,959,151
No par value shares of Series E Senior Preferred Stock, fully paid and non-assessable.			
TOTAL BOOK VALUE OF INVESTMENTS		197,934,663	230,965,919
3. PROVISION FOR DIMUNITION IN VALUE OF INVESTMENTS		(30,959,151)	(30,959,151)
TOTAL		166,975,512	200,006,768
SCHEDULE 7: CURRENT ASSETS, LOANS AND ADVANCES			
1. SUNDRY DEBTORS			
(Unsecured - Considered good, unless otherwise stated)			
a) Debts outstanding for a period exceeding six months		61,244,693	70,138,471
(Including doubtful debts Rs. 61,244,693;			
- Previous year Rs. 70,138,471)			
b) Other Debts		932,826,323	1,109,645,987
(Including doubtful debts Rs. 7,863,246, previous year Rs. 30,306,886)			
		994,071,016	1,179,784,458
c) Less: Provision for Doubtful Debts		69,107,939	100,445,357
		924,963,077	1,079,339,101
2. CASH AND BANK BALANCES			
a) Cash in Hand		51,909	48,539
b) Balances with Scheduled Banks			
- In Current Accounts		22,848,844	106,666,501
- In Deposit Accounts		60,474,036	89,624,176
c) Balances with Non-Scheduled Banks		90,339,067	140,580,725
		173,713,856	586,919,941
3. OTHER CURRENT ASSETS			
a) Accrued Interest		1,979,630	1,285,932
b) Unrealised Forward Cover Gain (Net)		-	-
		1,979,630	1,285,932

Schedules annexed to and forming part of the Consolidated Balance sheet

		Amount in Rs.	
		As at March 31,	
		2010	2009
SCHEDULE 7: CURRENT ASSETS, LOANS AND ADVANCES (Contd.)			
4. LOANS AND ADVANCES			
(Unsecured - considered good, unless otherwise stated)			
a) Unbilled Revenue	229,064,216	223,142,942	
b) Advances recoverable in cash or in kind or for value to be received (Including doubtful advances Rs. 17,865,010, previous year Nil)	217,132,418	160,742,832	
c) Derivative contract receivable	233,548,211	-	
d) Sundry Deposits	194,049,443	225,481,172	
e) Advance payment of taxes (Net of Provision for Taxes)	176,164,782	78,184,233	
	1,049,959,070	687,551,179	
Less: Provision for Doubtful Advances	17,865,010	-	
	1,032,094,060	687,551,179	
TOTAL	2,132,750,623	2,355,096,153	
SCHEDULE 8: CURRENT LIABILITIES AND PROVISIONS			
1. CURRENT LIABILITIES			
a) Sundry Creditors			
- Micro, Small and Medium Enterprises	-	-	
- Others	95,265,472	52,241,360	
b) Advances and Deposits	43,301,639	3,502,753	
c) Unclaimed Dividends	2,702,834	1,920,643	
d) Derivative contracts payable	-	273,853,637	
e) Other Liabilities	474,193,317	487,920,685	
f) Advanced Billing and Deferred Revenue	69,512,440	42,163,542	
	684,975,702	861,602,620	
2. PROVISIONS			
a) For Proposed Dividend	68,325,785	49,691,480	
b) For Tax on Dividend	13,798,916	8,446,459	
c) For Gratuity	22,952,085	21,541,482	
d) For Leave Encashment	33,793,100	88,299,891	
	138,869,886	167,979,312	
TOTAL	823,845,588	1,029,581,932	

Schedules annexed to and forming part of the Consolidated Profit and Loss Account

		Amount in Rs.	
		As at March 31,	
		2010	2009
SCHEDULE 9: OTHER INCOME			
1. Dividend from Mutual Funds	10,595,817	9,408,351	
2. Interest on Advances and Deposits (Gross)	10,147,983	2,120,961	
(Tax Deducted at Source Rs. Nil; Previous year Rs. 77,966)			
3. Rent Received	73,584	2,278,034	
4. Profit on Sale of Investments (Net)	6,129,276	10,766,750	
5. Profit on Sale of Assets (Net)	2,063,355	-	
6. Miscellaneous Income	4,777,394	4,648,572	
TOTAL	33,787,409	29,222,668	



Schedules annexed to and forming part of the Consolidated Profit and Loss Account

Amount in Rs.

	As at March 31,	
	2010	2009
SCHEDULE 10: OPERATING AND OTHER EXPENSES		
1. Personnel Expenses		
Salaries, Bonus and Allowances	2,992,641,434	3,545,420,121
Contribution to Provident and Other Funds	88,610,114	96,355,795
Staff Welfare Expenses	125,816,304	191,798,310
2. Software Tools and Packages	48,952,576	63,550,848
3. Electricity Expenses	75,718,103	80,392,786
4. Rates and Taxes	(717,587)	8,834,017
5. Rent and Service Charges	310,232,722	297,335,245
6. Repairs and Maintenance		
a) Computers	18,275,128	18,554,392
b) Buildings	2,362,817	4,744,789
c) Others	14,731,244	27,356,891
	35,369,189	50,656,072
7. Insurance	16,420,333	16,074,078
8. Travelling and Conveyance	190,742,836	292,378,674
9. Communication Expenses	52,285,252	76,488,571
10. Legal and Professional Charges	104,398,911	115,105,544
11. Advertising and Publicity	15,244,687	26,813,436
12. Staff Recruitment Expenses	7,132,859	16,393,740
13. Royalty	75,319,099	90,514,561
14. Miscellaneous Expenses	158,217,223	214,459,170
15. Sales and Marketing Expenses	33,564,347	4,190,625
16. Commission to Non-Executive Directors	6,224,428	929,000
17. Loss on Sale of Assets (Net)	1,042,213	634,170
18. Bad Debts Written Off	1,415,342	10,419,259
19. Provision for Doubtful Debts and Advances	(4,299,308)	82,913,688
20. Impairment of Software	-	8,630,600
21. Transfer from Investment Re-organisation Reserve	-	(8,630,600)
	4,334,331,077	5,281,657,710
22. Reimbursement from customers	(72,993,104)	(82,725,860)
TOTAL	4,261,337,973	5,198,931,850
SCHEDULE 11: INTEREST AND FINANCE CHARGES		
1. Interest on Bank Loans	31,158,587	38,346,985
2. Bank Charges	5,424,485	9,839,172
TOTAL	36,583,072	48,186,157
SCHEDULE 12: EXTRAORDINARY ITEMS (NET OF TAX)		
1. Profit on Sale of Land and Buildings	-	159,048,269
2. Provision for Diminution in Value of Investments	-	(30,959,151)
3. Transfer from Investment Re-organisation Reserve	-	30,959,151
4. Provision for Income-tax on Extraordinary Items	-	(11,760,000)
TOTAL	-	147,288,269
SCHEDULE 13: PRIOR PERIOD ADJUSTMENTS		
1. Tax Adjustments in respect of Prior years	(2,189,014)	(18,069,865)
2. Excess Depreciation of earlier years written back	-	4,273,928
3. Bad debts written back	-	806,463
TOTAL	(2,189,014)	(12,989,474)

Schedules forming part of the consolidated accounts for the year ended March 31, 2010

SCHEDULE 14: Notes to Accounts

1. SUMMARY OF GROUP'S SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting:

The financial statements have been prepared on accrual basis under the historical cost convention, in conformity in all material aspects with the generally accepted accounting principles in India, the Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006.

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.

Direct financing cost incurred during the construction period on major projects is also capitalised.

Depreciation is provided under the straight line method, based on useful lives of assets as estimated by the Management. Depreciation is charged on a monthly pro-rata basis for assets purchased / sold during the year. Individual assets acquired for less than Rs. 5,000/- are entirely depreciated in the year of acquisition. Leasehold assets are amortised over the period of the lease. The Management's estimate of useful lives for various fixed assets is as under:

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

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) Asset Impairment:

Management periodically assesses 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.

e) Investments:

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 market value.

f) Foreign Exchange Transactions:

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of the transaction. Assets and liabilities related to foreign currency transactions, remaining unsettled at the year end, are stated at the contracted rates, when covered under forward foreign exchange contracts and at year end rates in other cases. Non-Monetary foreign currency items like investments in foreign subsidiaries are carried at cost and expressed in



Schedules forming part of the consolidated accounts for the year ended March 31, 2010

SCHEDULE 14: Notes to Accounts (Contd..)

Indian currency at the rate of exchange prevailing at the time of making the original investment.

The Company enters into forward exchange contracts based on firm commitments or highly probable forecast revenues.

g) **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.

Foreign currency forward contracts 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 Cash Flow Hedging Reserve and the ineffective portion is recognised immediately in the Profit and Loss Account.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the profit and loss account 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 Cash Flow 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 Cash Flow Hedging Reserve is transferred to profit and loss account for the year.

h) **Foreign subsidiary consolidation:**

Revenue items, except depreciation, are translated into Rupees at average rate. Monetary items are translated into Rupees using the closing rate.

Non-monetary items are translated using the exchange rate at the date of the transaction. Fixed assets are translated using the rate at the date of the transaction. The net exchange difference resulting from the translation of items in financial statements of the foreign subsidiary are recognised as income or expense for the period.

i) **Revenue Recognition:**

Services:

Revenue from time and material contracts for software development is recognized 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. 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 and advances represents costs in excess of billings as at the balance sheet dates. Advance Billing and 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 payment is established.

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

Schedules forming part of the consolidated accounts for the year ended March 31, 2010

SCHEDULE 14: Notes to Accounts (Contd..)

is charged to the Profit and Loss Account in the year in which it is incurred.

l) Software Expenditure:

- (i) 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 unamortised balance is charged to revenue. If the usage of software is discontinued, its unamortised cost is also charged to revenue.
- (ii) The cost of software purchased for specific software development contracts is charged over the period of such contracts, or three years, whichever is less.
- (iii) Small-value software purchases costing between Rs. 5,000 and Rs. 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.
- (iv) Software costing below Rs. 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 Profit and Loss Account. 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:

Current income tax expense 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 countries where such operations are domiciled.

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

Deferred tax expense or benefit 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 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.

p) 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



Schedules forming part of the consolidated accounts for the year ended March 31, 2010

SCHEDULE 14: Notes to Accounts (Contd..)

at the undiscounted amount in the Profit and Loss Account of the year in which the employee renders the related service.

(ii) Post Employment benefits:

(1) Defined Contribution Plans:

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

(2) 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.

q) Provision, Contingent Liabilities and Contingent Assets:

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. Contingent liabilities are not recognised in the financial statements.

Contingent Assets are not recognized nor disclosed in the financial statements.

2. PRINCIPLES OF CONSOLIDATION

- (i) The consolidation 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.

- (ii) The financial statements have been prepared based on the principles of line-by-line consolidation by adding together the book values of like items of assets, liabilities, income and expenses.
- (iii) Intra group balances, intra group transactions and unrealized profits or losses are fully eliminated.
- (iv) 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.
- (v) The subsidiary companies considered in the consolidated financial statements are

Name	Country of Incorporation or Residence	Proportion of Ownership Interest
Geometric Asia Pacific Pte. Ltd., & its subsidiary, Geometric China Inc.	Singapore	100%
3D PLM Software Solutions Ltd.	India	70%
Geometric Technologies, Inc., & its subsidiary Geometric Americas Inc., along with its subsidiaries	USA	100%
Gometric Europe GmbH	Europe	100%

3. CONTINGENT LIABILITIES

- a) Guarantees given by the Company's bankers against counter guarantees given by the Company Rs. 4,055,000 (previous year ended Rs. 4,305,000).
- b) Guarantee given by the Company's subsidiary to secure customs duty payments Rs. 4,965,000 (previous year ended Rs. 4,965,000).
- c) Corporate Guarantee of up to Rs. 361,120,000 (USD 8,000,000), previous year (Rs. 405,760,000 (USD 8,000,000) in respect of a loan availed by its subsidiary secured by mortgage of immovable property of the Company at Pune in favour of Citibank, N.A. or its agents or trustees. As at March 31, 2010 Rs. 108,336,000 (USD 2,400,000) (previous year ended March 31, 2009 Rs. 284,032,000 (USD 5,600,000)) has been drawn under the credit agreement.
- d) Claims against the Company not acknowledged as debt:
- (i) Rs. 61,350,500 (previous year ended March 31, 2009 Rs. 44,011,098) in respect of income

Schedules forming part of the consolidated accounts for the year ended March 31, 2010

SCHEDULE 14: Notes to Accounts (Contd..)

tax assessment of a previous year, which has been disputed by the Company. Pending the settlement of the dispute, the Company has not paid the amount to the tax authorities.

- (ii) Rs. 5,013,818 (previous year ended March 31, 2009 Rs. 172,818) in respect of disputed demand of excise duty against which the Company has preferred an appeal.
- (iii) Rs. 8,538,871 (previous year ended March 31, 2009 Rs. 2,292,825) in respect of a sales tax assessments of previous years against which the Company has applied for cancellation.
- (iv) Suit filed against the Company in India claiming damages of Rs. 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.

4. CAPITAL COMMITMENTS

a) Tangible Assets:

Estimated amount of contracts remaining to be executed on capital account to the

extent not provided for (net of advances) Rs. 11,652,285 (previous year ended March 31, 2009 Rs. 63,524,898)

b) Intangible Assets:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) Rs. 2,520,655 (previous year ended March 31, 2009 Rs. 3,612,455)

5. SECURED LOANS

Working capital facilities are secured by a *pari passu* charge on book debts of the Company, both present and future.

6. INVESTMENTS

During the year ended March 31, 2010, the Company has invested an amount of 27,500 Euros (INR 1,886,775) and acquired a Germany-based company and renamed it as Geometric Europe GmbH. The registration and other processes were completed during the year ended March 31, 2010 and the said company became a 100% wholly-owned subsidiary of Geometric Limited.

7. DERIVATIVE INSTRUMENTS

- a) 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 Profit and Loss Account.
- b) 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 March 31, 2010:

March 31, 2010				March 31, 2009			
Foreign Currency	No. of Contracts	Notional Amount of Foreign Currency	Fair Value (Rs.) Gain\ (Loss)	Foreign Currency	No. of Contracts	Notional Amount of Foreign Currency	Fair Value (Rs.) Gain\ (Loss)
USD	132	85,870,000	230,787,447	USD	127	54,200,000	(273,853,638)
EURO	14	1,000,000	2,762,014				
	146		233,549,461		127		(273,853,638)

- c) As of the balance sheet date the Company has net foreign exposures that are not hedged by derivative instruments or otherwise amounting to Rs. 1,142,191,322 (previous year ended March 31, 2009 Rs. 868,742,639).



Schedules forming part of the consolidated accounts for the year ended March 31, 2010

Schedule 14: Notes to Accounts (Contd..)

8. ACCOUNTING FOR LEASES

a) 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:

(Amounts in Rs.)

Particulars	Year ended March 31,	
	2010	2009
1. Lease Rentals paid during the year	252,366,306	386,999,414
2. Future Lease Obligations		
- Due within one year	202,077,942	290,841,287
- Due between one year and five years	359,046,061	506,905,464
- Due after five years	—	—

Sub-lease income:

(Amounts in Rs.)

Particulars	Year ended March 31,	
	2010	2009
Received during the year	2,800,125	4,097,796
Future receivables	Nil	19,650,099

b) Finance Lease:

Subsidiary of the Company have acquired furniture, software and equipments under capital leases. In some cases the liability of minimum lease payment is secured by the hypothecation of the furniture, software and equipments acquired under the leases.

The following is the summary of assets held under capital lease as at March 31, 2010:

Particulars	Amount INR
Cost as at March 31, 2010	15,60,219
Less: Accumulated Depreciation	3,77,009
Net carrying amount as at March 31, 2010	1,183,210

9. The details of provision and movement in each class of provision required by Accounting Standard 29 on Provisions, Contingent Liabilities and Contingent Assets are as follows -

Provision for Leave Encashment: (Amount in Rs.)

Particulars	Current Year	Previous Year
Carrying amount as at the beginning of the year	27,558,154	37,050,244
Additional provision made during the year	18,830,699	28,337,333
Amount paid/utilized during the year	18,448,658	21,806,246
Carrying amount as at the end of the year	27,940,194	27,558,154

10. DEFERRED INCOME TAX

The Company accounts for taxes on income to include the effect of timing differences in the tax expenses in the Profit and Loss account and deferred tax asset/liability in the Balance Sheet. The tax holiday under Section 10A of Income-tax Act, 1961, is available to the Company in respect of two units of the Company. In view of this, the deferred tax asset/liability in respect of timing differences that originate and reverse during tax holiday period is ignored and deferred tax liability in respect of timing differences that originate during tax holiday period but reverse after the tax holiday period is recognized.

Schedules forming part of the consolidated accounts for the year ended March 31, 2010

Schedule 14: Notes to Accounts (Contd..)

11. EMPLOYEE STOCK OPTIONS

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

Sr. No.	Particulars	Scheme V ESOP Scheme 2003	Scheme VII ESOP Scheme 2006	Scheme VIII ESOP Scheme 2009	Scheme IX ESOP Scheme 2009 Directors	Scheme X ESOP Scheme 2009 - Employees
1.	Shareholders' Approval.	Annual General Meetings (June 18, 2003 and June 29, 2004)	Extraordinary General Meeting (November 21, 2006)	Extraordinary General Meeting (April 6, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (September 25, 2009)
2.	No. of Options Approved	2,750,000 (Note a)	1,850,000	1,000,000	300,000	600,000
3.	The Pricing Formula	Closing price on NSE on date immediately preceding grant of options. The options may be granted at Market Price computed in accordance with the ESOP Guidelines.	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	Pre Split 630,956	Post split 2,477,695	1,872,500	1,000,000	250,000 600,000
5.	Options Vested	71,135	169,540	79,375	-	-
6.	Options Exercised	27,336	1,012,015	-	-	-
7.	Options Forfeited/ Surrendered (Note b)	108,081	687,750	1,555,000	20,000	- 18,000
8.	Options Unexercised	495,539	169,540	317,500	1,000,000	250,000 582,000
9.	Options Lapsed		608,390	-	-	-
10.	Total Number of Options in force		169,540	317,500	1,000,000	250,000 582,000
11.	Variation in terms of ESOP		NA	NA	NA	NA
12.	Total Number of Shares arising as a result of Exercise of Options		1,148,695	-	-	-
13.	Money realised by exercise of Options (Rs. in Lakhs)		570.10	-	-	-



Schedules forming part of the consolidated accounts for the year ended March 31, 2010

Schedule 14: Notes to Accounts (Contd..)

Notes:

- a) The number of options disclosed above has been adjusted for subdivision of the Company's shares from face value of Rs. 10 each into five equity shares of face value of Rs. 2 each on August 9, 2005 and on account of issue of bonus shares on August 6, 2004.
- b) The surrendered options can be reissued as per the terms of Scheme 2003, 2006, 2009 & 2009 - (Directors & Employees).
- c) 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.
- d) 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.

	Amount in Rs.	
	Year Ended March 31, 2010	2009
12. EARNINGS PER SHARE		
a) Net Profit After Tax (Before Extraordinary Items)	466,604,746	(78,454,110)
Less: Software impairment charged to Investment Reorganisation Reserve	-	(8,630,600)
Net Profit (Before Extraordinary Items) For the purpose of EPS Calculation	466,604,746	(87,084,710)
Net Profit After Tax (Including Extraordinary Items)	466,604,746	68,834,159
Less: Software impairment charged to Investment Reorganisation Reserve	-	(8,630,600)
Less: Diminution in value of Investments charged to Investment Reorganisation Reserve	-	(30,959,151)
Less: Goodwill on Consolidation charged to Investment Reorganisation Reserve	-	(1,197,481,177)
Net Profit (After Extraordinary Items) For the purpose of EPS Calculation	466,604,746	(1,168,236,769)
b) Number of Equity Shares		
As at the commencement of the period	62,114,350	62,103,560
Issued during the Year to date	-	10,790
As at the end of the Year to date	62,114,350	62,114,350
Weighted Average Number of Equity Shares during the year		
Basic	62,114,350	62,113,513
Diluted	62,114,350	62,113,513
c) Earning per Equity Share of Rs. 2/- each.		
Before Extraordinary Items:		
Basic & Diluted	7.51	(1.40)
Including Extraordinary Items:		
Basic & Diluted	7.51	(18.81)

Schedules forming part of the consolidated accounts for the year ended March 31, 2010

Schedule 14: Notes to Accounts (Contd..)

Amount in Rs.

	Year Ended March 31,	
	2010	2009
13. SEGMENT REPORTING		
The Company's primary segments consist of Projects and Products.		
The Secondary segments are geographical areas by location of customers.		
PRIMARY BUSINESS SEGMENT RESULTS:		
A. Segment Revenue		
Products	371,679,053	417,115,000
Software Services	3,276,550,955	3,620,167,639
Engineering Services	1,467,389,594	1,943,510,000
TOTAL	5,115,619,601	5,980,792,639
Less : Inter Segment Revenue	-	-
Net Revenue from Operations	5,115,619,601	5,980,792,639
B. Segment Results		
Products	149,099,339	134,997,000
Software Services	1,021,888,542	1,583,652,500
Engineering Services	417,497,665	398,503,000
TOTAL	1,588,485,546	2,117,152,500
Less: (a) Interest	36,583,072	48,186,157
(b) Other unallocable expense net of unallocable income	951,655,070	1,999,272,228
Profit/(Loss) from Ordinary Activities before Tax	600,247,404	69,694,115
SECONDARY GEOGRAPHICAL SEGMENTS - REVENUE		
Region		
US	3,237,015,601	4,013,030,144
Europe	1,341,995,200	1,345,650,942
Asia Pacific	242,278,400	400,704,947
India	294,330,400	221,406,606
TOTAL	5,115,619,601	5,980,792,639

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. The Company believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities.



Schedules forming part of the consolidated accounts for the year ended March 31, 2010

Schedule 14: Notes to Accounts (Contd..)

14. Disclosures required by Clause 32 of the Listing Agreement

Name of the company	Balance as at		Maximum outstanding during the year	
	2009-10	2008-09	2009-10	2008-09
(a) Loans and advances in the nature of loans given to subsidiaries				
Geometric Americas Inc.	594,094,085	336,230,893	653,533,595	336,230,893
TOTAL	594,094,085	336,230,893	653,533,595	336,230,893
(b) Loans and advances in the nature of loans given to associate				
Godrej & Boyce Mfg. Co. Ltd	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil
(c) Loans and advances in the nature of loans where repayment schedule is not specified/is beyond 7 years				
Geometric Americas Inc.	594,094,085	336,230,893	653,533,595	336,230,893
TOTAL	594,094,085	336,230,893	653,533,595	336,230,893
(d) Loans and advances in the nature of loans where interest is not charged or charged below bank rate				
Geometric Americas Inc.	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil
(e) Loans and advances in the nature of loans to companies in which directors are interested.				
Geometric Americas Inc.	594,094,085	336,230,893	653,533,595	336,230,893
TOTAL	594,094,085	336,230,893	653,533,595	336,230,893
(f) Investments in subsidiaries				
3DPLM Software Solutions Ltd	9,002,000	9,002,000	9,002,000	9,002,000
Geometric Asia Pacific Pte. Ltd	2,742,000	2,742,000	2,742,000	2,742,000
Geometric Technologies, Inc.	113,348,979	113,348,979	113,348,979	113,348,979
Geometric Europe, GmbH	1,886,775	1,886,775	Nil	Nil
TOTAL	126,979,754	126,979,754	125,092,979	125,092,979

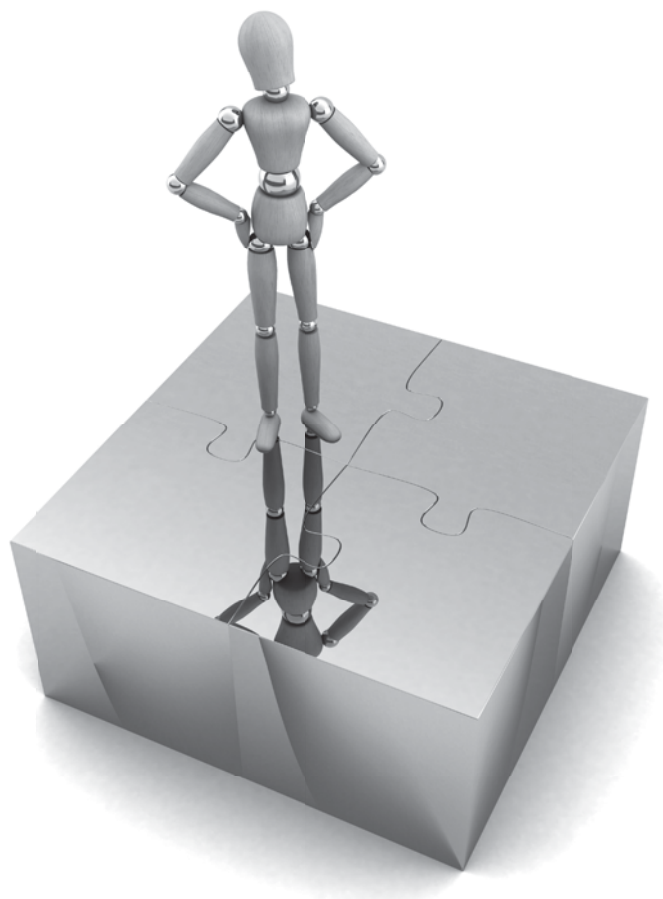
15. The position of the Company Secretary has remained vacant from January 1, 2010 till our report date. However the Company has appointed Vice President Finance to act as a compliance officer.

16. GENERAL

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

Geometric Limited

Standalone Financial Statements for the year ended March 31, 2010



Regd. Office:
Plant 6, Pirojshanagar, Vikhroli (W),
Mumbai 400 079, India



Report of the Auditors to the members of Geometric Limited

1. We have audited the attached Balance Sheet of GEOMETRIC LIMITED as at March 31, 2010, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, 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 purposes 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 such books.
 - c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the balance sheet, the profit and loss account and the cash Flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, give the information required by the Companies Act, 1956, 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, 2010;
 - ii) in the case of the profit and loss account, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the cash flow statement, of the cash flows of the Company for the year ended on that date.
5. On the basis of the written representations received from the Directors as on March 31, 2010 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2010, from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For and on behalf of

Kalyaniwalla & Mistry
Chartered Accountants

Viraf R. Mehta
Partner
M. No. 32083
Firm Reg. No. 104607W

Place: Mumbai
Date: April 26, 2010.

Report of the Auditors (Contd.)

Annexure to the Auditor's Report

As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we further report that:

1. Fixed Assets:

- 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 account.
- c) In our opinion, the Company has not disposed off a substantial 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 are not applicable to the Company.

3. Loans and advances:

- a) The Company has granted unsecured loans aggregating to Rs. 594,094,085 to a party listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding during the year was Rs. 594,094,085.
- 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 are not *prima facie* prejudicial to the interest of the Company.
- c) According to the informations and explanations given to us, the repayment of the principal amount is to commence as per mutually agreed terms, which schedule has not commenced till date. The Company is generally regular in payment of interest thereon.
- d) As the repayment schedule has not commenced, there are no overdue amounts exceeding Rs. 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 computers and other equipment and for the sale of software and services. Further, on the basis of our examination of the books and records and the information and explanations given to us, we have not come across any continuing failure to correct major weakness 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, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 500,000 in respect of any party during the year, 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 thereunder.

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. Statutory Dues

- 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 Funds, Investor Education and Protection Fund, Income-tax, Sales tax, Wealth Tax, Service Tax, Customs Duty, Cess and any other statutory dues with the appropriate authorities. 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. We are informed that the provisions of the Employees' State Insurance Act, 1948, are not applicable to the Company.



Report of the Auditors (Contd.)

- 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 (Rs.)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1956	Income-tax	59,502,103	Financial Years 2001-02, 2002-03 and 2004-05	Add. Commissioner of Income Tax
Central Excise and Customs Act, 1962	Duty Payable on items procured Duty Free.	3,990,687	Financial Years 1998-99, 1999-2000, 2000-01 and 2002-03	Commissioner of Central Excise (Appeals)
Central Excise and Customs Act, 1962	Excise duty exemption on electrical and light fittings.	57,168	Financial Year 2002-03	Commissioner of Central Excise (Appeals)
Central Excise and Customs Act, 1962	Duty payable on computers donated to institutions.	965,963	Financial Years 1995-96, 1996-97 and 1998-99	Commissioner of Central Excise (Appeals)
Central Sales Tax, 1956	Sales tax dues on ex-party assessment	2,292,825	Financial Years 2001-02 and 2002-03	Deputy commissioner of sales tax assessment
Bombay Sales Tax, 1959	Sales tax dues on sale of software	6,246,046	Financial Year 2004-05	Deputy commissioner of sales tax assessment

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 explanation given to us, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order 2003 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. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 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.
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.
19. The Company did not issue any debentures during the year.
20. The Company has not raised any money through a public issue during the year.
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

Viraf R. Mehta
Partner
M. No. 32083
Firm Reg. No. 104607W
Place: Mumbai
Date: April 26, 2010.

Balance Sheet as at March 31, 2010

Amount in Rs.

Schedule		As at March 31	
		2010	2009
SOURCES OF FUNDS:			
1.	SHAREHOLDERS' FUNDS		
a)	Share Capital	1	124,228,700
b)	Reserves and Surplus	2	124,228,700
			2,038,344,275
			1,751,445,831
			2,162,572,975
			1,875,674,531
2.	LOAN FUNDS		
	Secured Loans	3	77,640,800
3.	DEFERRED TAX LIABILITY (NET)	4	10,610,000
			19,211,000
TOTAL			2,250,823,775
			2,016,613,531
APPLICATION OF FUNDS:			
4.	FIXED ASSETS	5	
a)	Gross Block		751,424,528
b)	Less: Depreciation		716,223,617
c)	Net Block		490,590,251
d)	Capital Work-in-Progress		422,446,957
			260,834,277
			293,776,660
			540,136
			16,455,617
			261,374,413
			310,232,277
5.	INVESTMENTS	6	273,878,918
			255,097,567
6.	CURRENT ASSETS, LOANS AND ADVANCES	7	
a)	Sundry Debtors		1,016,585,838
b)	Cash and Bank Balances		993,758,598
c)	Other Current Assets		65,505,611
d)	Loans and Advances		363,009,755
			962,100
			435,513
			1,083,233,465
			673,841,646
			2,166,287,014
			2,031,045,512
7.	Less: CURRENT LIABILITIES AND PROVISIONS	8	
a)	Current Liabilities		346,520,610
b)	Provisions		496,238,330
			104,195,960
			83,523,495
			450,716,570
			579,761,825
8.	NET CURRENT ASSETS		1,715,570,444
			1,451,283,687
TOTAL			2,250,823,775
			2,016,613,531
NOTES TO ACCOUNTS		14	

The Schedules referred to above form an integral part of the Balance Sheet.

As per our Report attached
For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

Signatures to the Balance Sheet and Schedules 1 to 8 and 14.
For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Founder & Vice Chairman

M. Sarwate
Director

Viraf R. Mehta
Partner
M. No.: 32083
Firm Reg. No. 104607W

Ravishankar G.
Managing Director & CEO

Priya Jadhav
Vice President - Finance

Place: Mumbai
Date: April 26, 2010



Profit and Loss Account for the year ended March 31, 2010

	Schedule	Amount in Rs.	
		Year ended March 31, 2010	2009
INCOME:			
1. Sales - Software Products & Services		2,137,393,767	2,303,817,520
2. Other Income	9	73,029,679	150,034,273
		2,210,423,446	2,453,851,793
EXPENDITURE:			
3. Operating and Other Expenses	10	1,856,465,579	2,036,289,947
4. Loss on Foreign Exchange Transactions (Net)		119,389,184	301,007,231
5. Interest and Finance Charges	11	4,030,290	10,576,215
6. Depreciation		80,430,085	96,581,776
		2,060,315,138	2,444,455,169
PROFIT BEFORE TAX, EXTRA-ORDINARY ITEMS AND PRIOR PERIOD ADJUSTMENTS:		150,108,308	9,396,624
7. Provision for Taxes			
(a) Current Taxes			
- Indian Income Tax		23,040,000	14,250,000
- Foreign Taxes		1,503,647	3,943,940
(b) MAT Credit Eligible for Set-off		(5,330,000)	-
(b) Deferred Tax		(8,601,000)	(22,517,260)
(c) Fringe Benefit Tax		-	7,800,000
		10,612,647	3,476,680
NET PROFIT AFTER TAX AND BEFORE EXTRA-ORDINARY AND PRIOR PERIOD ITEMS:		139,495,661	5,919,944
8. Extraordinary Items (Net of Taxes)	12	-	407,420,961
9. Prior Period Adjustments	13	(3,128,078)	16,803,995
NET PROFIT FOR THE YEAR:		136,367,583	430,144,900
10. Surplus Brought Forward		1,052,957,983	1,257,984,690
11. Less: Residual Dividend for Previous Fiscal		-	(8,189)
12. Less: Dividend Tax Thereon		-	(1,392)
AMOUNT AVAILABLE FOR APPROPRIATION:		1,189,325,566	1,688,120,009
APPROPRIATIONS:			
Proposed Dividend		68,325,785	49,691,480
Dividend Tax		9,317,132	3,858,182
Transfer to General Reserve		13,650,000	43,100,000
Transfer to Investment Reorganisation Reserve		-	538,512,369
Surplus Carried Forward		1,098,032,649	1,052,957,978
TOTAL		1,189,325,566	1,688,120,009
EARNINGS PER EQUITY SHARE	14 - (25)		
(Face value Rs. 2 each)			
Before Extraordinary Items:			
Basic & Diluted		2.20	0.23
Including Extraordinary Items:			
Basic & Diluted		2.20	(1.83)

NOTES TO ACCOUNTS

14

The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our Report attached

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

Signatures to the Profit and Loss Account and Schedules 9 to 14.

For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Founder & Vice Chairman

M. Sarwate
Director

Viraf R. Mehta

Partner

M. No.: 32083

Firm Reg. No. 104607W

Place: Mumbai

Date: April 26, 2010

Ravishankar G.

Managing Director & CEO

Priya Jadhav

Vice President - Finance

Cash Flow Statement for the year ended March 31, 2010

(Amount in Rs.)

	As at March 31, 2010	
	2010	2009
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	150,108,308	9,396,624
Adjustment for:		
Depreciation	80,430,085	96,581,776
(Profit) / Loss on Sale of Fixed Assets	(565,065)	513,107
(Profit) / Loss on Sale of Investments	(24,267)	(10,571,878)
Interest Expense	4,030,290	10,576,215
Interest Income	(39,090,730)	(21,625,106)
Dividend Income	(23,276,454)	(71,925,529)
Unrealised Foreign Exchange loss\ (gains)	19,188,951	(17,607,958)
Operating Profit Before Working Capital Changes	190,801,118	(4,662,749)
Working Capital Changes:		
Sundry Debtors	(42,251,572)	(428,523,862)
Loans and Advances	(133,877,977)	(32,934,791)
Current Liabilities and Provisions	(151,393,270)	233,158,091
Adjustment for Cash Flow Hedging Reserve	228,173,773	(87,498,062)
Cash Generated from Operations	91,452,072	(320,461,373)
Income Taxes Paid	(36,864,297)	(32,478,426)
Net Cash from Operating Activities before Prior Period Adjustments	54,587,775	(352,939,799)
Prior Period Adjustments	(3,128,078)	16,803,995
Net Cash from Operating Activities	51,459,697	(336,135,804)
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(36,722,884)	(100,890,941)
Proceeds from Sale of Fixed Assets	5,715,728	534,482,059
Purchase / Reinvestment of Investments	(3,441,022,708)	(2,228,904,525)
Investment in Subsidiary Companies	(1,886,775)	(37,741,787)
Proceeds from Sale of shares in Subsidiary Companies	-	132,493,401
Proceeds from Sale / Redemption of Investments	3,424,152,404	2,159,508,117
Loans to Subsidiaries Repaid / (Given)	(257,863,192)	(87,928,093)
Dividend Received	23,276,454	71,925,529
(Including Rs. 13,503,000 received from subsidiary - previous year Rs. 67,515,000)		
Interest received	38,564,143	21,473,175
Extra-ordinary Item (sale of building and other assets, net of taxes)	-	254,657,642
Net Cash (used) in/from Investing Activities	(245,786,830)	719,074,577
Balance carried forward	(194,327,133)	382,938,773



Cash Flow Statement for the year ended March 31, 2010

(Amount in Rs.)

	As at March 31,	
	2010	2009
<i>Balance Brought Forward</i>	(194,327,133)	382,938,773
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Share Capital / ESOPs	-	4,186,880
Borrowings from Bank	77,640,800	285,596,750
Repayment of Bank Borrowings	(121,728,000)	(320,240,750)
Interest Paid	(4,030,290)	(10,576,215)
Dividend Paid	(48,909,289)	(49,738,286)
Dividend Tax Paid	(6,150,232)	(3,856,715)
Net Cash used in Financing Activities	(103,177,011)	(94,628,336)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(297,504,144)	288,310,437
CASH AND CASH EQUIVALENTS:		
AS AT THE BEGINNING OF THE YEAR		
Cash and Bank Balances	363,009,755	74,699,318
AS AT THE ENDING OF THE YEAR		
Cash and Bank Balances	65,450,299	363,265,423
Unrealised Foreign Exchange Restatement in Cash and Cash Equivalents	55,312	(255,668)
	65,505,611	363,009,755
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(297,504,144)	288,310,437

As per our Report attached

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Founder & Vice Chairman

M. Sarwate
Director

Viraf R. Mehta
Partner
M. No.: 32083
Firm Reg. No. 104607W

Ravishankar G.
Managing Director & CEO

Priya Jadhav
Vice President - Finance

Place: Mumbai
Date: April 26, 2010

Schedules annexed to and forming part of the Balance Sheet

(Amount in Rs.)

	As at March 31,	
	2010	2009
SCHEDULE 1: SHARE CAPITAL		
1. AUTHORISED:		
80,000,000 Equity shares (previous year		
80,000,000 equity shares) of Rs. 2/- each.	160,000,000	160,000,000
2. ISSUED, SUBSCRIBED AND PAID UP:		
62,114,350 Equity shares of Rs. 2/- each (previous year		
62,114,350 equity shares of Rs. 2/- each) fully paid up.	124,228,700	124,228,700
TOTAL	124,228,700	124,228,700

Notes:

- a) Of the above, 14,250,000 equity shares have been allotted as fully paid up bonus shares by capitalisation of surplus in the Profit and Loss Account and 27,582,470 equity shares have been allotted as fully paid up bonus shares from share premium account.
- b) During the year to date, NIL (previous year 10,790) equity shares of Rs. 2 each have been issued under the Employee Stock Option Plan of the Company.

SCHEDULE 2: RESERVES AND SURPLUS

1. SECURITIES PREMIUM ACCOUNT		
As per last Balance Sheet	4,611,766	641,148,118
Add: Received during the year	–	4,611,766
Less: Utilised for creation of Investment Reorganisation Reserve	–	(641,148,118)
	4,611,766	4,611,766
2. HEDGING RESERVE		
As per last Balance Sheet	(105,291,062)	(17,793,000)
Add/(Less): Gain/(Loss) on Derivative contracts qualifying as cash flow hedge	228,173,773	(87,498,062)
	122,882,711	(105,291,062)
3. GENERAL RESERVE		
As per last Balance Sheet	43,100,000	120,339,509
Add: Transfer from Profit and Loss Account	13,650,000	43,100,004
Less: Utilised for creation of Investment Reorganisation Reserve	–	(120,339,513)
	56,750,000	43,100,000



Schedules annexed to and forming part of the Balance Sheet

(Amount in Rs.)

	As at March 31,	
	2010	2009
4. INVESTMENT REORGANISATION RESERVE		
As per last Balance Sheet	756,067,149	—
Add: Additions during the period	—	—
Transfer from Securities Premium Account	—	641,148,118
Transfer from General Reserve	—	120,339,513
Transfer from Profit and Loss Account	—	538,512,369
Less: Utilisation during the year	—	(543,932,851)
	756,067,149	756,067,149
5. PROFIT AND LOSS ACCOUNT	1,098,032,649	1,052,957,978
TOTAL	2,038,344,275	1,751,445,831
SCHEDULE 3: SECURED LOANS		
a) Short Term Loan from Banks	77,640,800	121,728,000
(Secured by hypothecation of book debts)		
TOTAL	77,640,800	121,728,000
SCHEDULE 4: DEFERRED TAX LIABILITY (NET)		
1. Deferred Tax Liability		
a) Depreciation on Fixed Assets	21,739,826	30,605,000
2. Deferred Tax Asset		
a) Provision for Bonus	—	(3,912,000)
b) Provision for Employee Benefits	(5,624,415)	(1,711,000)
c) Provision for Doubtful Debts	(5,505,411)	(3,604,000)
d) Others	—	(2,167,000)
	(11,129,826)	(11,394,000)
TOTAL	10,610,000	19,211,000

Schedule annexed to and forming part of the Balance Sheet

SCHEDULE 5: FIXED ASSETS

		GROSS BLOCK				DEPRECIATION			NET BLOCK		(Amount in Rs.)	
		As on 1-Apr-09	Additions	Deductions	As on 31-Mar-10	Upto 31-Mar-09	Impairment	For the year to date	On Deductions	Upto 31-Mar-10		As on 31-Mar-10
ASSET												
Leasehold Land		15,729,415	-	-	15,729,415	1,485,163		165,573	-	1,650,736	14,078,679	14,244,252
Buildings		113,703,540	-	-	113,703,540	32,839,808		4,060,841	-	36,900,649	76,802,891	80,863,732
Computers		122,471,129	2,912,808	7,130,668	118,253,269	115,690,601		4,896,675	7,130,606	113,456,670	4,796,599	6,780,528
Electrical Installations		91,829,340	5,577,481	3,192,232	94,214,589	70,903,819		6,370,652	2,274,635	74,999,836	19,214,753	20,925,521
Office Equipment and EPABX System		43,439,666	2,973,450	14,400	46,398,716	21,864,283		3,724,732	1,404	25,587,611	20,811,105	21,575,383
Furniture and Fixtures		128,730,216	7,948,406	5,230,213	131,448,409	71,343,113		13,548,719	2,318,385	82,573,447	48,874,962	57,387,103
Vehicles		3,903,048	-	1,869,941	2,033,107	861,887		296,423	561,761	596,549	1,436,558	3,041,161
Intangible Assets: - Computer Software		196,417,263	33,226,220	-	229,643,483	107,458,283		47,366,470	-	154,824,753	74,818,730	88,958,980
TOTAL		716,223,617	52,638,365	17,437,454	751,424,528	422,446,957	-	80,430,085	12,286,791	490,590,251	260,834,277	-
As at March 31, 2009		1,132,509,878	85,490,917	501,777,178	716,223,617	436,779,912	8,630,600	96,581,776	119,545,331	422,446,957	-	293,776,660
Capital Work-in-Progress including Capital Advances											540,136	16,455,617
TOTAL											261,374,413	310,232,277
Note: Accumulated depreciation for Computer Software includes provision for impairment of Rs. 8,630,600 adjusted in the Investment Re-Organisation Reserve during the year 2008-09 as per the Scheme of Arrangement.												

Note: Accumulated depreciation for Computer Software includes provision for impairment of Rs. 8,630,600 adjusted in the Investment Re-Organisation Reserve during the year 2008-09 as per the Scheme of Arrangement.



Schedules annexed to and forming part of the Balance Sheet

As at March 31		Face Value	As at March 31		
2009	2010		2010	2009	
Nos.	Nos.	Rs.	Rupees	Rupees	
SCHEDULE 6: INVESTMENTS					
1. IN UNITS OF MUTUAL FUNDS					
Current Investments (At lower of cost or market value)					
Unquoted, Non Trade, Fully paid					
4,996,602	–	Birla Sun Life Saving Fund - Instl. - Daily Dividend - Reinvestment (5,834,580 Units acquired during the year and 10,831,183 Units redeemed during the year)	10	–	50,000,000
–	4,496,942	Birla Sun Life Saving Plus Fund - Instl. - Daily Dividend - Reinvestment (4,496,942 Units acquired during the year)	10	45,000,000	–
4,984,299	–	HDFC Cash Management Fund - Treasury Advantage Plan - Wholesale - Daily Dividend, Option (4,065,719 Units acquired during the year and 9,050,018 Units redeemed during the year)	10	–	50,000,000
1,962,726	–	Reliance Liquid Fund - Treasury Plan - Institutional Option - Daily Dividend (25,201,588 Units acquired and 27,164,214 Units redeemed during the year)	10	–	30,004,588
–	3,114,093	Fortis Money Plus Institutional Plan Daily Dividend (6,114,576 Units acquired and 3,000,483 Units redeemed during the year)	10	31,150,580	–
–	2,043,754	IDFC Money Manager Fund - Investment Plan - Inst Plan B - DDR (2,043,754 Units acquired during the year)	10	20,468,193	–
–	5,028,027	Kotak Quarterly Interval Plan Series 6 - Dividend (5,028,027 Units acquired during the Year)	10	50,280,391	–
			(A)	146,899,164	130,004,588
2. IN SUBSIDIARY COMPANIES					
Long Term (At Cost)					
Unquoted Trade, Fully paid					
900,200	900,200	Equity shares of 3D PLM Software Solutions Ltd.	10	9,002,000	9,002,000
100,000	100,000	Ordinary Shares of Geometric Asia Pacific Pte. Ltd., Singapore	S\$ 1	2,742,000	2,742,000
	–	Shares of Geometric Europe GmbH, Germany (Acquired during the year)		1,886,775	–
7,583	7,583	Common Stock of Geometric Technologies, Inc., U.S.A		113,348,979	113,348,979
			(B)	126,979,754	125,092,979

Schedules annexed to and forming part of the Balance Sheet

As at March 31		Face Value	As at March 31	
2009	2010		2010	2009
Nos.	Nos.	Rs.	Rupees	Rupees
SCHEDULE 6: INVESTMENTS (Contd.)				
3. OTHER TRADE INVESTMENTS				
Long Term (At Cost)				
Unquoted Trade, Fully paid				
Powerway Inc.				
1,410,176	1,410,176			
		No par value shares of Series E Senior Preferred Stock, fully paid and non-assessable.	(C) 30,959,151	30,959,151
TOTAL BOOK VALUE OF INVESTMENTS (A + B + C)			304,838,069	286,056,718
4. PROVISION FOR DIMUNITION IN VALUE OF INVESTMENTS			(30,959,151)	(30,959,151)
TOTAL			273,878,918	255,097,567
Aggregate Book Value of Investments:				
Quoted			—	—
Unquoted			304,838,069	286,056,718
			304,838,069	286,056,718
Repurchase Price of units of Mutual funds			167,015,084	130,004,588
SCHEDULE 7: CURRENT ASSETS, LOANS AND ADVANCES				
1. SUNDRY DEBTORS				
(Unsecured - Considered good, unless otherwise stated)				
a)	Debts outstanding for a period exceeding six months (Including doubtful debts Rs. 24,516,805 - Previous year Rs. 29,671,018)		382,035,161	225,381,002
b)	Other Debts (Including doubtful debts Rs. 7,863,246 Previous year Rs. 8,883,673)		666,930,728	806,932,287
			1,048,965,889	1,032,313,289
c)	Less: Provision for Doubtful Debts		32,380,051	38,554,691
			1,016,585,838	993,758,598
2. CASH AND BANK BALANCES				
a)	Remittances in Transit		1,105,384	6,241,620
b)	Balances with Scheduled Banks			
	- In Current Accounts		7,344,475	30,434,916
	- In Deposit Accounts		55,504,036	324,427,118
c)	Balances with Non-Scheduled Banks (Refer Note No. 16)		1,551,716	1,906,101
			65,505,611	363,009,755
3. OTHER CURRENT ASSETS				
a)	Accrued Interest		962,100	435,513
			962,100	435,513



Schedules annexed to and forming part of the Balance Sheet

SCHEDULE 7: CURRENT ASSETS, LOANS AND ADVANCES (Contd.)

(Amount in Rs.)

	As at March 31,	
	2010	2009
4. LOANS AND ADVANCES		
(Unsecured - considered good, unless otherwise stated)		
a) Loans to Subsidiaries	594,094,085	336,230,893
b) Unbilled Revenue	92,216,655	51,817,715
c) Advances recoverable in cash or in kind or for value to be received (Including doubtful advances of Rs. 15,408,215 - Previous year Nil)	90,977,774	84,667,370
d) Derivative Contracts receivables	122,882,711	-
e) Sundry Deposits	172,216,343	192,522,206
f) Advance Payment of Taxes (Net of Provision for Taxes)	26,254,112	8,603,462
	1,098,641,680	673,841,646
Less: Provision for Doubtful Advances	15,408,215	-
	1,083,233,465	673,841,646
TOTAL	2,166,287,014	2,031,045,512

SCHEDULE 8: CURRENT LIABILITIES AND PROVISIONS

1. CURRENT LIABILITIES

a) Sundry Creditors		
- Micro, Small and Medium Enterprises	-	-
- Sundry Creditors - Others	35,618,476	7,578,045
b) Advances and Deposits	3,458,792	2,552,324
c) Unclaimed Dividends*	2,702,834	1,920,643
d) Derivative Contracts payables	-	186,707,779
e) Other Liabilities	295,865,839	288,562,881
f) Advance Billing and Deferred Revenue	8,874,669	8,916,658
	346,520,610	496,238,330

2. PROVISIONS

a) For Proposed Dividend	68,325,785	49,691,480
b) For Tax on Dividend	11,613,359	8,446,459
c) For Gratuity	13,673,945	13,427,520
d) For Leave Encashment	10,582,871	11,958,036
	104,195,960	83,523,495

TOTAL	450,716,570	579,761,825
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* The amount of Unclaimed Dividend reflects the position as at March 31, 2010. During the year, the Company has transferred an amount of Rs. 215,027 (Previous year Rs. 47,249); to the Investor Education and Protection Fund in accordance with the provisions of Section 205C of the Companies Act, 1956.

Schedules annexed to and forming part of the Profit and Loss Account

(Amount in Rs.)

	Year ended March 31,	
	2010	2009
SCHEDULE 9: OTHER INCOME		
1. Dividend from Subsidiary Company	13,503,000	67,515,000
2. Other Dividends	9,773,454	4,410,529
3. Interest on Advances and Deposits (Gross) (Tax Deducted at Source Rs. 1,667,010; Previous year Rs. 143,177)	39,090,730	21,625,106
4. Rent Received	5,106,201	41,441,928
5. Profit on Sale of Investments (Net)	24,267	10,571,878
6. Profit on Sale of Assets (Net)	565,065	-
7. Miscellaneous Income	4,966,962	4,469,832
TOTAL	73,029,679	150,034,273
SCHEDULE 10: OPERATING AND OTHER EXPENSES		
1. Personnel Expenses		
Salaries, Bonus and Allowances	1,198,265,430	1,231,974,880
Contribution to Provident and Other Funds	59,356,012	70,828,012
Staff Welfare Expenses	26,150,462	36,574,727
2. Software Tools and Packages	12,257,164	23,830,900
3. Electricity Expenses	42,004,508	44,007,355
4. Rates and Taxes	1,505,936	1,642,297
5. Rent and Service Charges	179,231,215	136,314,862
6. Repairs and Maintenance		
Computers	11,538,122	11,472,214
Buildings	816,811	4,020,425
Others	5,909,391	16,815,972
	18,264,324	32,308,611
7. Insurance	4,629,997	4,670,223
8. Travelling and Conveyance Expenses	95,201,722	147,545,643
9. Computer Rental Charges	85,424,930	91,982,174
10. Communication Expenses	23,804,495	43,479,904
11. Legal and Professional Charges	55,615,234	68,228,995
12. Auditor's Remuneration	3,856,488	3,799,683
13. Advertising and Publicity	3,627,744	11,000,417
14. Staff Recruitment Expenses	6,163,084	11,452,098
15. Royalty	47,352,207	61,896,922
16. Miscellaneous Expenses	22,797,463	34,381,839
17. Sales and Marketing Expenses	32,500,622	20,589,166
18. Commission to Non-Executive Directors	6,224,428	929,000
19. Loss on Sale of Assets (Net)	-	513,107
20. Bad Debts written-off	-	2,315,509
21. Provision for Doubtful Debts and Advances	9,233,575	30,855,843
22. Impairment of Computer Software	-	8,630,600
23. Transfer from Investment Reorganisation Reserve	-	(8,630,600)
	1,933,467,040	2,111,122,167
24. Reimbursement from customers & subsidiaries	(77,001,461)	(74,832,220)
TOTAL	1,856,465,579	2,036,289,947



Schedules annexed to and forming part of the Profit and Loss Account

(Amount in Rs.)

	Year ended March 31,	
	2010	2009
SCHEDULE 11: INTEREST AND FINANCE CHARGES		
1. Interest on Bank Loans	1,437,580	6,982,162
2. Bank Charges	2,592,710	3,594,053
TOTAL	4,030,290	10,576,215

SCHEDULE 12: EXTRA-ORDINARY ITEMS (NET OF TAXES)

1. Profit on Sale of Land and Buildings	-	435,179,214
2. Loss on Sale of Other Assets	-	(13,408,253)
3. Loss on Sale of Investments	-	(504,343,100)
4. Provision for Diminution of Value of Investment	-	(30,959,151)
5. Transfer from Investment Reorganisation Reserve	-	535,302,251
6. Provision for Income-tax on Extraordinary Items	-	(14,350,000)
TOTAL	-	407,420,961

SCHEDULE 13: PRIOR PERIOD ADJUSTMENTS

1. Bad Debts written back	-	806,463
2. Others	(3,128,078)	15,997,532
TOTAL	(3,128,078)	16,803,995

Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Accounting:

The financial statements have been prepared on accrual basis under the historical cost convention, in conformity in all material aspects with the generally accepted accounting principles in India, the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006.

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.

Direct financing cost incurred during the construction period on major projects is also capitalized.

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 Rs. 5,000/- are entirely depreciated in the year of acquisition. Leasehold assets are amortised over the period of the lease. The Management's estimate of useful lives for various fixed assets is as under:

Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

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

d) Leases:

Lease arrangements where the risks and 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 and loss account on straight-line basis.

e) Asset Impairment:

Management periodically assesses 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:

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 market value.

g) Foreign Exchange Transactions:

Transactions in foreign currency are recorded at 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 stated at the contracted rates when covered under forward foreign exchange contracts and at year end rates in other cases. 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.

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.

Foreign currency forward contracts 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 Cash Flow Hedging Reserve and the ineffective portion is recognized immediately in the Profit and Loss Account.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the Profit and Loss Account 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 Cash Flow 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 Cash Flow Hedging Reserve is transferred to Profit and Loss Account for the year.

i) Revenue Recognition:

Services:

Revenue from time and material contracts for software development is recognized on completion of contracts or at stages as per the applicable terms and conditions agreed with the customers and



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

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 and advances represents costs in excess of billings as at the balance sheet dates. Advance Billing and 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 payment is established.

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 Profit and Loss Account in the year in which it is incurred.

l) Software Expenditure:

- (i) 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.
- (ii) The cost of software purchased for specific software development contracts is charged over the period of such contracts, or three

years, whichever is less.

- (iii) Small-value software purchases costing between Rs. 5,000 and Rs. 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.
- (iv) Software costing below Rs. 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 Profit and Loss Account. 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:

Current income tax expense 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 countries where such operations are domiciled.

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

Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

Deferred tax expense or benefit 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 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.

p) 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, leave encashment, etc., are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the employee renders the related service.

(ii) Post Employment benefits:

a) Defined Contribution Plans:

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

b) 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.

q) Provision, Contingent Liabilities and Contingent Assets:

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. Contingent liabilities are not recognised in the financial statements.

Contingent Assets are not recognised nor disclosed in the financial statements.

2. CONTINGENT LIABILITIES

- a) Guarantees given by the Company's bankers against counter guarantees given by the Company Rs. 4,055,000 (previous year ended March 31, 2009 Rs. 4,305,000)
- b) Corporate Guarantee of up to Rs. 361,120,000 (USD 8,000,000) (previous year ended March 31, 2009 Rs. 405,760,000 (USD 8,000,000)) in respect of a loan availed by its subsidiary secured by mortgage of immovable property of the Company at Pune in favour of Citibank, N.A. or its agents or trustees. As at March 31, 2010 Rs.108,336,000 (USD 2,400,000) (previous year ended March 31, 2009 Rs. 284,032,000 (USD 5,600,000)) has been drawn under the credit agreement.
- c) Claims against the Company not acknowledged as debt:
 - (i) Rs. 59,502,103 (previous year ended March 31, 2009, Rs. 42,715,518) in respect of



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

- disputed demand of income tax against which the Company has preferred an appeal.
- (ii) Rs. 5,013,818 (previous year ended March 31, 2009, Rs. 172,818) in respect of disputed demand of excise and customs duty against which the Company has preferred an appeal.
- (iii) Rs. 8,538,871 (previous year ended March 31, 2009, Rs. 2,292,825) in respect of a sales tax assessment of a previous year against which the Company has applied for cancellation.
- (iv) Suit filed against the Company in India claiming damages of Rs. 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.

3. CAPITAL COMMITMENTS

- a) Tangible Assets:
Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) Rs. 8,139,417 (previous year ended March 31, 2009 Rs. 8,625,264)
- b) Intangible Assets:
Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) Rs. 2,520,655 (previous year ended March 31, 2009 Rs. 3,612,455)

4. SECURED LOANS

Working capital facilities are secured by a *pari passu* charge on book debts of the Company, both present and future.

5. INVESTMENTS

A) Investments in Subsidiaries:

During the year ended March 31, 2010, the Company has invested an amount of 27,500 Euros (INR 1,886,775) and acquired a Germany based Company and renamed it as Geometric Europe GmbH. The registration and other processes were completed during the year ended March 31 2010 and the said Company became a 100% wholly-owned subsidiary of Geometric Limited.

B) Purchase and Sale of Investments in Units of Mutual Funds:

Sr. No.	Name of the Funds/Scheme	Investment purchased and sold during year ended March 31,			
		2010		2009	
		Units	Amount Rs.	Units	Amount Rs.
1	Birla Sweep Fund - Dividend Reinvestment	106,376,845.87	1,075,118,351	144,906,559	1,449,065,590
2	Reliance Money Manager Fund - Institutional Option - Daily Dividend Plan	349,443.96	349,841,069	-	-
3	IDFC Cash Fund - Inst Plan B - DDR	1,890,216.44	20,001,514	-	-
4	ICICI Prudential Flexible Income Plan Premium - Daily Dividend	15,863,819.23	262,577,115	-	-
5	Reliance Medium Term Fund - Daily Dividend Plan	14,085,947.61	240,806,317	-	-
6	ICICI Prudential Liquid - Institutional Plus - Daily Dividend	8,397,634.56	135,527,729	-	-
7	Fidelity Ultra Short Term Debt Fund Super Institutional - Daily Dividend	10,103,504.09	101,060,300	-	-
8	Fidelity Cash Fund (Super Institutional) - Daily Dividend	14,977,667.84	150,021,149	-	-
9	Religare Liquid Fund - Institutional Daily Dividend	999,431.82	10,000,715	-	-
10	Religare Ultra Short Term Fund - Institutional Daily Dividend	1,009,940.99	10,115,266	-	-
11	UTI Treasury Advantage Fund - Institutional Plan - DDR	32,847.34	32,854,369	-	-

Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

Sr. No.	Name of the Funds/Scheme	Investment purchased and sold during year ended March 31,			
		2010		2009	
		Units	Amount Rs.	Units	Amount Rs.
12	JM Money Manager Fund Super Plus Plan - Daily Dividend	1,003,998.04	10,045,301	-	-
13	ICICI Prudential Institutional Liquid Plan - Super Institutional DDR	1,053,615.25	105,384,705	-	-
14	Templeton Floating Rate Income Fund Long Term Plan - IO-DDR	1,954,972.35	20,215,536	-	-
15	Templeton India Treasury Management Account - IP - DDR	19,988.14	20,001,595	-	-
16	Taurus Short Term Bond Fund - Institutional Daily Dividend Plan	1,007,265.55	10,075,415	-	-
17	Taurus Liquid Fund - Institutional Daily Dividend Reinvestment	1,000,121.12	10,001,211	-	-
18	Birla Sun Life Cash Plus - Institutional - DDR	2,853,576.69	30,825,191	-	-
19	UTI - Floating Rate Fund -Short Term Plan - Insti - DDR	15,000.97	15,012,530	-	-
20	Kotak Liquid (Institutional Premium) - DDR	4,089,299.81	50,004,367	-	-
21	Taurus Short Term Bond Fund - Super Institutional Daily Dividend Plan	5,018,538.20	70,184,352	-	-
22	Taurus Liquid Fund - Super Institutional Daily Dividend Reinvestment	5,000,387.96	50,004,380	-	-
23	Kotak FMP 14M Series 30 Growth Wholesale Plan Dividend Payout	-	-	8,500,000.00	85,000,000
24	Sundaram BNP Paribas Interval Fund Plan B Quarterly Inst Dividend	-	-	4,424.06	442,241
25	LIC MF Interval Fund - Series 1 - Quarterly Growth - Wholesale Plan	-	-	5,000,000.00	50,000,000
26	SBI Debt Fund Series - 90 Days - 26 Growth - Wholesale Plan	-	-	9,000,000.00	90,000,000
27	Reliance Liquid Plus Fund - Option - Daily Dividend - Wholesale Plan	-	-	30,102.70	30,136,902
28	IDFC Fixed Maturity Plan - Quarterly Series 46 - Dividend	-	-	3,669,654.92	36,696,549
29	IDFC Liquid Plus Fund - Treasury Plan	-	-	3,567,898.38	35,929,807
30	BSL Interval Income Institutional Monthly - Series 2 Dividend	-	-	3,657.22	3,657,220
31	SBI Debt Fund Series - 90 days - 23 - Growth Wholesale Plan	-	-	13,500,000.00	135,000,000
32	IDFC Fixed Maturity Plan - Quarterly Series 32 - Growth - Wholesale Plan	-	-	3,500,000.00	35,000,000
33	ICICI Prudential Interval Fund II Quarterly Interval Plan B - Reinvest Dividend	-	-	5,610,195.00	56,101,950
34	Reliance Quarterly Interval Fund - Series II - Institutional Dividend Plan	-	-	3,843,218.00	38,432,180
35	Canara Robecco FMP - 3 - Quarterly Plan 4 - Institutional Growth Fund	-	-	3,000,000.00	30,000,000
	Total	197,104,063.83	2,779,678,478	204,135,709.27	2,075,462,439



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

6. DERIVATIVE INSTRUMENTS

- a) 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 Profit and Loss Account.
- b) 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 March 31, 2010:

March 31, 2010				March 31, 2009			
Foreign Currency	No. of Contracts	Notional Amount in Foreign Currency	Fair Value (Rs.) Gain\ (Loss)	Foreign Currency	No. of Contracts	Notional Amount in Foreign Currency	Fair Value (Rs.) Gain\ (Loss)
USD	124	41,920,000	120,120,697	USD	60	32,555,000	(186,707,780)
EURO	14	1,000,000	2,762,014				
	138		122,882,711		60		(186,707,780)

- c) As of the balance sheet date the Company has net foreign exposures that are not hedged by derivative instruments or otherwise amounting to Rs. 980,726,220 (previous year ended March 31, 2009 - Rs. 848,766,029).

7. LOANS AND ADVANCES

Loans and Advances include:

Loans given to Subsidiaries:

(Amount in Rs.)

Name	Closing Balance		Maximum Debit Balance During the Year	
	As at March 31, 2010	As at March 31, 2009	Year Ended March 31, 2010	Previous Year ended March 31, 2009
Geometric Americas Inc.	594,094,085	336,230,893	653,533,595	336,230,893

8. DEBTORS

Debtors include:

Dues from Subsidiaries:

(Amount in Rs.)

Name of the Subsidiary Company	Closing Balance		Maximum Debit Balance During the Year	
	As at March 31, 2010	As at March 31, 2009	Year Ended March 31, 2010	Previous Year ended March 31, 2009
3D PLM Software Solutions Limited	37,446	33,630,127	34,218,295	447,397,045
Geometric Americas, Inc.	743,357,189	567,954,846	772,231,461	598,322,834
Geometric Technologies, Inc.	34,219,456	16,514,559	34,219,456	143,530,926
Geometric Asia Pacific Pte. Ltd.	4,638,869	71,897,276	71,897,276	104,793,270
Geometric China, Inc.	624,370	2,725,322	2,725,322	5,565,820

9. CURRENT LIABILITIES

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are 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.



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

10. PROVISIONS

The details of provision and movement in each class of provision required by Accounting Standard AS - 29 on Provisions, Contingent Liabilities and Contingent Assets are as follows:

Provision for Leave Benefit:

(Amount in Rs.)

Particulars	Year ended March 31, 2010	Previous Year ended March 31, 2009
Carrying amount at the beginning of the year	11,958,036	16,252,603
Additional provision made during the year	7,572,123	12,106,772
Amount paid/utilized during the year	8,947,288	16,401,339
Carrying amount at the end of the year	10,582,871	11,958,036

11. 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:

(Amount in Rs.)

Particulars	Year ended March 31, 2010	Previous Year ended March 31, 2009
1. Lease Rentals paid during the year	225,948,468	192,756,434
2. Future Lease Obligations		
- Due within one year	189,804,400	190,357,933
- Due between one year and five years	345,947,919	413,977,176
- Due after five years	Nil	Nil

12. EMPLOYEE STOCK OPTIONS

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

Sr. No.	Particulars	Scheme V ESOP Scheme 2003	Scheme VII ESOP Scheme 2006	Scheme VIII ESOP Scheme 2009	Scheme IX ESOP Scheme 2009 - Directors	Scheme X ESOP Scheme 2009 - Employees
1.	Share holders' Approval.	Annual General Meetings (June 18, 2003 and June 29, 2004)	Extraordinary General Meeting (November 21, 2006)	Extraordinary General Meeting (April 6, 2009)	Annual General Meeting (September 25, 2009)	Annual General Meeting (September 25, 2009)
2.	No of Options Approved	2,750,000 (Note a)	1,850,000	1,000,000	300,000	600,000
3.	The Pricing Formula	Closing price on NSE on date immediately preceding grant of options. The options may be granted at Market Price computed in accordance with the ESOP Guidelines.	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.



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

Sr. No.	Particulars	Scheme V ESOP Scheme 2003		Scheme VII ESOP Scheme 2006	Scheme VIII ESOP Scheme 2009	Scheme IX ESOP Scheme 2009 - Directors	Scheme X ESOP Scheme 2009 - Employees
		Pre Split	Post Split				
4.	Options Granted	630,956	2,477,695	1,872,500	1,000,000	250,000	600,000
5.	Options Vested	71,135	169,540	79,375	-	-	-
6.	Options Exercised	27,336	1,012,015	-	-	-	-
7.	Options Forfeited/ Surrendered (Note b)	108,081	687,750	1,555,000	20,000	-	18,000
8.	Options Unexercised	495,539	169,540	317,500	1,000,000	250,000	582,000
9.	Options Lapsed		608,390	-	-	-	-
10.	Total Number of Options in force		169,540	317,500	1,000,000	250,000	582,000
11.	Variation in terms of ESOP	NA		NA	NA	NA	NA
12.	Total Number of Shares arising as a result of Exercise of Options	1,148,695	-	-	-	-	-
13.	Money realised by exercise of Options (Rs. in Lakhs)	570.10	-	-	-	-	-

Notes:

- The number of options disclosed above has been adjusted for subdivision of the Company's shares from face value of Rs. 10 each into five equity shares of face value of Rs. 2 each on August 9, 2005 and on account of issue of bonus shares on August 6, 2004.
- The surrendered options can be reissued as per the terms of Scheme 2003, 2006, 2009 & 2009 - (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.

13. DEFERRED INCOME TAX

The Company accounts for taxes on income to include the effect of timing differences in the tax expenses in the Profit and Loss account and deferred tax asset / liability in the Balance Sheet. The tax holiday under Section 10A of Income-tax Act, 1961, is available to the Company in respect of two units of the Company. In view of this, the deferred tax asset / liability in respect of timing differences that originate and reverse during tax holiday period is ignored and deferred tax liability in respect of timing differences that originate during tax holiday period but reverse after the tax holiday period is recognized.

Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

14. 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 Technologies Inc.
5. Geometric Americas Inc.
6. Geometric SAS, France
7. Geometric SRL Romania
8. Geometric Europe GmbH

b) Associates:

1. Godrej & Boyce Mfg. Co. Ltd.

c) Key Management Personnel:

1. Mr. Ravishankar. G., Managing Director & CEO
2. Mr. Manu Parpia, Founder & Vice-Chairman

B. Transactions with Related Parties:

(Amounts in Rs.)

Nature of Transaction	Subsidiary Companies	Associates	Key Management Personnel
a) Sales – Software Services	836,173,446 (805,804,872)	84,931 (365,532)	
b) Software Development Charges - Subcontract	14,803,384 (Nil)		
c) Product Development Income	3,663,100 (5,313,560)		
d) Rent Income	5,032,617 (41,304,036)		
e) Royalty income	34,077,840 (37,584,391)		
f) Interest Received on Loans	29,778,565 (20,587,009)		
g) Dividend Received	13,503,000 (67,515,000)		
h) Reimbursement of Expenses	86,556,854 (52,475,400)	395,952 (1,365,982)	
i) Compensation for Services	38,618,971 (20,589,166)	9,627,903 (555,349)	
j) Rent Paid towards Leased Premises	451,199 (Nil)	32,507,249 (36,320,313)	



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

Nature of Transaction	Subsidiary Companies	Associates	Key Management Personnel
k) Managerial Remuneration			11,749,649 (5,748,955)
l) Purchase of Fixed Assets	-- (7,066,124)	681,312 (19,904,916)	
m) Sale of Fixed Assets	-- (503,082,407)	5,500,000 (Nil)	
n) Purchase of Investment	-- (37,741,787)		
o) Sale of Investment	-- (132,493,400)		
p) Loan Given	343,190,300 (30,564,000)		
q) Management Consultancy Charges			2,100,000 (Nil)
r) Commission to Non-Executive Directors			1,556,107 (265,430)
s) Directors' sitting fees			170,000 (160,000)
t) Loan Repayment Received	46,090,000 (Nil)		
u) Dividends Paid		14,180,893 (13,357,150)	
v) Deposits Refunded		6,133,771 (4,283,100)	
w) Receivables including loan	1,462,983,967 (1,089,713,931)	305,120 (1,711,271)	
x) Payables	86,085,892 (61,214,463)	Nil (Nil)	
y) Deposits		41,034,681 (47,168,452)	
Balances as on Balance Sheet Date:	1,376,898,075 Dr (1,028,953,024 Dr)	41,339,801 Dr (48,879,723 Dr)	

(Figures in italics and brackets are for the previous year ended March 31, 2009)

Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

C. The material related party transactions are as under:

Nature of Transaction		Year ended March 31,	
		2010	2009
a)	Sales – Software Services:		
	Geometric Americas Inc.	724,409,954	623,698,673
	Geometric Asia Pacific Pte.		144,388,789
b)	Software Development Charges - Subcontract:		
	Geometric Americas Inc.	5,230,998	Nil
	Geometric SAS	9,572,387	Nil
c)	Product Development Income:		
	Geometric Americas Inc.	3,663,100	5,313,560
d)	Rent Income:		
	3D PLM Software Solutions Ltd.	5,032,617	41,304,036
e)	Royalty income:		
	Geometric Technologies Inc.	34,077,840	37,584,391
f)	Interest Received on Loans:		
	Geometric Americas Inc.	29,778,565	20,582,122
g)	Dividend Received:		
	3D PLM Software Solutions Ltd.	13,503,000	67,515,000
h)	Reimbursement of Expenses:		
	3D PLM Software Solutions Ltd.	53,992,747	51,508,668
	Geometric Americas Inc.	29,692,889	
i)	Compensation for Services:		
	Geometric Americas Inc.	38,618,971	20,589,166
	Godrej & Boyce Mfg. Co. Ltd.	9,627,903	Nil
j)	Rent Paid towards Leased Premises:		
	Godrej & Boyce Mfg. Co. Ltd.	32,507,249	36,320,313
k)	Managerial Remuneration:		
	Mr. Ravishankar G.	11,749,649	644,466
	Dr. Ravi Gopinath		5,104,489
l)	Purchase of Fixed Assets:		
	Godrej & Boyce Mfg. Co. Ltd.	681,312	19,904,916
	3D PLM Software Solutions Ltd.	Nil	7,066,125
m)	Sale of Fixed Assets:		
	3D PLM Software Solutions Ltd.	Nil	503,082,407
	Godrej & Boyce Mfg. Co. Ltd.	5,500,000	Nil
n)	Purchase of Investment:		
	Geometric Americas Inc.	Nil	37,741,787



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

Nature of Transaction		Year ended March 31,	
		2010	2009
o)	Sale of Investment: Geometric Technologies Inc.	Nil	132,493,400
p)	Loan Given : Geometric Americas Inc.	343,190,300	30,564,000
q)	Management Consultancy Charges: Mr. Manu M. Parpia	2,100,000	NIL
r)	Commission to Non-executive Directors: Mr. Manu M. Parpia	1,556,107	265,430
s)	Directors' sitting fees: Mr. Manu M. Parpia	170,000	160,000
t)	Loan Repayment Received: Geometric Americas Inc.	46,090,000	Nil
u)	Dividends Paid: Godrej & Boyce Mfg. Co. Ltd.	14,180,893	13,357,150
v)	Deposits Refunded: Godrej & Boyce Mfg. Co. Ltd.	6,133,771	4,283,100
w)	Receivables including loan: Geometric Americas Inc.	1,412,468,073	944,952,334
x)	Payables: Geometric Americas Inc. 3D PLM Software Solutions Ltd.	85,171,816 Nil	49,874,069 11,340,394
y)	Deposits: Godrej & Boyce Mfg. Co. Ltd.	41,034,681	47,168,452

Schedules forming part of accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

15. 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.

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 15 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 employees are entitled to receive certain benefits in lieu of the annual leave not availed of during service, at the time of leaving the services of the Company. The benefits payable are expressed by means of a formulae which takes into account the salary and the leave balance to the credit of the employees on the date of exit. These benefits are administered on a Pay-As-You-Go basis.

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.

d) Amounts Recognised as Expense:

(i) Defined Contribution Plans

Employer's Contribution to Provident Fund amounting to Rs. 37,847,356 (previous year ended March 31, 2009, Rs. 41,223,023) and contribution to Superannuation Fund amounting to Rs. 13,351,767 (previous year ended March 31, 2009, Rs. 14,817,571) has been included in Schedule 10 under Personnel Expenses - Contribution to Provident and Other Funds.

(ii) Defined Benefit Plan

Gratuity cost amounting to Rs. 8,156,889 (previous year ended March 31, 2009, Rs. 14,787,418) has been included in Schedule 10 under Personnel Expenses - Contribution to Provident and Other Funds.



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

15. EMPLOYEE BENEFITS (Contd.)

e) The status of the Company's funded gratuity plan is as under:

(Amount in Rs.)		
Particulars	Year ended 2010	March 31, 2009
i) Change in Present Value of Obligation		
Present value of the obligation at the beginning of the year	47,276,487	28,274,807
Current Service Cost	14,321,022	15,322,370
Interest Cost	3,230,244	2,183,097
Actuarial (Gain) / Loss on Obligation	(11,326,303)	3,468,405
Benefits Paid	(2,260,288)	(1,972,192)
Present value of the obligation at the end of the year	51,241,162	47,276,487
ii) Change in Plan Assets		
Fair value of Plan Assets at the beginning of the year	33,848,967	27,877,959
Expected return on Plan Assets	2,904,254	2,301,268
Actuarial Gain / (Loss) on Plan Assets	(4,094,408)	1,893,952
Contributions by the Employer	7,168,692	3,747,980
Benefits Paid	(2,260,288)	(1,972,192)
Fair value of Plan Assets at the end of the year	37,567,217	33,848,967
iii) Amounts Recognised in the Balance Sheet:		
Present value of Obligation at the end of the year	51,241,162	47,276,487
Fair value of Plan Assets at the end of the year	37,567,217	33,848,967
Net Obligation at the end of the year	(13,673,945)	(13,427,520)
iv) Amounts Recognised in the statement of Profit and Loss:		
Current Service Cost	14,321,022	15,322,370
Interest cost on Obligation	3,230,244	2,183,097
Expected return on Plan Assets	(2,904,254)	(2,301,268)
Net Actuarial (Gain) / Loss recognised in the year	(7,231,895)	1,574,453
Net Cost Included in Personnel Expenses	7,415,117	16,778,652
v) Actual return on Plan Assets		
Expected return on Plan Assets	(2,904,254)	2,301,268
Actuarial Gain/ (Loss) on Plan Assets	(4,094,408)	1,893,952
	(6,998,662)	4,195,220
vi) Actuarial Assumptions		
(i) Discount Rate	8.10% P.A.	7% P.A.
(ii) Expected Rate of Return on Plan Assets	8% P.A.	8% P.A.
(iii) Salary Escalation Rate	7% P.A.	7% P.A.
(iv) Employee Turnover:		
1) Employees who have not completed 5 years of service	12.50 % P.A.	20% P.A.
2) Employees who have completed 5 years of service	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)	8.67	4.95
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.		

Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

(Amount in Rs.)

	Year ended March 31,	
	2010	2009
16. COMPUTATION OF PROFITS UNDER SECTION 349 OF THE COMPANIES ACT, 1956.		
Profit Before Tax as per Profit and Loss Account	150,108,308	9,396,624
Add:		
Depreciation as per Accounts	80,430,085	96,581,776
Managerial Remuneration	19,254,077	7,667,955
Loss on sale of fixed assets as per Section 349(3)	19,895	16,192,854
Profit on Sale of Assets (Net)	–	513,107
Provision for Doubtful Debts and Advances	9,233,575	30,855,843
	108,937,632	151,811,535
	259,517,940	161,208,159
Less:		
Depreciation under Section 350	45,647,674	56,058,272
Profit on Sale of Assets (Net)	565,065	–
Profit on Sale of Investments (Net)	24,267	10,571,878
	46,237,006	66,630,150
Eligible Profits	212,808,934	94,578,009
a) Remuneration to the Managing Director @ 5% of Eligible Profit as per Section 198 read with Schedule XIII of the Companies Act, 1956, shall not exceed:	10,640,447	4,728,900
b) Maximum remuneration payable to the Managing Director as per Schedule XIII in case of inadequacy of profits shall not exceed:	–	4,800,000
c) Remuneration to Managing Director	11,749,649	4,726,069
d) Maximum remuneration payable to the Non-Executive Directors shall not exceed 3% of Eligible Profit as per Central Govt. approval vide letter No. 12/156/2006-CL.VII dated January 12, 2007, for five financial years commencing from April 1, 2006. This amount is further restricted by the members of the Company to 1.5% (previous year 1.5%) of the profit before tax based on the Consolidated Financial Accounts of the Company.	6,377,968	929,888
e) Commission Payable to Non-Executive Directors	6,224,428	929,000



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

		(Amount in Rs.)	
		Year ended March 31, 2010	2009
17. Managerial Remuneration			
1) Managing Director and CEO			
a) Salary and Allowances		5,511,758	4,726,069
b) Leave Encashment and Contribution to PF & SAF		909,891	1,022,886
c) Performance Bonus		5,328,000	—
		11,749,649	5,748,955
Note: The above accrued figures does not include provision for Gratuity as separate Actuarial valuation is not available for the Managing Director & CEO			
2) Non-Wholetime Directors:			
a) Commission to Non-Executive Directors		6,224,428	929,000
b) Directors' Sitting Fees		1,280,000	990,000
		7,504,428	1,919,000
Total Managerial Remuneration		19,254,077	7,667,955
18. a)	The Company has during the year paid consultancy fees of Rs. 2,100,000 (Previous Year Rs. Nil) to the Founder & Vice Chairman, Non-Executive Director, for the period from September 1, 2009 to March 31, 2010 pursuant to the approval of the shareholders at the Annual General Meeting held on September 25, 2009. The said consultancy fees are subject to the approval of the Central Government under Section 309(1) of the Companies Act, 1956, for which application has been made.		
b)	The remuneration payable to the Managing Director as approved by the shareholders and the Board of Directors is in excess of the maximum amount payable under the provisions of Section 198 of the Companies Act, 1956. The excess amount of Rs. 11,19,900 has not been paid to the Managing Director and will be paid only subject to the approval of the Central Government.		
19. BALANCES WITH NON-SCHEDULED BANKS			
Balances with Non-Scheduled Banks comprise of Balances with:			
a) Deutsche Bank, Aachen - Germany		133,467,145	1,906,101
Maximum balance during the year		16,037,370	17,564,997
20. DIVIDENDS REMITTED IN FOREIGN CURRENCY		NIL	36,000
21. AUDITOR'S REMUNERATION			
a) Statutory Audit Fees		2,550,000	2,400,000
b) Audit Under Other Statutes		400,000	340,000
c) In Other Capacity:			
Taxation Matters		35,000	561,800
Certification		841,501	345,367
d) Reimbursement of Expenses		29,987	152,516
TOTAL		3,856,488	3,799,683

Schedules forming part of accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

		(Amount in Rs.)	
		Year ended March 31,	
		2010	2009
22. VALUE OF IMPORTS ON C.I.F. BASIS			
Capital Goods		37,526,590	63,084,815
TOTAL		37,526,590	63,084,815
23. EARNINGS IN FOREIGN CURRENCY			
a) Income from Software Development and Sale of Software		1,948,564,088	2,188,816,742
b) Reimbursement of Expenses		41,362,562	20,587,009
c) Interest and Dividend		29,778,565	35,790,932
TOTAL		2,019,705,215	2,245,194,683
24. EXPENDITURE IN FOREIGN CURRENCY			
a) Travelling Expenses		31,179,387	52,720,491
b) Professional Fees		39,183,899	16,833,296
c) Sales and Marketing Services		29,550,810	28,721,907
d) Royalty		47,161,107	51,757,930
e) Salary - On Site Employees		231,878,317	201,159,714
f) Exhibition Expenses		15,146	2,419,892
g) Software Packages and Tools		26,301,757	2,948,686
h) Others		28,186,880	535,512,976
TOTAL		433,457,303	892,074,892
25. EARNINGS PER SHARE			
a) Net Profit After Tax (Before Extraordinary Items)		136,367,583	22,723,939
Less: Software impairment charged to Investment Reorganisation Reserve		-	(8,630,600)
Net Profit (Before Extraordinary Items) For the purpose of EPS Calculation		136,367,583	14,093,339
Net Profit After Tax (Including Extraordinary Items)		136,367,583	430,144,900
Less: Software impairment charged to Investment Reorganisation Reserve		-	(8,630,600)
Less: Utilisation of Investment Reorganisation Reserve		-	(535,302,251)
Net Profit (After Extraordinary Items) For the purpose of EPS Calculation		136,367,583	(113,787,951)
b) Number of Equity Shares:			
As at the commencement of the Period		62,114,350	62,103,560
Issued during the Year to Date		-	10,790
As at the end of the Year to Date		62,114,350	62,114,350
Weighted Average Number of Equity Shares			
Basic		62,114,350	62,113,513
Diluted		62,114,350	62,113,513
c) Earning per Equity Share of Rs. 2/- each			
Before Extraordinary Items:			
Basic and Diluted		2.20	0.23
Including Extraordinary Items:			
Basic and Diluted		2.20	(1.83)



Schedules forming part of the accounts for the year ended March 31, 2010

SCHEDULE 14: NOTES TO ACCOUNTS (Contd.)

26. Disclosures required by Clause 32 of the Listing Agreement

Name of the company	Balance as at		Maximum outstanding during the year	
	2009-10	2008-09	2009-10	2008-09
(a) Loans and advances in the nature of loans given to subsidiaries				
Geometric Americas Inc.	594,094,085	336,230,893	653,533,595	336,230,893
TOTAL	594,094,085	336,230,893	653,533,595	336,230,893
(b) Loans and advances in the nature of loans given to associate				
Godrej & Boyce Mfg. Co. Ltd	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil
(c) Loans and advances in the nature of loans where repayment schedule is not specified/is beyond 7 years				
Geometric Americas Inc.	594,094,085	336,230,893	653,533,595	336,230,893
TOTAL	594,094,085	336,230,893	653,533,595	336,230,893
(d) Loans and advances in the nature of loans where interest is not charged or charged below bank rate				
Geometric Americas Inc.	Nil	Nil	Nil	Nil
TOTAL	Nil	Nil	Nil	Nil
(e) Loans and advances in the nature of loans to companies in which directors are interested.				
Geometric Americas Inc.	594,094,085	336,230,893	653,533,595	336,230,893
TOTAL	594,094,085	336,230,893	653,533,595	336,230,893
(f) Investments in subsidiaries				
3DPLM Software Solutions Ltd	9,002,000	9,002,000	9,002,000	9,002,000
Geometric Asia Pacific Pte. Ltd	2,742,000	2,742,000	2,742,000	2,742,000
Geometric Technologies, Inc.	113,348,979	113,348,979	113,348,979	113,348,979
Geometric Europe, GmbH	1,886,775	1,886,775	Nil	Nil
TOTAL	126,979,754	126,979,754	125,092,979	125,092,979

27. The position of the Company Secretary has remained vacant from January 1, 2010 till our report date. However the Company has appointed Vice President Finance to act as the Compliance Officer.

28. General

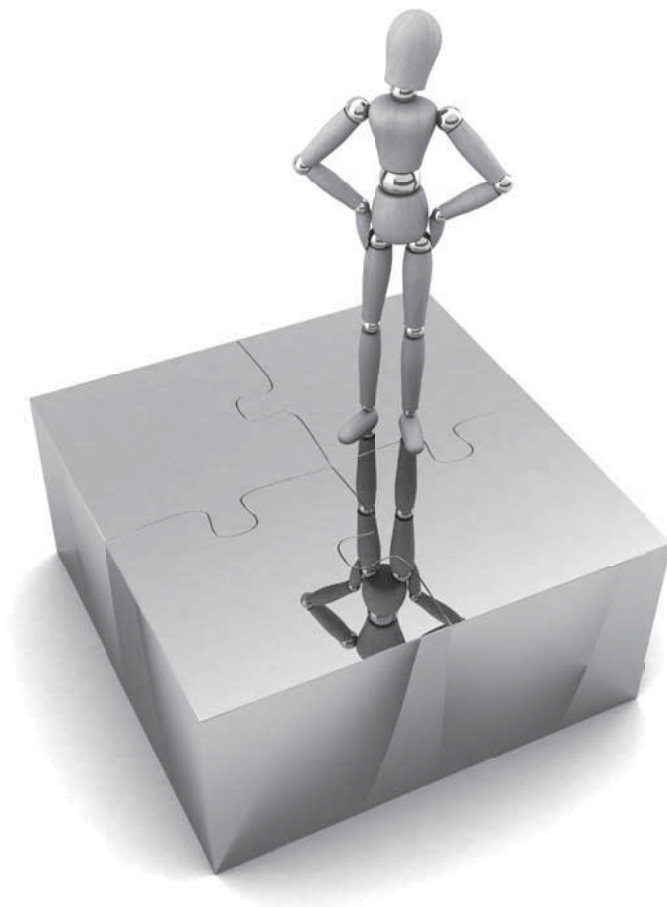
- Figures for the previous year have been regrouped / restated wherever necessary to conform to current year's presentation.
- Other information required by Schedule VI to the Companies Act, 1956, has been given only to the extent applicable.

Statement Pursuant to part IV, Schedule VI to the Companies Act, 1956: Balance Sheet Abstract and Company's General Business Profile

I. Registration Details:	As at March 31, 2010
Registration No.	: 77,342
State Code	: 11
Balance Sheet Date	: March 31, 2010
II. Capital Raised During the Year: (Amount in Rs. Thousand)	
Public Issue	: -
Right Issue	: -
Bonus Issue	: -
Private Placement	: -
Shares Issued on the Exercise of Stock Options	: -
III. Position of Mobilisation and Deployment of Funds: (Amount in Rs. Thousand)	
Total Liabilities	: 2,701,540
Total Assets	: 2,701,540
Sources of Funds	
Paid-up Capital	: 124,229
Share Application Money	: -
Reserves and Surplus	: 2,038,344
Secured Loans	: 77,641
Unsecured Loans	: -
Deferred Tax Liability	: 10,610
Application of Funds	
Net Fixed Assets	: 261,374
Investments	: 273,879
Net Current Assets	: 1,715,570
Misc. Expenditure	: -
Accumulated Losses	: -
IV. Performance of the Company: (Amount in Rs. Thousand)	
Turnover	: 2,210,423
Total Expenditure	: 2,060,315
Profit / (Loss) Before Tax	: 150,108
Profit / (Loss) After Tax	: 139,496
Earning Per Share in Rs.	: 2
Dividend Rate %	: 55%
V. Generic Names of Three Principal Products / Services of Company:	
(As per monetary terms)	
Item Code No. (ITC Code)	: 85249904.1
Product Description	: Computer Software

3D PLM Software Solutions Ltd.

Annual Report and Financial Statements
for the year ended March 31, 2010



Regd. Office:
Plant 6, Pirojshanagar, Vikhroli (W),
Mumbai 400 079, India

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, 2010.

1. Financial Results:

The Company's operating performance during the year ended March 31, 2010, as compared to the previous year is summarized below:

(Amount in Rupees)

	Year ended March 31,	
	2010	2009
Sales and Other Income	1,376,303,792	1,369,998,629
Profit Before Interest, Depreciation and Tax	558,520,997	548,813,000
Depreciation	132,107,789	91,307,486
PROFIT BEFORE TAX:	413,362,097	457,505,514
Prior Period And Extraordinary Items	2,634,890	995,672
Provision For Taxes	(13,941,512)	29,147,030
PROFIT AFTER TAX:	424,668,719	427,362,812
Surplus Brought Forward	456,614,503	184,843,369
PROFIT AVAILABLE FOR APPROPRIATION:	881,283,222	612,206,181
APPROPRIATIONS:		
Dividend		
- Interim	19,290,000	96,450,000
- Final	12,860,000	-
Dividend Tax	5,464,536	16,391,678
Transfer To General Reserve	42,500,000	42,750,000
Surplus Carried Forward	801,168,686	456,614,503
TOTAL	881,283,222	612,206,181

2. Dividend:

The following interim dividends were declared and paid during the year:-

Date of declaration	% to Paid up capital	Rs. per share	Total amount of dividend	Dividend Distribution Tax
September 14, 2009	150	15.00	19,290,000	3,278,336
April 20, 2010	100	10.00	12,860,000	2,185,557
Total	250		32,150,000	5,463,893

The Board of Directors recommends interim dividend as paid be final dividend for the financial year 2009-2010.

3. Business Prospects:

3D PLM has completed eight years of operation and continues to add value to Dassault Systemes. This year the company crossed a major milestone of 1000 developer count. 3D PLM continues to focus on

substantially enhancing their productivity, promoting innovation while being lean and cost efficient.

This approach has ensured the company in attracting more work from DS even during tough economic conditions.



Directors' Report to the Members (Contd.)

4. Purchase of Property:

With a view of support to the expansion plans of the company in future, this year Company purchased a building namely "Agra Fort Building" alongwith furniture and fixtures situated at Phase I, Hinjewadi, Pune. 3D PLM began its operations in the new facility in Q1 FY 2010.

5. Directors:

During the year Mr. Bruno Latchague and Mr. Phillippe Laufer resigned as Directors of the Company and Mr. Dominique Florack, and Mr. David de Muer were appointed as Directors in casual vacancy created by resignation of the Directors respectively with effect from April 21, 2009.

Consequent to resignation of Mr. Bruno Latchague as director of the Company Mr. Christophe D. Foucart, who was appointed as alternate director to Mr. Bruno Latchague will automatically cease to be a director with effect from April 21, 2009.

Mr. Prakash Tolani was appointed as alternate director to Mr. David de Muer effective from January 14, 2010.

6. Auditors:

M/s. S. R. Batliboi & Associates., 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 reappointment.

7. Auditors' Report:

The Company has to reconcile the physically verified assets with book records. We do not expect any material discrepancy arising from this exercise

8. 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.

9. 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.

10. Compliance Certificate:

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

11. 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, 2010 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.

12. 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.

13. 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 20, 2010
Mumbai

Directors' Report to the Members (Contd.)

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:

Our operations are not energy intensive. However, significant measures are taken to reduce energy consumption by using energy-efficient computers and purchasing energy-efficient equipment. We constantly evaluate new technologies and invest to make our infrastructure more energy-efficient. Currently, we use 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 air-conditioners with split air conditioning for localized areas are used. As energy costs comprise a very small part of our total expenses, the financial impact of these measures is not material.

In FY 2010, 3D PLM has also formed 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 absorption

Research and development (R & D)

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

R&D for software product development in the following brands of DS: CATIA, ENOVIA (includes VPLM, SmarTeam and MatrixOne), Spatial, SolidWorks, SIMULIA

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 R&D. 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. We have also started an initiative with an Educational Institute in Pune wherein DS has shared SolidWorks licenses with them. The institute runs a training course (i) for popularizing SolidWorks amongst the student community and (ii) for making them ready for a possible employment in 3D PLM subject to their performance.

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:

a. Technology imported:

b. Year of import:

c. Has technology been fully absorbed?

d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.

Not Applicable as no imported technology is put to use.

3. Foreign Exchange Earnings and Outgo:

i) 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.

(ii) Total Foreign Exchange Earnings used and earned:

(Amount in Rupees)

	Year ended March 31,	
	2010	2009
Total Foreign Exchange used	2,822,055	2,800,095
Total Foreign Exchange earned	1,366,059,851	1,362,926,819



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, 2010.

Sr. No.	Name	Designation	Qualification	Age	Date of Joining	Total Exp Years	Gross Remuneration in RS.	Previous employment
1.	Atul Parulekar	Senior Technical Expert	MS (Engg)	46	1-Apr-02	19	2,971,464	Sheorey Digital Systems
2.	Hemant Gadgil	Director	M.Tech.	49	1-Jul-94	25	3,019,841	Godrej & Boyce Mfg. Co. Ltd.
3.	Milind Shastri	Vice President	M.Tech.	46	1-Jul-94	16	4,321,507	Godrej & Boyce Mfg. Co. Ltd.
4.	Sameer Atre	Senior Director	MBA	40	18-Dec-00	18	2,912,980	Mastek Ltd.
5.	Sandeep Badawe	Senior Manager	M.Tech.	43	7-Oct-02	20	2,415,100	MPHASIS Software & Services Pvt. Ltd.
6.	Shashank Patkar	Sr. Vice President & CEO	BE MBA	48	1-Jul-94	24	7,514,651	Godrej & Boyce Mfg. Co. Ltd.
7.	Sudarshan Mogasale	Senior Director	BE	40	16-Dec-96	15	3,345,222	Govt. Organization
8.	Vishnu Chakraborty	Director	Diploma Engg	41	7-Nov-94	18	2,473,505	Bharat Forge Ltd.

Note:

1. The Gross remuneration shown above is subject to tax and comprises salary, allowances, cash incentive, 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 employees for the previous year, which were approved by the Management during the year.
4. None of the above appointments are contractual.
5. None of the employees are related to any Director or Manager 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.,
Plant 6, Pirojshanagar,
Vikhroli (West),
Mumbai 400 079.

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, 2010.

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 five (5) times on April 21, 2009, July 20, 2009, September 14, 2009, October 12, 2009 and January 14, 2010 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, 2009 was held on June 23, 2009, 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. No Extra Ordinary General Meeting was held during the Financial Year.
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) There were no allotment of shares of the Company during the year under review, and thus the Company was not required to deliver any share certificates to the allottees. There was no transfer or transmission of shares of the Company during the year under review.
- (ii) The Company declared Final Dividend during the Financial Year ended March 31, 2009, in its Annual General Meeting held on June 23, 2009. It also declared Interim Dividend during the Financial Year ended March 31, 2010, on September 14, 2009 which was deposited in a separate Bank Account within five days from the date of declaration of such Interim Dividend.
- (iii) The Company declared Final Dividend during the Financial Year ended March 31, 2009, in its Annual General Meeting held on June 23, 2009. It also declared Interim Dividend during the Financial Year ended March 31, 2010, on September 14, 2009 in respect of which the dividend 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, and the appointment of director/s to fill a casual vacancy and the appointment of alternate directors and additional directors during the Financial Year have been duly made. During the year under review, Mr. Bruno Latchague and Mr. Phillippe Laufer ceased to be directors on April 21, 2009. On the same date Mr. Christophe Foucart ceased to be an Alternate Director to Mr. Bruno Latchague. On April 21, 2009, Mr. Dominique Florack was appointed as a Director in a casual vacancy caused by the resignation of Mr. Bruno Latchague and Mr. David de Muer was appointed as a Director in a casual vacancy caused by the resignation of Mr. Phillippe Laufer. On January 14, 2010 Mr. Prakash Tolani was appointed as an Alternate Director to Mr. David de Muer.
15. The company has not appointed any Managing Director, Whole-time Director or Manager 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, Right 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, 2010.
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 altered its Articles of Association after obtaining the approval of members in the Annual General Meeting held on June 23, 2009 and the amendments to the Articles have been duly registered with the Registrar of Companies.
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.

Name of Company Secretary
Certificate of Practice No.

Sd/-
(A. J. Gandhi)
C.P. No.2095.

Place: Mumbai.
Date: May 3, 2010

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, 2010.

Sr. No.	Document & date	Applicable provision of Companies Act.	Challan No./ Service Request No. & date
1.	Form No. 23 in respect of Ordinary Resolutions passed under Sections 293(1)(a) and 293(1)(d) on March 16, 2009.	Section 192	No. A59290528 dated 03.04.2009.
2.	Form No. 32 in respect of cessation of Mr. Juliette Laquerriere and Mr. Jacques Leveille Nizerolle as directors with effect from April 03, 2008.	Section 303(2)	A59980524 dated 16.04.2009.
3.	Form No. 8 in respect of charge created on April 27, 2009 against Book Debts.	Section 125	A61424214 dated 08.05.2009.
4.	Form No. 32 in respect of the following changes on April 21, 2009: a) Resignation of Mr. Bruno Latchague as director. b) Vacation of office of director by Mr. Christophe Daniel Foucart. c) Resignation of Mr. Phillippe Raphael Laufer.	Section 303(2)	A62217500 dated 22.05.2009.
5.	Form No. 23 in respect of Special Resolution passed on June 23, 2009 for alteration of the Articles of Association.	Section 192	A64995798 dated 09.07.2009.
6.	Form No. 32 in respect of the following changes on April 21, 2009: a) Appointment of Mr. Dominique Eugene Florack as director in casual vacancy. b) Appointment of Mr. David Claude de Muer as director in casual vacancy.	Section 303(2)	A64998040 dated 09.07.2009.
7.	Form No. 32 in respect of the change in designation of Mr. Ravishankar Gopalakrishnan with effect from June 23, 2009.	Section 303(2)	A64996341 dated 09.07.2009.
8.	Form No. 23AC & 23ACA in respect of Annual Accounts for the year ended March 31, 2009.	Section 220	No. P33313933 dated 16.07.2009.
9.	Form No.66 in respect of Secretarial Compliance Certificate for the year ended March 31, 2009.	Section 383A(1)	No.P33303603 dated 16.07.2009.
10.	Form No.20B for Annual Return (as per Schedule V) as on June 23, 2009	Section 159	No.P33546706 dated 31.07.2009.
11.	Form No. 8 for registration of charge on immovable property.	Section 125	A71303002 dated 23.10.2009.
12.	Form No. DIN 1 in respect of Mr. Prakash Tolani	Section 266A	A77355923 dated 29.01.2010.



Auditors' Report

To

The Members of 3D PLM Software Solutions Limited

1. We have audited the attached Balance Sheet of 3D PLM Software Solutions Limited ('the Company') as at March 31, 2010 and also the Profit and Loss account and Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, 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 purposes 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, profit and loss account and the cash flow statement dealt with by this report are in agreement with the books of account;
 - iv) In our opinion, the balance sheet, profit and loss account and the cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - v) On the basis of the written representations received from the directors, as on March 31, 2010, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of Clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, 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, 2010;
 - b) in the case of the profit and loss account, of the profit for the year ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the year ended on that date.

For S.R. Batliboi & Associates

Firm Registration No: 101049W

Chartered Accountants

per Govind Ahuja

Partner

Membership No.: 48966

Place: Mumbai

Date: April 20, 2010

Annexure referred to in paragraph 3 of our report of even date

Re: 3D PLM 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) Management has physically verified all the fixed assets during the year. As informed by management, the discrepancies observed on physical verification of assets were not material, which have been appropriately dealt with in the books of account.
- (ii) The Company is in the business of providing software development services to customers. Consequently, the provisions of Clause 4 (ii) (a), (b) and (c) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (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 Companies Act, 1956. Consequently, the provisions of Clause 4(iii) (b) (c) and (d) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (b) According to the 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 Companies Act, 1956. Consequently, the provisions of Clause 4(iii) (e) and (f) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (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 the sale of services. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas. Sale of goods is not applicable to the Company as the Company is in the business of providing software development services.
- (v) (a) In our opinion and according to the information and explanations provided by the management, 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 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 exceeding 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) According to the information and explanations given to us, the Company has not accepted deposits from the public, to which the directives issued by the Reserve Bank of India and the provisions of Sections 58A, 58AA of the Companies Act, 1956 and the rules framed there under apply.
- (vii) In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- (viii) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956, to the Company.
- (ix) (a) Undisputed statutory dues including provident fund, custom duty, income-tax, sales-tax, service tax, wealth tax and other statutory dues have generally been regularly deposited with the appropriate authorities. The provisions relating to, investor education and protection fund and employees' state insurance are not applicable to the Company.
- (b) According to the information and explanations given to us, details of income tax dues, which have not been deposited on account of a dispute are as under:

Name of the statute	Nature of dues	Amount (Rs.)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income tax	704,523	Assessment Year 2005-06	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	1,143,874	Assessment Year 2006-07	Commissioner of Income Tax (Appeals)

- (c) According to the information and explanations 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.



- (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) Based on our audit procedures and as per the information and explanations given by the management, the Company has not defaulted in repayment of dues to the bank. There are no dues to any financial institution and debenture holders.
- (xii) According to the information and explanations given to us and based on the documents and records produced to 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 Companies (Auditor's Report) Order, 2003 (as amended) 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 Companies (Auditor's Report) Order, 2003 (as amended) 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) Based on information and explanations given to us by the management, no term loans were taken by the Company during the year. Consequently, Clause 4(xvi) of Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (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 short-term funds raised by the Company during the year have been utilised for long-term purposes.
- (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 Companies Act, 1956.
- (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 course of our audit.

For S.R. Batliboi & Associates
 Firm Registration No: 101049W
 Chartered Accountants

per Govind Ahuja
 Partner
 Membership No.: 48966

Place: Mumbai
 Date: April 20, 2010

Balance Sheet as at March 31, 2010

(Amount in Rupees)

	Schedules	As at March 31, 2010	2009
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	12,860,000	12,860,000
Reserves and Surplus	2	1,095,497,329	510,618,645
		1,108,357,329	523,478,645
LOAN FUNDS			
Secured Loans	3	-	352,160,000
DEFERRED TAX LIABILITY, (net)	4	19,765,717	34,866,362
		1,128,123,046	910,505,007
APPLICATION OF FUNDS:			
FIXED ASSETS	5		
Gross Block		1,261,788,323	1,047,894,541
Less: Accumulated Depreciation & Amortisation		489,801,173	358,869,904
Net Block		771,987,150	689,024,637
Capital Work-in-Progress including Capital Advance		1,068,837	44,383,314
		773,055,987	733,407,951
INVESTMENTS	6	20,076,348	70,002,180
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	7	186,213,959	171,713,360
Cash and Bank Balances	8	13,152,275	69,811,896
Other Current Assets	9	111,702,785	2,602,303
Loans and Advances	10	215,691,614	161,389,384
		526,760,633	405,516,943
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	11	148,829,322	257,707,797
Provisions	12	42,940,600	40,714,270
		191,769,922	298,422,067
NET CURRENT ASSETS		334,990,711	107,094,876
		1,128,123,046	910,505,007

The Schedules referred to above and notes to accounts form an integral part of the Balance Sheet.

As per our report of even date

For and on behalf of the Board

S. R. Batliboi & Associates

Firm Registration Number: 101049W

Chartered Accountants

per Govind Ahuja

Partner

Membership No. 48966

Manu Parpia

Chairman

Prakash Tolani

Alternate Director to David de Muer

Shashank Patkar

CEO & Manager

Place: Mumbai

Date: April 20, 2010



Profit and Loss Account for the year ended March 31, 2010

(Amount in Rupees)

	Schedules	Year Ended March 31, 2010	2009
INCOME			
Revenue from software services		1,367,210,380	1,363,988,573
Other income	13	9,093,412	6,014,647
		1,376,303,792	1,370,003,220
EXPENDITURE			
Personnel expenses	14	676,216,908	593,088,320
Operating and other expenses	15	141,565,887	228,942,238
Interest expenses		15,686,001	155,333
Depreciation and amortisation	5	132,107,789	91,307,486
		965,576,585	913,493,377
PROFIT BEFORE TAX		410,727,207	456,509,843
Provision for taxes			
Current taxes		69,663,329	50,288,510
Mat credit entitlement		(68,504,196)	(50,180,795)
Deferred taxes		(15,100,645)	25,728,637
Fringe benefit tax		-	3,310,678
		(13,941,512)	29,147,030
PROFIT AFTER TAX		424,668,719	427,362,813
SURPLUS BROUGHT FORWARD		456,614,503	184,843,368
		881,283,222	612,206,181
APPROPRIATIONS:			
Interim Dividend		19,290,000	96,450,000
Final Dividend		12,860,000	-
Dividend Distribution Tax		5,463,893	16,391,678
Transfer to General Reserve		42,500,000	42,750,000
SURPLUS CARRIED FORWARD		801,169,329	456,614,503
EARNINGS PER EQUITY SHARE OF RS 10 EACH			
Basic and Diluted		330.22	332.32
Weighted average number of equity shares		1,286,000.00	1,286,000.00
NOTES TO ACCOUNTS	16		

The Schedules referred to above and notes to accounts form an integral part of the Profit and Loss Account.

As per our report of even date

For and on behalf of the Board

S. R. Batliboi & Associates

Firm Registration Number: 101049W

Chartered Accountants

per Govind Ahuja

Partner

Membership No. 48966

Manu Parpia

Chairman

Prakash Tolani

Alternate Director to David de Muer

Shashank Patkar

CEO & Manager

Place: Mumbai

Date: April 20, 2010

Cash Flow Statement for the year ended March 31, 2010

(Amount in Rupees)

	Year Ended March 31,	
	2010	2009
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	410,727,207	456,509,843
Adjustment for:		
Depreciation and amortisation	132,107,789	91,307,486
(Profit) / Loss on Sale of Fixed Assets	15,195	451,196
Profit on Sale of Investments	(6,105,010)	(194,873)
Interest Expense	15,686,001	155,333
Interest Income	(530,438)	(817,248)
Dividend Income	(822,363)	(4,997,822)
Unrealised (gain)/loss	5,036,998	(2,566,879)
Operating Cash Flows Before Working Capital Changes	556,115,379	539,847,037
Working Capital Changes:		
Sundry Debtors	(19,034,299)	(29,277,175)
Loans and Advances	14,201,966	(49,345,119)
Other Current Assets	1,732,129	702,260
Current Liabilities and Provisions	(18,852,032)	36,636,796
Cash Generated from Operations	534,163,143	498,563,798
Income Taxes Paid	(85,403,939)	(37,381,584)
Net Cash Flow from Operating Activities	448,759,204	461,182,214
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(171,809,517)	(684,955,494)
Sale of Fixed Assets	38,500	6,281,000
Purchase of Investments	(1,755,002,755)	(1,518,699,338)
Sale of Investments	1,811,033,594	1,546,892,023
Dividend Received	822,363	4,997,822
Interest Received	363,327	416,633
Net Cash Used in Investing Activities	(114,554,488)	(645,067,354)



Cash Flow Statement for the year ended March 31, 2010

(Amount in Rupees)

	Year Ended March 31,	
	2010	2009
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Borrowings from Bank	123,089,250	352,160,000
Repayment of Bank Borrowings	(475,699,250)	-
Interest Paid	(15,686,001)	(155,333)
Dividend Paid	(19,290,000)	(96,450,000)
Dividend Tax Paid	(3,278,336)	(16,391,678)
Net Cash from Financing Activities	(390,864,337)	239,162,989
Effect of exchange difference on Cash and Cash Equivalents	-	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	(56,659,621)	55,277,849
CASH AND CASH EQUIVALENTS, beginning of the period	64,846,896	14,534,047
CASH AND CASH EQUIVALENTS, end of the period	8,187,275	69,811,896
Components of cash and cash equivalents		
Cash and cheques on hand	-	-
With Banks - On Current Account	8,182,275	54,614,838
- On Deposit Account	4,970,000	15,197,058
Cash and Bank Balance as per Schedule 8	13,152,275	69,811,896
Less: Fixed Deposit not considered as cash equivalents	4,965,000	
Cash & Cash Equivalents in Cash Flow Statement	8,187,275	69,811,896

As per our report of even date

For and on behalf of the Board

S. R. Batliboi & Associates

Firm Registration Number: 101049W

Chartered Accountants

per Govind Ahuja

Partner

Membership No. 48966

Manu Parpia

Chairman

Prakash Tolani

Alternate Director to David de Muer

Shashank Patkar

CEO & Manager

Place: Mumbai

Date: April 20, 2010

Schedules annexed to and forming part of the Balance Sheet

	(Amount in Rupees)	
	As at March 31,	
	2010	2009
SCHEDULE 1: SHARE CAPITAL		
AUTHORISED:		
2,000,000 Equity shares of Rs. 10/- each. (March 31, 2009: 2,000,000 Equity Shares)	20,000,000	20,000,000
ISSUED, SUBSCRIBED AND PAID UP:		
1,286,000 Equity shares (March 31, 2009: 1,286,000 equity shares) of Rs. 10/- each fully paid up.	12,860,000	12,860,000
Note: Of the above, 900,200 equity shares are held by Geometric Limited, the Holding Company.		
TOTAL	12,860,000	12,860,000
SCHEDULE 2: RESERVES AND SURPLUS		
GENERAL RESERVE		
As per last Balance Sheet	141,150,000	98,400,000
Add: Transfer from Profit and Loss Account	42,500,000	42,750,000
	183,650,000	141,150,000
CASH FLOW HEDGING RESERVE (Refer Schedule 16: Note 6)	110,678,000	(87,145,858)
PROFIT AND LOSS ACCOUNT	801,169,329	456,614,503
TOTAL	1,095,497,329	510,618,645
SCHEDULE 3: SECURED LOANS		
BORROWINGS FROM BANKS		
Term Loans (Secured by an equitable mortgage on commercial premises and a corporate guarantee from Geometric Limited, the Holding Company).	–	200,000,000
Preshipment Finance (Secured by hypothecation of book debts and a corporate guarantee from the Holding Company)	–	152,160,000
TOTAL	–	352,160,000
Amount repayable within one year	–	352,160,000
SCHEDULE 4: DEFERRED TAX LIABILITY, (net)		
Deferred Tax Liability		
Difference in depreciation of tax books and financial books	22,919,357	34,866,362
Deferred Tax Asset		
Gratuity	(3,153,640)	–
	19,765,717	34,866,362



Schedule annexed to and forming part of the Balance Sheet

ASSET		GROSS BLOCK					DEPRECIATION/ AMORTISATION			NET BLOCK	
		As at April 1, 2009	Additions	Deductions	As at March 31, 2010	Upto March 31, 2009	For the Year	On Deductions	Upto March 31, 2010	As at March 31, 2010	As at March 31, 2009
(Amount in Rupees)											
SCHEDULE 5: FIXED ASSETS											
Tangible Assets:											
- Leasehold Land											
		257,317,200	7,719,566	-	265,036,766	235,423	2,919,777	-	3,155,200	261,881,566	257,081,777
- Buildings											
		158,221,566	33,493,875	-	191,715,441	447,353	6,901,871	-	7,349,224	184,366,217	157,774,213
- Computers											
		490,904,906	79,015,785	1,230,212	568,690,479	338,772,420	95,992,963	1,176,517	433,588,866	135,101,613	152,132,486
- Electrical Installations											
		54,462,050	41,010,370	-	95,472,420	5,561,188	11,563,264	-	17,124,452	78,347,968	48,900,862
- Office Equipment and EPBAX System											
		11,610,503	14,636,972	-	26,247,475	2,348,267	1,571,765	-	3,920,032	22,327,443	9,262,236
- Furniture and Fixtures											
		60,143,765	39,247,426	-	99,391,191	4,147,283	9,457,394	-	13,604,677	85,786,514	55,996,482
Intangible Assets:											
- Computer Software											
		15,234,551	-	-	15,234,551	7,357,970	3,700,755	-	11,058,722	4,175,829	7,876,581
		1,047,894,541	215,123,994	1,230,212	1,261,788,323	358,869,904	132,107,789	1,176,517	489,801,173	771,987,150	689,024,637
Previous year		426,595,419	640,572,180	19,273,058	1,047,894,541	280,103,289	91,307,486	12,540,871	358,869,904	689,024,637	146,492,130
Capital Work in Progress										1,068,837	44,383,314

Schedule annexed to and forming part of the Balance Sheet

(Amount in Rupees)

			As at March 31	
	Units	Face Value	2010	2009
SCHEDULE 6: INVESTMENTS				
LONG TERM, NON TRADE, QUOTED (at cost)				
In Mutual Funds				
Kotak FMP 14 M Series 3 Institutional - Growth Plan	-	10	-	35,000,000
Lotus India Fixed Maturity Plan 14 Months	-	10	-	20,000,000
CURRENT, NON TRADE, QUOTED (at lower of cost or fair value)				
In Mutual Funds				
Birla Cash Plus Fund			-	15,002,180
Reliance Medium Term Fund	1,174,364	10	20,076,348	-
			20,076,348	70,002,180
Market Value of Quoted Non-Trade Investments			20,076,817	73,523,380

Mutual Fund investments purchased and sold during the period	Units					
	Face Value	Opening	Purchased	Dividend Reinvested	Sold	Closing
Birla Sun Life Sweep Fund	10	-	71,228,055	8,439	71,236,493	-
Kotak FMP 14 M Series 3 Institutional -Growth Plan	10	3,500,000	-	-	3,500,000	-
Lotus India FMP-14 Months-Series III-Institutional Growth Plan	10	2,000,000	-	-	2,000,000	-
Birla Cash Plus	10	1,388,795	-	9,000	1,397,795	-
ICICI Prudential Institutional Liquid Plan	10	-	11,012,889	1,905	11,014,794	-
ICICI Prudential Flexible Income Plan Premium - Daily Dividend	10	-	13,100,284	9,252	13,109,536	-
Birla Sun Life Liquid Plus Institutional Plan	10	-	2,898,029	2,339	2,900,368	-
Reliance Medium Term Fund	10	-	2,925,313	3,899	1,754,848	1,174,364
Reliance Liquid Fund - Treasury Plan-Institutional Option	10	-	18,778,369	3,785	18,782,154	-
Reliance Money Manager Fund-Institutional Option -Daily Dividend Plan	10	-	314,657	303	314,960	-
UTI-Floating Rate Fund -Short Term Plan-Institutional -DDR	10	-	29,977	15	29,992	-



Schedules annexed to and forming part of the Balance Sheet

	(Amount in Rupees)	
	As at March 31,	
	2010	2009
SCHEDULE 7: SUNDRY DEBTORS (unsecured, considered good)		
Debts outstanding for a period exceeding six months	-	87,711
Other Debts	186,213,959	171,625,649
	186,213,959	171,713,360
SCHEDULE 8: CASH AND BANK BALANCES		
Cash in Hand	-	-
Balances with Scheduled Banks		
In Current Accounts	8,182,275	54,614,838
In Deposit Accounts	4,970,000	15,197,058
(Pledged with bankers for obtaining bank guarantees Rs. 4,970,000, March 31, 2009: Rs 4,970,000)		
	13,152,275	69,811,896
SCHEDULE 9: OTHER CURRENT ASSETS		
Accrued Interest	1,017,530	850,419
Unbilled Revenue	19,755	1,751,884
Gain on Cashflow Hedges	110,665,500	-
	111,702,785	2,602,303
SCHEDULE 10: LOANS AND ADVANCES (unsecured, considered good)		
Advances Recoverable in cash or kind or for value to be received (Dues from companies under the same management: Geometric Americas Inc. Rs. 128,295)	25,927,614	49,534,680
Balances with Excise Authorities	23,971,786	9,995,483
Income Tax (Net of Provision for tax as on March 31, 2010: Rs 153,111,493)	4,750,198	-
Sundry Deposits	15,572,537	24,893,938
MAT credit entitlement	145,469,479	76,965,283
	215,691,614	161,389,384
SCHEDULE 11: CURRENT LIABILITIES		
Sundry Creditors (Refer Schedule 15, Note No. 9)	1,274,481	47,116,907
Advance received	27,491,167	98,600
Deferred Revenue	59,115,904	33,246,885
Loss on Cash Flow Hedges	-	87,145,858
Other Liabilities	60,947,770	90,099,547
	148,829,322	257,707,797
SCHEDULE 12: PROVISIONS		
Income Tax (Net of Advance Tax as on March 31, 2009: Rs 66,207,554)	-	15,740,610
Fringe Benefit Tax [Net of Advance Tax 7,778,923 (March 31, 2009: Rs 7,778,928)]	1,259,580	1,259,580
Proposed Dividend	12,860,000	-
Tax on Dividend	2,185,557	-
Gratuity	9,278,140	8,113,962
Compensated Absences	17,357,323	15,600,118
	42,940,600	40,714,270

Schedule annexed to and forming part of the Profit and Loss Account

	(Amount in Rupees)	
	Year Ended March 31, 2010	2010
SCHEDULE 13: OTHER INCOME		
Dividends	822,363	4,997,822
Gain on Exchange Fluctuation (Net)	585,679	-
Interest on Deposits (Tax deducted at Source three months ended 31-Mar-10 Rs. 9,872; 31-Mar-09 Rs. NIL, and period ended 31-Mar-10 Rs.127,734; 31-Mar-09 Rs.31,783)	530,438	817,248
Rent - Intercompany	-	-
Profit on Sale of Investments	6,105,010	199,464
Profit on Sale of Assets (Net)	-	113
Discount Received	-	-
Miscellaneous Income	1,049,922	-
	9,093,412	6,014,647
SCHEDULE 14: PERSONNEL EXPENSES		
Salaries, Bonus and Allowances	623,457,711	546,062,643
Contribution to Provident and Other Funds	34,827,824	31,307,080
Staff Welfare Expenses	17,931,373	15,718,597
	676,216,908	593,088,320
SCHEDULE 15: OPERATING AND OTHER EXPENSES		
Software Tools and Packages	-	-
Electricity Expenses	29,176,860	22,024,138
Rates and Taxes	596,701	864,224
Rent and Service Charges	30,676,695	73,417,723
Lease Rent - Computers	7,398,640	16,319,728
Repairs and Maintenance:		
Computers	10,641,977	11,998,568
Buildings	1,546,006	724,364
Others	3,043,755	3,027,150
Insurance	6,502,043	2,881,853
Travelling and Conveyance Expenses	8,164,253	9,527,653
Advertising and Publicity	25,000	-
Communication Expenses	2,788,136	1,076,381
Legal and Professional Charges	9,392,451	4,571,278
Staff Recruitment Expenses	478,142	139,013
Loss on Sale of Assets (Net)	15,195	451,300
Loss on Sale of Investments	-	4,591
Loss on Exchange Fluctuation (Net)	-	65,309,209
Miscellaneous Expenses	31,120,033	16,605,065
	141,565,887	228,942,238



Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS

1. NATURE OF OPERATIONS

3D PLM Software Solutions Limited ('the Company') is 70:30 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.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared to comply in all material respects in respects with the Notified accounting standard by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. 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.

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 and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

b) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation, amortisation 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.

c) Depreciation and Amortisation

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. Depreciation is charged on a monthly pro-rata basis for assets purchased/sold during the year. Individual assets acquired for less than Rs.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	Years of useful life
Building	28
Computers	3
Electrical Installation	8
Office Equipment	13
Furniture and Fixtures	10
EPABX Systems	10

Leasehold land is depreciated over the period of lease.

d) Impairment

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 at the weighted average cost of capital.

e) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. 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 recognise a decline other than temporary in the value of the investments.

Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (Contd.)

f) 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 records forward exchange contracts obtained to hedge firm commitments or highly probable forecast revenues using the principles of hedge accounting as recommended under the Accounting Standards 30 – “Financial Instruments: Recognition and Measurement” issued by the Institute of Chartered Accountants of India.

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 resultant exchange gain/ loss is credited/ debited to the hedging reserve included in the Reserves and Surplus. This gain/loss would be recorded in profit and loss account when the underlying

transactions affect earnings. In case, these forward contracts do not meet the criteria for hedge accounting, the gain/loss on fair valuation is recorded in the profit and loss account.

g) 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 recognised on completion of contracts or statements of work or at stages as per the applicable terms and conditions agreed with the customers and when the deliverables are dispatched to customers.

Interest

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

Dividends

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

h) 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. 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 assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. The Company is entitled to a tax exemption under Section 10A



Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (Contd.)

of the Income Tax Act, 1961, thus the Company has, in accordance with Accounting Standards Interpretation 5 - Accounting for Taxes on Income in the situations of Tax Holiday under Sections 10A and 10B of the Income-tax Act, 1961, recognised deferred taxes only in respect of timing differences originating during the tax holiday period but reversing after the tax holiday period.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised 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 realised.

MAT credit is recognised 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. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note 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. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement 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 Profit and Loss Account 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 and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable.

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 Account 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.

j) Provisions

A provision is recognised 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.

k) Business Segment

The Company is exclusively engaged in the business of Software Development for Dassault Systemes. Accordingly, in terms of AS 17 on Segment

Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (Contd.)

Reporting, its operations are considered to constitute one single primary segment. Further, except for the debtor balances which relate to parties outside India geographical segment, all other assets are within the India geographical segment.

3. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account, net of advances to the extent not provided for Rs.3,512,868 (March 31, 2009: Rs.52,543,506).

4. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debt Rs.1,848,397 (March 31, 2009: Rs.1,295,580) in respect of income tax assessment of a previous year, which has been disputed by the Company. Pending the settlement of the dispute, the Company has not paid the amount to the tax authorities.

As at March '10, the contingent Liability under the guarantees given by the Company amount to Rs. 4,965,000/- (Previous year Rs. 4,965,000/-)

5. ACCOUNTING FOR LEASES

The lease rentals in respect of office space and computers charged during the year and maximum obligations on non-cancellable operating leases payable as per the rentals stated in the lease agreement are given in accordance with the Accounting Standard (AS-19) on "Leases".

(Amount in Rupees)

Operating Lease	Year Ended	
	March 31, 2010	March 31, 2009
Lease payments	26,417,838	58,764,105
Minimum Lease Payments		
Not later than one year	12,273,542	26,538,265
Later than one year but not later than five years	13,098,142	19,268,849

6. DERIVATIVE INSTRUMENT AND UNHEDGED FOREIGN CURRENCY EXPOSURE

Purpose		As at March 31, 2010		As at March 31, 2009	
		Foreign Currency	Equivalent INR	Foreign Currency	Equivalent INR
Forward Contracts Outstanding					
Forecast Revenue	USD	43,950,000	2,136,148,750	21,645,000	1,023,592,050
Unhedged Foreign Currency Exposure					
Debtors	USD	3,581,115	161,651,522	3,383,982	171,635,567
Debtors	EUR	-	-	5,000	337,719
Bank Balance	USD	11,300	510,100	593,743	30,144,627
Secured Loan	USD	-	-	3,000,000	152,160,000

7. 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.



Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (Contd.)

8. RELATED PARTY TRANSACTIONS

A. Related parties and their Relationships

Holding Company	Geometric Limited
Parties having substantial interest	Dassault Systemes
Fellow Subsidiaries	Geometric Americas Inc.
	Geometric Asia Pacific Pte. Ltd.
Parties Exercising Significant Influence	Dassault Data Services
	Dassault Systemes Deutsch
	Dassault Systemes (Shanghai) Inform
	Dassault Systemes Delmia Corp.
	Dassault Systemes Enovia (formerly Matrixone Inc)
	Dassault Systemes India P.
	Dassault Systemes Italia
	Dassault Systemes K.K.
	Dassault Systemes of America
	Dassault Systemes Service
	Dassault Systemes Simulia
	Godrej and Boyce Manufacturing Company Limited
	SmarTeam Corp. Ltd.
	Solid Works Corporation
	Spatial Corporation
	Abaqus Inc.
Key Management Personnel	
	Shashank Patkar (CEO & Manager)

Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (Contd.)

Nature of Transaction	Holding Company	Year Ended March 31, 2010		
		Parties Having Substantial Interest	Fellow Subsidiaries	Parties Exercising Significant Influence
Revenue	- (-)	501,158,049 (501,716,704)	- (-)	866,052,331 (862,271,870)
Purchase of Fixed Assets	- (513,766,918)	- (-)	- (-)	12,646,900 (-)
Sale of Fixed Assets	- (7,066,125)	- (-)	- (-)	- (-)
Dividend Paid	13,503,000 (67,515,000)	5,787,000 (28,935,000)	- (-)	- (-)
Dividend Proposed	9,002,000 (-)	3,858,000 (-)	-	-
Rent & Expenses towards Leased Premises	5,032,618 (45,046,684)	- (-)	- (-)	8,450,864 (11,758,110)
Rent Income	451,200 (-)	- (-)	- (-)	- (-)
Advances Received	- (-)	- (13,580,741)	- (-)	- (2,253,097)
Reimbursement of Expenses	54,747,691 (52,297,312)	- (-)	887,055 (-)	- (-)
Recovery of Expenses	- (-)	32,289,094 (12,127,194)	1,002,694 (531,937)	32,990,049 (46,920,488)
Advances Paid	- (-)	- (-)	- (-)	2,617,888 (4,909,885)
Other Expenses	- (-)	- (-)	- (-)	444,335 (178,683)
Sub-contract charges for software development	95,000 (481,600)	- (-)	- (-)	- (-)

Note: Corresponding previous period figures are given in brackets.

Managerial Remuneration	Year Ended March 31,	
	2010	2009
Shashank Patkar	7,485,858	6,341,011



Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (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	For the Year Ended March 31,	
	2010	2009
Sales - Software Services		
Dassault Systemes	501,158,049	501,716,704
Dassault Systemes of America	341,022,502	359,342,862
Dassault Systemes Enovia	252,181,498	252,744,434
Purchase of Fixed Assets		
Godrej & Boyce Mfg. Co. Ltd.	12,646,900	-
Geometric Limited	-	513,766,918
Sale of Fixed Assets		
Geometric Limited	-	7,066,125
Dividend Paid		
Geometric Limited	13,503,000	67,515,000
Dassault Systemes	5,787,000	28,935,000
Dividend Proposed		
Geometric Limited	9,002,000	-
Dassault Systemes	3,858,000	-
Rent & Expenses		
Geometric Limited	5,032,619	45,046,684
Godrej & Boyce Mfg. Co. Ltd.	8,450,863	11,758,110
Rent Income		
Geometric Limited	451,200	-
Advances Received		
Dassault Systemes	-	13,580,741
Recovery of expenses		
Dassault Systemes	32,289,094	12,127,194
Solidworks Corporation	11,683,848	10,652,339
Dassault Systemes of America	-	25,719,280
Spatial Corporation	-	-
Dassault Systemes of Enovia	8,171,836	8,571,405
Reimbursement of expenses		
Geometric Limited	54,747,691	52,297,312
Advances Paid		
Godrej & Boyce Mfg. Co. Ltd.	2,609,615	4,909,885
Other Expenses		
Godrej & Boyce Mfg. Co. Ltd.	444,336	178,683
Sub-contract charges for software development		
Geometric Limited	95,000	481,600

Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (Contd.)

Outstanding Balances	As at March 31, 2010			
	Holding Company	Parties Having Substantial Interest	Fellow Subsidiaries	Parties Exercising Significant Influence
Debtors	-	105,593,513	-	59,428,286
	(-)	(83,523,686)	(-)	(86,275,152)
Advances Receivable	-	-	128,295	14,350,718
	(-)	(-)	(-)	(4,909,885)
Advances Payable	-	-	826,197	-
	(-)	(-)	(120,676)	(105,050)
Sundry Creditors	37,442	-	-	-
	18,750,569	(-)	(-)	(-)

9. 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 Schedule 14 for the period are as under:

	Year Ended March 31,	
	2010	2009
Contribution to Provident Fund	21,024,765	17,285,999
Contribution to Superannuation Fund	5,401,577	4,090,595

b) Defined Benefit Plan

Gratuity	As at March 31,	
	2010	2009
I. Reconciliation of opening and closing balances of Defined Benefit obligation		
Present Value of Defined Benefit obligation as at the beginning of the year	28,553,635	19,560,328
Interest Cost	2,019,275	1,534,704
Current Service Cost	8,409,663	7,950,347
Benefits paid	(1,106,308)	(753,058)
Net Actuarial Loss / (Gain)	(3,212,521)	261,314
Present Value of Defined Benefit obligation as at the end of the year	34,753,744	28,553,635
II. Reconciliation of fair value of plan assets		
Fair value of plan assets as at the beginning of the year	20,439,673	14,539,636
Expected return on plan assets	1,789,005	1,220,208
Net Actuarial Gain / (Loss)	(598,851)	3,253,889
Employer's contribution	4,862,085	2,178,998
Benefits paid	(1,106,308)	(753,058)
Fair value of plan assets as at the end of the year	25,475,604	20,439,673
III. Net Liability recognised in Balance Sheet		
Present Value of Defined Benefit obligation	34,753,744	28,553,635
Fair value of plan assets	25,475,604	20,439,673
Net liability recognised in Balance Sheet (unfunded)	9,278,140	8,113,962



Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (Contd.)

Gratuity	As at March 31,	
	2010	2009
IV. Component of employer's expenses		
Current Service Cost	8,409,663	7,950,347
Interest Cost	2,019,275	1,534,704
Expected Return on Plan Asset	(1,789,005)	(1,220,208)
Net Actuarial Loss / (Gain)	(2,613,670)	(2,992,575)
Total expenses recognised in the Profit and Loss Account in Schedule N, under Employee cost	6,026,263	5,272,268
Actual return on plan assets	1,190,154	4,474,097
V. Actuarial assumptions		
Mortality Table:	L.I.C 1994-96 ULTIMATE	L.I.C. 1994-96 ULTIMATE
Discount rate	8.20 % P.A.	7.20 % P.A.
Expected rate of return on Plan Assets	8% P.A.	8% P.A.
Salary escalation	7% P.A.	7% P.A.

AUDITORS' REMUNERATION

	Year Ended March 31,	
	2010	2009
Audit Fees	1,300,000	726,220
Other services	109,636	28,090
Reimbursement of expenses	206,400	161,212
	1,616,036	915,522

10. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PARAGRAPH 4D OF PART II OF SCHEDULE VI TO THE COMPANIES ACT, 1956

(Amount in Rupees)

	Year Ended March 31,	
	2010	2009
Expenditure in foreign currency (Accrual basis)		
Onsite Salary	2,482,304	314,519
Others	339,751	2,485,576
	2,822,055	2,800,095
Value of imports (C.I.F basis)		
Capital goods	49,146,579	63,999,384
	49,146,579	63,999,384
Earnings in foreign exchange (Accrual basis)		
Income from Software Development and Sale of Software	1,366,059,851	1,362,926,819
Others	-	-
	1,366,059,851	1,362,926,819
Dividend Remittance in foreign currency	5,787,000	28,935,000
	5,787,000	28,935,000

Schedules forming part of the accounts for the year ended March 31, 2010

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 16: NOTES TO ACCOUNTS (Contd.)

11. 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”.

12. PREVIOUS YEAR COMPARATIVES

Previous year’s figures have been regrouped where necessary to conform to this year’s classification.

The figures of previous year/previous period were audited by a firm of Chartered accountants other than S.R. Batliboi & Associates.

As per our report of even date

For and on behalf of the Board

S. R. Batliboi & Associates

Firm Registration Number: 101049W

Chartered Accountants

per Govind Ahuja

Partner

Membership No. 48966

Manu Parpia

Chairman

Prakash Tolani

Alternate Director to David de Muer

Shashank Patkar

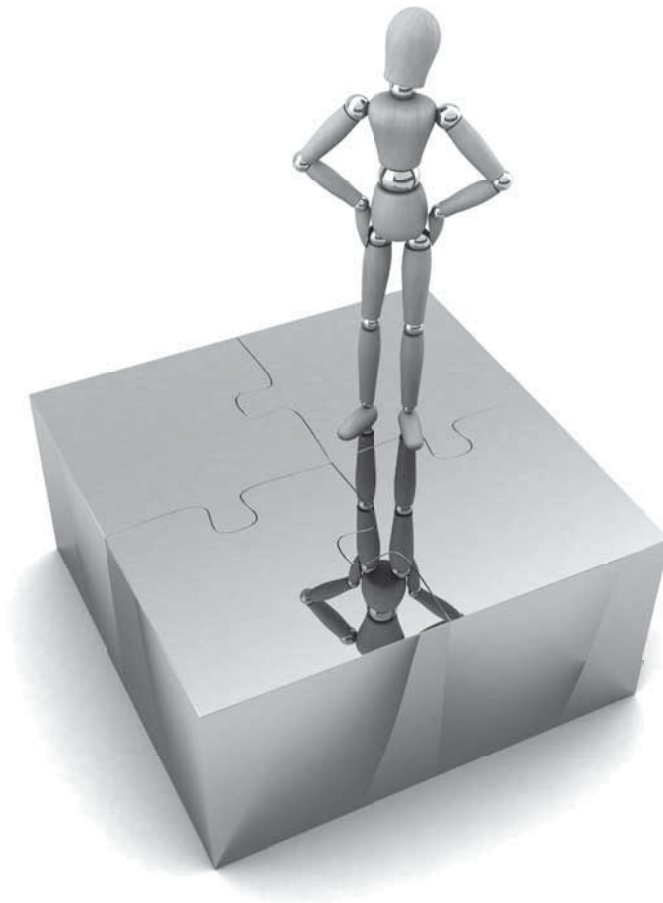
CEO & Manager

Place: Mumbai

Date: April 20, 2010

Geometric Technologies, Inc.

Annual Report and Consolidated Financial Statements for the year ended March 31, 2010



Regd. Office:
16121 N 78th Street,
Suite 101, Scottsdale, AZ 85260, USA

Directors Report

To The Members

The Directors hereby present their Report of the Company for the year ended March 31, 2010.

1. OPERATIONS

Effective April 1, 2010 Geometric Technologies, Inc merged with Geometric Americas, Inc and the merged entity is renamed as Geometric Americas, Inc.

The Company on a consolidated basis registered total revenue of USD 48,935,278 which resulted in a net loss of USD 966,136.

2. SHARE CAPITAL

During the year, there was no change in share capital of the Company.

3. DIVIDENDS

The Directors do not recommend any Dividend.

4. FUTURE OUTLOOK

The Company will operate as division of Geometric Americas, Inc., and expects better performance in coming years.

By Order of the Board
Manu Parpia

April 22, 2010

Report of the Auditors

To the Board of Directors of Geometric Technologies, Inc.

1. We have audited the attached Consolidated Balance Sheet of Geometric Technologies Inc. (the Company) and its subsidiaries (collectively referred to as the "Parent") as at March 31, 2010, the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year then ended (consolidated financial statements) for the purpose of consolidation as per the accounting principles prevalent in India, with the accounts of its holding company. These consolidated financial statements are the responsibility of the Company's Management and have been prepared by the Management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of Geometric Americas, Inc. and its subsidiaries, whose financial statements reflect total assets of \$16,777,039 as at March 31, 2010, the total revenue of \$44,814,043 and net cash outflows amounting to \$548,663 for the year then ended. These financial statements and other financial information have been audited by other

auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of the subsidiaries, is based solely on the report of other auditors.

4. Based on our audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of Geometric Technologies Inc. and its aforesaid subsidiaries and to the best of our information and according to the explanations given to us, we are of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of Geometric Technologies Inc. and its subsidiaries as at March 31, 2010;
 - (b) in the case of the Consolidated Profit and Loss Account, of the consolidated loss for the year ended on that date; and
 - (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows for the year ended on that date.

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

Anil A. Kulkarni
Partner
M. No.: 47576
Firm Reg. No. 104607W
Date: April 22, 2010
Place: Pune



Consolidated Balance Sheet as at March 31, 2010

			Current Year		Previous Year	
		SCHEDULE	US Dollars	Equivalent INR	US Dollars	Equivalent INR
SOURCES OF FUNDS:						
1.	SHAREHOLDERS' FUNDS					
a)	Share Capital	1	2,062,771	93,113,483	2,062,771	104,623,745
b)	Foreign currency translation reserve		27,352	1,234,669	27,352	1,387,293
			2,090,123	94,348,152	2,090,123	106,011,038
2.	LOAN FUNDS					
a)	Secured Loans	2	2,447,475	110,479,022	13,800,363	699,954,411
b)	Unsecured Loans	3	13,161,145	594,094,085	6,629,158	336,230,894
			15,608,620	704,573,107	20,429,521	1,036,185,305
TOTAL			17,698,743	798,921,259	22,519,644	1,142,196,343
APPLICATION OF FUNDS:						
3.	FIXED ASSETS					
a)	Gross Block		5,107,981	230,574,262	19,871,427	1,007,878,777
	Less:					
b)	(i) Depreciation		3,161,654	142,717,062	2,518,963	127,761,803
	(ii) Impairment of Goodwill		-	-	14,829,115	752,132,713
c)	Net Block		1,946,327	87,857,200	2,523,349	127,984,261
d)	Capital Work-in-Progress		-	-	-	-
			1,946,327	87,857,200	2,523,349	127,984,261
4.	INVESTMENTS		-	-	-	-
5.	CURRENT ASSETS, LOANS AND ADVANCES		4			
a)	Sundry Debtors		1,522,750	68,736,935	6,902,406	350,090,032
b)	Cash And Bank Balances		1,453,404	65,606,657	2,230,694	113,140,800
c)	Loans And Advances		5,324,401	240,343,461	4,634,670	235,070,462
			8,300,555	374,687,053	13,767,770	698,301,294
6.	Less: CURRENT LIABILITIES AND PROVISIONS		5			
a)	Current Liabilities		12,487,199	563,672,163	12,293,455	623,524,038
b)	Provisions		122,878	5,546,713	546,210	27,703,771
			12,610,077	569,218,876	12,839,665	651,227,809
7.	NET CURRENT ASSETS		(4,309,522)	(194,531,823)	928,105	47,073,485
8.	DEFERRED TAX ASSET (NET)		27,612	1,246,406	-	-
9.	PROFIT AND LOSS ACCOUNT		20,034,326	904,349,476	19,068,190	967,138,597
TOTAL			17,698,743	798,921,259	22,519,644	1,142,196,343

NOTES TO ACCOUNTS

9

Exchange rate used for translation 1 USD = Rs.

45.14

50.72

The Schedules referred to above form an integral part of the Balance Sheet.

As per our Report attached

Signatures to the Balance Sheet and Schedules 1 to 5 and 9.

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

For and on behalf of the Board

Anil A. Kulkarni
Partner
M. No.: 47576
Firm Reg. No. 104607W

Manu Parpia
Director

Ravishankar G.
Director

Place: Pune

Date: April 22, 2010

Consolidated Profit and Loss Account for the year ended March 31, 2010

		Current Year		Previous Year	
SCHEDULE		US Dollars	Equivalent INR	US Dollars	Equivalent INR
INCOME:					
1.	Sales - Projects and Products				
	Sales - Projects	44,031,435	1,987,578,976	53,060,774	2,691,242,457
	Sales - Products	4,066,503	183,561,945	4,937,287	250,419,197
		48,097,938	2,171,140,921	57,998,061	2,941,661,654
2.	Service Income	679,729	30,682,967	2,430,878	123,294,132
3.	Other Income	6	157,611	332,324	16,855,473
		48,935,278	2,208,938,449	60,761,263	3,081,811,259
EXPENDITURE:					
4.	Operating And Other Expenses	7	48,255,092	2,178,234,853	63,257,865
5.	Interest And Finance Charges	8	916,504	41,370,991	1,144,248
6.	Depreciation		662,467	29,903,760	742,630
7.	Impairment of Goodwill		-	-	14,829,115
			49,834,063	2,249,509,604	79,973,858
	LOSS BEFORE TAX, EXTRAORDINARY AND PRIOR PERIOD ADJUSTMENTS:		(898,785)	(40,571,155)	(19,212,595)
					(974,462,820)
8.	Provision For Taxes				
	(a) Current Taxes		40,376	1,822,573	97,890
	(b) Deferred Tax		33,500	1,512,190	-
			73,876	3,334,763	97,890
	NET LOSS AFTER TAX AND BEFORE EXTRAORDINARY ITEMS:		(972,661)	(43,905,918)	(19,310,485)
					(979,427,801)
9.	Prior Period Adjustments		6,525	294,539	(329,056)
	NET LOSS:		(966,136)	(43,611,379)	(19,639,541)
10.	(Deficit) / Surplus Brought Forward		(19,068,190)	(860,738,097)	571,351
	PROFIT AVAILABLE FOR APPROPRIATION:		(20,034,326)	(904,349,476)	(19,068,190)
	APPROPRIATIONS:				
	Deficit Carried Forward		(20,034,326)	(904,349,476)	(19,068,190)
	TOTAL		(20,034,326)	(904,349,476)	(19,068,190)
	EARNINGS PER EQUITY SHARE				
	Basic & Diluted		(127.41)	(5,751)	(2,589.94)
	NOTES TO ACCOUNTS	9			
	Exchange rate used for translation 1 USD = Rs.			45.14	50.72

The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our Report attached

Signatures to the Profit and Loss Account and Schedules 6 to 9

For and on behalf of

For and on behalf of the Board

Kalyaniwalla & Mistry

Chartered Accountants

Anil A. Kulkarni

Manu Parpia

Ravishankar G.

Partner

Director

Director

M. No.: 47576

Firm Reg. No. 104607W

Place: Pune

Date: April 22, 2010



Consolidated Cash Flow Statement for the year ended March 31, 2010

	Current Year		Previous Year	
	US Dollars	Equivalent INR	US Dollars	Equivalent INR
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Loss	(898,785)	(40,571,138)	(19,212,595)	(974,462,818)
Adjustment for:				
Depreciation	624,272	28,179,656	742,630	37,666,194
(Gain) / Loss on Sale of Investments	-	-	(163,889)	-
Interest Expense	913,823	41,249,970	1,143,706	58,008,768
Interest Income	-	-	(25,408)	(1,288,694)
Prior period items	6,525	294,529	(11,417)	(579,070)
Loss on foreign currency exchange	-	-	38,243	1,939,685
Allowance for doubtful debts	(538,060)	(24,288,028)	1,128,378	57,231,332
Goodwill Impairment	-	-	14,829,115	752,132,713
Operating Cash Flows before Working Capital Changes	107,776	4,864,989	(1,531,236)	(69,351,890)
Working Capital Changes:				
Accounts receivable, Other assets and Liabilities	(681,635)	(30,769,022)	(223,025)	(11,311,828)
Loans and Advances	972,069	43,879,195	3,605,066	182,848,948
Loans to Employees	440,872	19,900,962	-	-
Prepaid Expenses	(122,878)	(5,546,713)	-	-
Prepaid Corporate income tax	64,226	2,899,162	-	-
Security Deposits	60,131	2,714,313	-	-
Advance from related party	5,735,962	258,921,325	-	-
Accounts payable and accrued expenses	(1,818,860)	(82,103,322)	3,360,425	170,440,756
Deferred Revenue	329,232	14,861,532	(289,622)	(14,689,628)
Cash Generated from Operations	5,086,895	229,622,420	4,921,608	249,623,958
Income Tax Paid	(59,675)	(2,693,730)	(142,503)	(7,227,752)
Net Cash Flow from Operating Activities	5,027,218	226,928,690	4,779,105	242,396,206
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase/(Sale) of Fixed Assets	(83,561)	(3,771,944)	(107,426)	(5,448,647)
Investment in Subsidiary Company	-	-	(2,620,000)	(132,886,400)
Proceeds from sales of Geometric Technologies Inc. - Shares	-	-	740,907	37,578,803
Interest Received	-	-	4,235	214,799
Net activity from related party note receivable	869,481	39,248,372	-	-
Net Cash used in Investing Activities	785,920	35,476,428	(1,982,284)	(100,541,445)

Consolidated Cash Flow Statement for the year ended March 31, 2010

	Current Year		Previous Year	
	US Dollars	Equivalent INR	US Dollars	Equivalent INR
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Repayment of Loan from Holding Company	-	-	(37,500)	(1,902,000)
Repayment of Bank Borrowings	-	-	135,787	6,887,117
Net activity under note payable to bank	(8,137,151)	(367,311,010)	-	-
Repayment of long term debts	(2,469,601)	(111,477,789)	(877,295)	(44,496,402)
Proceeds from long term debts	-	-	34,562	1,752,985
Repayment of loan from related parties	4,921,028	222,135,204	(1,000,000)	(50,720,000)
Interest Paid	(904,705)	(40,838,384)	(1,128,721)	(57,248,782)
Net Cash (Used) / Raised in Financing Activities	(6,590,429)	(297,491,979)	(2,873,167)	(145,727,082)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(777,290)	(35,086,860)	(76,346)	(3,872,320)
CASH AND CASH EQUIVALENTS :				
Cash and bank Balances	2,230,694	100,693,527	2,307,041	117,013,120
AS AT THE ENDING				
Cash and bank Balances	1,453,404	65,606,667	2,230,694	113,140,800
	1,453,404	65,606,667	2,230,694	113,140,800
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(777,290)	(35,086,860)	(76,347)	(3,872,320)
Exchange rate used for translation 1 USD = Rs.		45.14		50.72

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

Anil A. Kulkarni
Partner
M. No.: 47576
Firm Reg. No. 104607W

Place: Pune
April 22, 2010

For and on behalf of the Board

Manu Parpia
Director

Ravishankar G.
Director



Consolidated Schedules forming part of the accounts for the year ended March 31, 2010

	US Dollars	Current Year US Dollars	Previous Year US Dollars
SCHEDULE 1: SHARE CAPITAL			
Share Capital		2,062,771	2,062,771
TOTAL		2,062,771	2,062,771

Notes:

Issued, Subscribed and Paid Up Capital includes 7583 (Previous Year: 6238)
Shares held by Geometric Limited India, the Holding Company.

SCHEDULE 2: SECURED LOANS

1. BORROWINGS FROM BANKS			
a. Long Term Loan	2,400,000		13,739,112
(Secured by a mortgage on land and buildings owned by a related party through common ownership in India)		2,400,000	
2. INTEREST ACCRUED AND DUE ON SECURED LOANS		47,475	61,251
TOTAL		2,447,475	13,800,363

SCHEDULE 3: UNSECURED LOANS

1. LOAN FROM INTER - COMPANY		13,161,145	6,629,158
(Due to Holding Company)			
TOTAL		13,161,145	6,629,158

SCHEDULE 4: CURRENT ASSETS, LOANS AND ADVANCES

1. SUNDRY DEBTORS			
(Unsecured - Considered good, unless otherwise stated)			
a) Other Debts	2,313,597		8,220,963
(Including doubtful debts \$ 2,313,597;			
	2,313,597		8,220,963
c) Less: Provision for Doubtful Debts	790,847		1,318,557
		1,522,750	6,902,406
2. CASH AND BANK BALANCES			
Balances with Scheduled Banks			
- In Current Accounts	1,453,404		2,185,421
- In Deposit Accounts	-		45,273
		1,453,404	2,230,694
3. LOANS AND ADVANCES			
(Unsecured - considered good, unless otherwise stated)			
a) Loans to Inter-Company	853,650		-
b) Advances recoverable in cash or in kind			
or for value to be received	4,502,259		4,583,270
c) Sundry Deposits	80,505		140,636
d) Advance Payment of Taxes (Net of Provision for Taxes)	62,780		-
	5,499,194		4,723,906
Less: Provision for Doubtful Loans & Advances	174,793		89,236
		5,324,401	4,634,670
TOTAL		8,300,555	13,767,770

Consolidated Schedules forming part of the accounts for the year ended March 31, 2010

	Current Year		Previous Year
	US Dollars	US Dollars	US Dollars
SCHEDULE 5: CURRENT LIABILITIES AND PROVISIONS			
1. CURRENT LIABILITIES			
a) Sundry Creditors			
- Trade Payables	1,199,471		1,313,047
- Others	-		685,024
b) Inter-Company	7,953,393		7,439,179
c) Advances and Deposits	1,538,403		242,334
d) Other Liabilities	1,795,932		2,613,871
		12,487,199	12,293,455
2. PROVISIONS			
a) For Taxation (Net Of Advance Payment of Taxes)	-		17,344
b) For Leave Encashment	122,878		528,866
		122,878	546,210
TOTAL		12,610,077	12,839,665
SCHEDULE 6: OTHER INCOME			
1. Gain on Exchange Difference (Net)		56,831	22,677
2. Interest on Advances and Deposits (Gross)		6,159	4,277
3. Rent Received		-	46,414
4. Profit on Sale of Investments (Net)		-	163,888
5. Royalty Income		67,325	2,641
6. Miscellaneous Income		27,296	92,427
TOTAL		157,611	332,324



Consolidated Schedules forming part of the accounts for the year ended March 31, 2010

	Current Year		Previous Year
	US Dollars	US Dollars	US Dollars
SCHEDULE 7: OPERATING AND OTHER EXPENSES			
1. Personnel Expenses			
Salaries, Bonus and Allowances		23,095,704	34,016,490
Staff Welfare Expenses		37,843	290,049
2. Software Tools and Packages		65,678	843,965
3. Electricity Expenses		151,051	311,457
4. Software Development Charges		15,510,032	13,436,829
5. Royalty		1,313,969	1,464,268
6. Rates and Taxes		(21,169)	137,226
7. Rent and Service Charges		2,161,686	2,611,528
8. Repairs and Maintenance			
a) Computers	1,114,502		31,837
b) Others	117,438		155,147
		1,231,940	186,984
9. Insurance		1,577,366	2,513,203
10. Travelling and Conveyance Expenses		1,247,778	2,392,109
11. Computer Rental Charges		-	186,434
12. Communication Expenses		313,792	639,443
13. Legal and Professional Charges		953,711	866,788
14. Advertising and Publicity		220,086	296,535
15. Staff Recruitment Expenses		-	29,515
16. Miscellaneous Expenses		602,237	1,110,805
17. Sales and Marketing Expenses		-	560,959
18. Commission to Non Executive Directors		65,815	90,883
19. Loss on Exchange Difference (Net)		-	16,215
20. Bad Debts Written Off		29,797	73,361
21. Provision for Doubtful Debts		(323,776)	1,145,053
22. Provision for Doubtful Advances		21,552	37,766
TOTAL		48,255,092	63,257,865
SCHEDULE 8: INTEREST AND FINANCE CHARGES			
1. Other Interest		893,479	1,118,852
2. Bank Charges		23,025	25,396
TOTAL		916,504	1,144,248

Consolidated notes to Financial Statements March 31, 2010

SCHEDULE 9 : NOTES TO ACCOUNTS

1. NATURE OF BUSINESS AND ORGANIZATION

Geometric Technologies Inc. (the "Parent") was incorporated on January 1, 1982, as an Arizona Based corporation and has become a wholly owned subsidiary of Geometric Limited (Holding Company). On March 26, 2009, the Parent acquired 100% shares of the company Geometric Americas, Inc., and since then Geometric Americas Inc. (the "Subsidiary"), a Delaware Corporation, is the wholly owned subsidiary of the Parent. The Parent Company is into the business of software product sale in USA and other neighboring countries. The subsidiary Company is into the business of providing marketing assistance and promotes software products and provides software consulting services for customers in eleven states. Its 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 suppliers. The subsidiary company has wholly-owned subsidiaries in Romania and France.

2. SIGNIFICANT ACCOUNTING POLICIES

The summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 1956.

a) Principals of Consolidation:

The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries. All material intercompany accounts and transactions between them have been eliminated.

b) Basis of Accounting:

The financial statements have been prepared on accrual basis under the historical cost convention, under which sales revenue is recorded when services are performed or title to goods sold is transferred and expenses or cost of assets are recorded when liability for payment is incurred, in conformity in all material aspects with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 1956.

c) 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.

d) Concentration of credit risk:

The Company from time to time during the period covered by these financial statements may have bank balances in excess of its insured limits. Management has deemed this as a normal business risk.

For the year ended March 31, 2010 and for the year ended March 31, 2009, sales from major automotive manufacturers amount to \$ 20,129,365 and \$ 18,980,464 respectively of the total sales. Total billed and unbilled account receivable as of March 31, 2010 and 2009 was \$ 5,173,657 & \$ 4,887,079 respectively. The company does not require collateral from its customers.

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash deposits in excess of FDIC limitations, and trade accounts receivable. The Company places its cash and cash equivalents with high-quality financial institutions. With respect to accounts receivable, such receivables arising from sales are not collateralized. The Company performs ongoing credit evaluations of its customers' financial condition. The Company maintains an allowance for doubtful accounts for potential credit losses and such losses, in the aggregate, have not exceeded management expectations.

e) 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.

Depreciation is provided under the straight- line method, based on useful lives of assets as estimated by the Management. Depreciation is charged on a monthly pro-rata basis for assets purchased / sold



Consolidated notes to Financial Statements March 31, 2010

SCHEDULE 9 : Notes to Accounts (Contd.)

during the year. Leasehold assets are amortized over the period of the lease. The Management's estimate of useful lives for various fixed assets is as under:

Asset	Useful Life of Asset in Years
Computers	3
Furniture and Fixtures	10
Software	3-5
Goodwill	10
Machinery and Equipments	13
Leasehold improvements	Over the term of the lease

Goodwill is recorded in accordance with the Accounting Standard 26 "Intangible Assets" and is amortized over a period of ten years.

In case of fixed assets of the subsidiary, Geometric Americas, Inc. depreciation is provided using accelerated methods over the estimated useful life of the asset.

f) Cash and cash equivalents:

The Company considers cash and cash deposits with original maturities of less than 90 days as cash equivalents.

g) Investments:

Long-term investments are valued at cost less provision for diminution in value, if the diminution is other than temporary.

h) Foreign Exchange Transactions:

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transaction and subsequent gains / losses are recognized on realization.

The Company's functional currency for the United States operations is the US Dollar. The Foreign subsidiaries functional currency is their local currency. Assets and liabilities are translated at exchange rates in effect at the end of the year. Income statement accounts are translated at average rates for the year. Gains and losses from translation of foreign currency consolidated financial statements into US Dollars are included in current results of operations. Gains and losses resulting from foreign currency transaction are also included in current results of operations.

i) Fair value of financial instruments:

The carrying amount of cash, accounts receivable, accounts payable, and notes payable approximates fair value due to short-term nature of these instruments.

j) Revenue and Cost Recognition:

Revenue from product sales and related training services is recognized upon customer delivery of the product and training services performed provided that no significant contractual obligations remain. Customer acceptance is realized after either the customer pays for the software or upon receiving written documentation of customer acceptance.

Revenues also include maintenance fees whereby the Company provides ongoing customer support and product upgrades. Such fees are reflected as deferred revenue and amortized ratably over the term of the maintenance period ranging from 12 to 36 months, which begins after the expiration of free support included with the initial purchase of the software for some of the Company's products.

The Royalty expenditure incurred for providing such support and product upgrades services is wholly expensed out in the year of sale.

Fixed fee projects: Revenue is recognized using the percentage-of-completion method. The percentage of completion is determined by comparing the actual costs incurred to date to an estimate of total costs to be incurred on each contract. If a loss is indicated on any contract in process, a provision is made currently for the entire loss. The Company's contracts generally provide for billing of customers upon the attainment of certain milestones specified in each contract. Revenue earned on contracts in process 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.

k) Allowance for doubtful accounts:

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the inability of customers to make required payments. This allowance is established using estimates that

Consolidated notes to Financial Statements March 31, 2010

SCHEDULE 9 : Notes to Accounts (Contd.)

the Company makes based on factors such as the composition of the accounts receivable ageing, historical bad debts, changes in payment patterns, customer creditworthiness and current economic trends.

l) Research and Development Expenditure:

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

m) Software Expenditure:

In accordance with Accounting Standards No. 26, "Intangible Assets", Software costs are capitalized if, and only if, it is probable that the economic benefits that are attributable to the assets will flow to the Company and the cost can be measured reliably.

n) Asset Impairment:

Management periodically assesses 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.

o) 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. The Company performed a valuation and has determined that the carrying value of the goodwill is in excess of fair value of the Company, and accordingly, an impairment of goodwill totaling \$ 0 and \$14,829,115 in the year 2010 and 2009 respectively, has been recognized in the accompanying consolidated profit and loss account.

p) Income-tax:

Income taxes have been computed using the tax effect accounting method, where taxes are accrued in the same period as the related revenue and expenses. Deferred tax assets and liabilities are recognised for the expected future tax consequences attributable to timing differences between the taxable income and the accounting income for a period. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the timing differences are expected to be recovered or settled. The effect of changes in the tax rates on deferred tax assets and liabilities is recognised in the statement of income in the period of change. Deferred tax assets are recognised based on management's judgment as to the sufficiency of future taxable income against which the deferred tax asset can be realised.

q) Provision, Contingent Liabilities and Contingent Assets:

As per Accounting Standard 29, 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No Provision is recognized for –

- A. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- B. Any present obligation that arises from past events but is not recognized because-
 - a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - b) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed periodically and only that part of the obligation for which an outflow of resources embodying economic benefits is



Consolidated notes to Financial Statements March 31, 2010

SCHEDULE 9 : Notes to Accounts (Contd.)

probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

3. Contingent Liability

There exists a potential liability to the state unemployment commission for underpayment of previous year's tax. Currently, this liability has not been assessed by the state, however, it is estimated that the liability could be approximately \$ 350,000. Currently there is no accrual for this amount recorded in the financial statements.

4. Note Payable – Bank:

The Company had a revolving credit agreement with a bank, under which it could borrow upto \$10,000,000 with interest at the prime rate plus 0.35% (prime rate at both March 31, 2010 and 2009 was 3.25%). The note matured in October 2009, and was secured by all assets of the company, and was subject to various covenants. The note was guaranteed by Geometric Limited, a related company and associates. At March 31, 2010 and 2009, the Company had drawn \$ 0 and \$ 8,137,151 respectively, under the note.

5. Leases:

Operating Lease

Lease expenditure for operating leases is recognized on a straight line basis over the period of lease. Rental expenses for the year ended March 31, 2010 was \$ 68,124 and for March 31, 2009 was \$ 3,14,835/- (including termination charges \$ 1,06,484/-). The total of future minimum lease payments under non-cancelable operating lease is as under:

Particulars	Current Year	Previous Year
Up to 1 Year	-	68,124
1 Year – 5 Years	-	68,124
More than 5 Years	-	-
Total	-	1,36,248

Disclosure for Geometric Americas Inc. (The Company's subsidiary)

The Subsidiary Company is the lessee of equipment under capital leases expiring through April 2009. The assets and liabilities under the capital leases are reported at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are depreciated over the lower of its related lease terms or

its estimated productive life.

The following is a summary of property held under the capital leases:

Particulars	Amount US Dollar
Cost	34,564
Less: Accumulated Depreciation	8,352
Net	26,212

Depreciation on assets under capital leases charged to expense for the year ended March 31, 2010 and 2009 was \$ 3,456 & \$ 29,261 respectively.

Interest expense on the capital leases for the year ended March 31, 2010 and 2009 was \$ 15 and \$ 2,262 respectively.

Minimum future lease payments under the capital leases as on March 31, 2010 and for the next year are detailed in Note 9.

Lease Commitment:

The Company had a non-cancelable lease for office space in Merrimack, New Hampshire, which terminated on May 31, 2008, under which monthly payments of \$ 852 were made. The lease contains provisions for additional charges for operating expenses. Upon termination of this lease, the Company entered into a month-to-month agreement for this office space. Rent expense under this lease was \$ 0 and \$ 2,200 for the year ended March 31, 2010 and 2009 respectively.

The Company leases its office space in the state of Arizona, under an operating lease arrangement. Lease expenditure for operating leases is recognized on a straightline basis over the period of lease. Rental expenses for the year ended March 31, 2010 was \$ 68,124/- [Previous Year \$ 3,14,835/- (including termination charges of \$ 1,06,484)]. There are no future lease payment commitments under non-cancelable operating lease. Hence, the total of future minimum lease payments under non-cancelable operating lease for the current year is Nil.

The Company conducts operations from facilities and has various pieces of equipment that are leased under non-cancelable leases expiring at various dates through June 2012. Total rent expense under these leases was \$ 2,194,056 and \$ 2,424,790 for the year ended March 31, 2010 and 2009. During the year ended March 31, 2009, the Company terminated three of their facilities leases early and termination fees have been accrued for.

Consolidated notes to Financial Statements March 31, 2010

SCHEDULE 9 : Notes to Accounts (Contd.)

The Company subleases other facilities to an unrelated party for monthly payments of \$ 4,912. The leases expire in February 2013. Total sublease income was \$ 58,950 and 88,870 respectively for the year ended March 31, 2010 and 2009.

Minimum future rental payments under non-cancelable operating leases having initial or remaining terms in excess of one year as of March 31, 2010 for each of the next five years are:

Year ended March 31,	Amount US Dollar
2011	519,217
2012	151,318
2013	7,837
Total	678,372

6. Profit Sharing Plan / Retirement Plan :

The Company maintains a retirement plan covering all employees under section 401 (k) of the Internal Revenue Code. The Company contributions to the plan are at the discretion of the Board of Directors. The Contribution made for the year ended March 31, 2009 was \$ 21,328 (Previous Year \$ 27,807/-).

The Company has a 401(k) plan covering substantially all employees who are 21 years of age or older. Participants may prefer up to the lesser of 50% of their compensation or the maximum annual contribution set by law. In addition, the plan provides for a discretionary matching contribution to be set by the employer.

7. Earnings per share :

Particulars	Current Year	Previous Year
Profit / (Loss) for the year	(966,136)	(19,639,541)
Weighted Average		
Number of Equity Shares	7,583	7,583
Basic and Diluted		
Earnings Per Share	(127.41)	(2,589.94)

8. Reclassification:

Certain reclassifications were made to the financial statements for the year ended March 31, 2009 to conform with the current year presentation.

9. Economic Dependency:

The purchases and sales of Geometric Americas, Inc. (Subsidiary of Company) are fully integrated within the automotive industry. Continued adverse developments in the North American automotive industry could

impact the Company's liquidity position and/or require restructuring of the Company's operations, including impairment charges. In addition, a prolonged downturn in the automotive market may also impact both the manufacturers' and the Companies financial solvency potentially resulting in reduced sales, uncollectible factory receivables, inability to borrow funds, potential liabilities and other additional costs to the Company.

10. Subsequent event:

Subsequent to the year end the Company is in process of merging with Geometric Americas, Inc., its subsidiary Company.



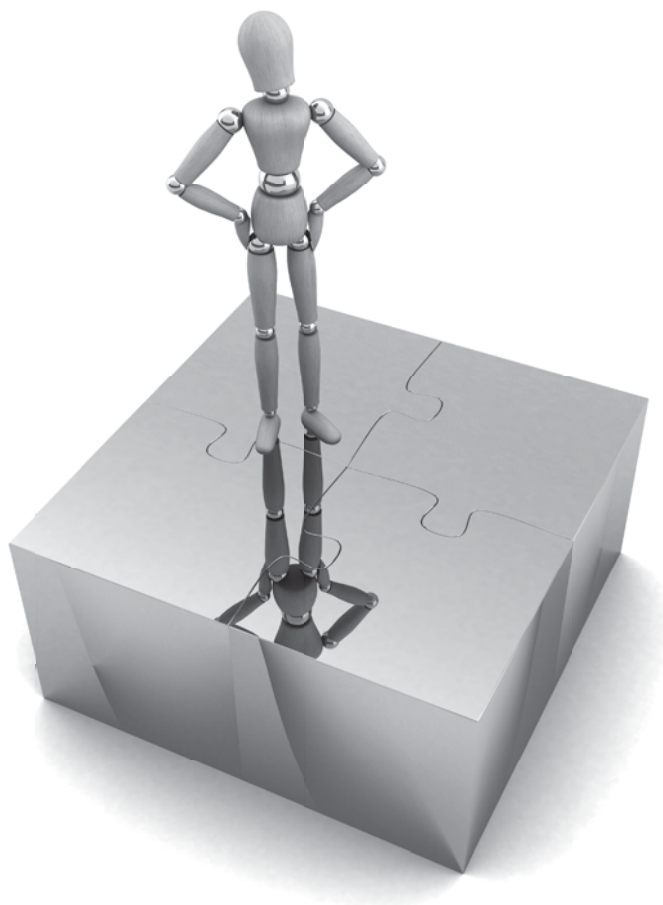
Consolidated notes to Financial Statements March 31, 2010

SCHEDULE 9 : Notes to Accounts (Contd.)

	Current Year		Previous Year	
	US Dollars	US Dollars	US Dollars	US Dollars
11. EARNINGS PER SHARE				
a) Net Loss After Tax (Including Extraordinary Items)		(966,136)		(19,639,541)
b) Number of Equity Shares:				
As at the commencement of the year		7,583		-
Issued during the Period		-		7,583
As at the end of the Period		7,583		7,583
Weighted Average Number of Equity Shares during the year:				
Basic		7,583		7,583
Diluted		7,583		7,583
c) Earning per Equity Share of Rs. 272/- each.				
Basic		(127.41)		(2,589.94)
Diluted		(127.41)		(2,589.94)
12. SEGMENT REPORTING				
The Company's primary segments consist of Projects and Products.				
The Secondary segments are geographical areas by location of customers.				
PRIMARY BUSINESS SEGMENT RESULTS:				
A. Segment Revenue:				
Products		4,066,503		5,050,527
Projects		44,031,435		53,060,774
		48,097,938		58,111,301
Less: Inter Segment Revenue		-		113,240
Net Sale / Income from Operations		48,097,938		57,998,061
B. Segment Results				
Profit / Loss Before Tax and Interest From Each Segment				
Products		558,058		481,724
Projects		(764,983)		(5,975,977)
		(206,925)		(5,494,253)
Less: (i) Interest		893,479		1,118,851
(ii) Other Unallocable Exp. net of unallocable income		635,721		15,362,693
		(1,736,125)		(21,975,797)
Add: Other Income		837,340		2,763,202
Total Profit Before Tax		(898,785)		(19,212,595)
C. Segment Capital employed				
	Products	Projects	Products	Projects
Segment Assets	1,423,624	15,660,254	1,535,759	13,044,877
Segment Liabilities	1,768,801	18,845,311	1,024,421	4,337,962
Segment Capital employed	(345,177)	(3,185,057)	511,337	8,706,915
SECONDARY GEOGRAPHICAL SEGMENTS - REVENUE				
Region				
US		44,862,881		53,561,851
Europe		2,876,099		3,777,716
Asia Pacific		358,958		658,494
TOTAL		48,097,938		57,998,061

Geometric Technologies, Inc.

Annual Report and Financial Statements
for the year ended March 31, 2010



Regd. Office:
16121 N 78th Street,
Suite 101, Scottsdale, AZ 85260, USA



Directors' Report to the Members

To The Members

The Directors hereby present their Report of the Company for the year ended March 31, 2010.

1. OPERATIONS

Effective April 1, 2010 Geometric Technologies, Inc merged with Geometric Americas, Inc and the merged entity is renamed as Geometric Americas, Inc.

The Company on a consolidated basis registered total revenue of USD 4,201,721 which resulted in a net profit of USD 240,274.

2. SHARE CAPITAL

During the year, there was no change in share capital of the Company.

3. DIVIDENDS

The Directors do not recommend any Dividend.

4. FUTURE OUTLOOK

The Company will operate as division of Geometric Americas, Inc., and expects better performance in coming years.

By Order of the Board

April 22, 2010

Manu Parpia

Report of the Auditors

To the Board of Directors of Geometric Technologies, Inc.

1. We have audited the attached Balance Sheet of GEOMETRIC TECHNOLOGIES, INC. as at March 31, 2010 and the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto, for the purpose of consolidation as per accounting principles prevalent in India with the accounts of its Holding Company. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We further 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) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - c) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards issued by the Institute of Chartered Accountants of India (to the extent applicable).
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the notes thereon, 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, 2010;
 - ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

Anil A. Kulkarni
Partner
M. No.: 47576
Firm Reg. No. 104607W

Date: April 22, 2010
Place: Pune

Balance Sheet as at March 31, 2010

	SCHEDULE	Current Year		Previous Year	
		US Dollars	Equivalent INR	US Dollars	Equivalent INR
SOURCES OF FUNDS:					
1. SHAREHOLDERS' FUNDS					
a) Share Capital	1	2,062,771	93,113,483	2,062,771	104,623,745
b) Reserves and Surplus	2	918,237	41,449,218	677,963	34,386,283
		2,981,008	134,562,701	2,740,734	139,010,028
2. LOAN FUNDS					
a) Unsecured Loans	3	732,360	33,058,730	1,601,841	81,245,376
TOTAL		3,713,368	167,621,431	4,342,575	220,255,404
APPLICATION OF FUNDS:					
3. FIXED ASSETS					
a) Gross Block	4	3,408,779	153,872,284	3,343,197	169,566,952
b) Less: Depreciation		1,898,377	85,692,738	1,591,050	80,698,056
c) Net Block		1,510,402	68,179,546	1,752,147	88,868,896
		1,510,402	68,179,546	1,752,147	88,868,896
4. INVESTMENTS	5	2,620,000	118,266,800	2,620,000	132,886,400
5. CURRENT ASSETS, LOANS AND ADVANCES					
a) Sundry Debtors		1,135,880	51,273,623	861,765	43,708,721
b) Cash and Bank Balances		241,933	10,920,856	470,560	23,866,803
c) Loans and Advances		110,499	4,987,925	92,131	4,672,884
		1,488,312	67,182,404	1,424,456	72,248,408
6. Less: CURRENT LIABILITIES AND PROVISIONS					
a) Current Liabilities	7	1,868,508	84,344,451	1,404,587	71,240,653
b) Provisions		36,838	1,662,867	49,441	2,507,648
		1,905,346	86,007,318	1,454,028	73,748,301
7. NET CURRENT ASSETS					
TOTAL		(417,034)	(18,824,915)	(29,572)	(1,499,892)
		3,713,368	167,621,431	4,342,575	220,255,404
NOTES TO ACCOUNTS					
Exchange rate used for translation 1 USD = Rs.	12		45.14		50.72

The Schedules referred to above form an integral part of the Balance Sheet.

As per our Report attached

Signatures to the Balance Sheet and Schedules 1 to 7 and 12.

For and on behalf of

For and on behalf of the Board

Kalyaniwalla & Mistry

Chartered Accountants

Anil A. Kulkarni

Partner

M. No.: 47576

Firm Reg. No. 104607W

Manu Parpia

Director

Ravishankar G.

Director

Date: April 22, 2010

Place: Pune



Profit and Loss Account for the year ended March 31, 2010

		SCHEDULE	Current Year		Previous Year	
			US Dollars	Equivalent INR	US Dollars	Equivalent INR
INCOME:						
1.	Sales - Software Packages & Services		4,069,503	183,697,365	4,911,773	249,125,127
2.	Other Income	8	132,218	5,968,321	168,752	8,559,101
			4,201,721	189,665,686	5,080,525	257,684,228
EXPENDITURE:						
3.	Operating and Other Expenses	9	3,548,582	160,182,991	4,528,085	229,664,471
4.	Interest and Finance Charges	10	80,863	3,650,156	25,382	1,287,375
5.	Depreciation		307,327	13,872,741	315,765	16,015,601
			3,936,772	177,705,888	4,869,232	246,967,447
PROFIT BEFORE TAX, AND PRIOR PERIOD ADJUSTMENTS:			264,949	11,959,798	211,293	10,716,781
ADJUSTMENTS:						
6.	Provision For Taxes					
	(a) Current Taxes		31,200	1,408,368	95,775	4,857,708
			31,200	1,408,368	95,775	4,857,708
NET PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEMS:			233,749	10,551,430	115,518	5,859,073
7.	Prior Period Adjustments	11	6,525	294,539	(8,900)	(451,408)
NET PROFIT:			240,274	10,845,969	106,618	5,407,665
8.	Surplus Brought Forward		677,963	30,603,250	571,345	28,978,618
PROFIT AVAILABLE FOR APPROPRIATION:			918,237	41,449,219	677,963	34,386,283
APPROPRIATIONS:						
	Surplus Carried Forward		918,237	41,449,218	677,963	34,386,283
TOTAL			918,237	41,449,218	677,963	34,386,283
EARNINGS PER EQUITY SHARE						
	Basic & Diluted		31.69	1,430	14.06	713
NOTES TO ACCOUNTS		12				
Exchange rate used for translation 1 USD = Rs.				45.14	50.72	

The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our Report attached

Signatures to the Profit and Loss Account and Schedules 8 to 12.

For and on behalf of

For and on behalf of the Board

Kalyaniwalla & Mistry

Chartered Accountants

Anil A. Kulkarni

Partner

Manu Parpia

Director

Ravishankar G.

Director

Date: April 22, 2010

Place: Pune

Cash Flow Statement for the year ended March 31, 2010

	Current Year		Previous Year	
	US Dollars	Equivalent INR	US Dollars	Equivalent INR
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit Before Tax	264,949	11,959,798	211,293	10,716,781
Adjustment for:				
Depreciation	307,327	13,872,741	315,765	16,015,601
Interest Expense	80,863	3,650,156	25,382	1,287,375
Interest Income	(25)	(1,129)	(27,270)	(1,383,134)
Period items	6,525	294,539	(11,417)	(579,070)
	394,690	17,816,307	302,460	15,340,772
Operating Cash Flows Before Working Capital Changes	659,639	29,776,105	513,753	26,057,553
Working Capital Changes:				
Sundry Debtors	(274,115)	(12,373,551)	141,660	7,184,995
Loans and Advances	(4,238)	(191,303)	67,732	3,435,367
Current Liabilities and Provisions	456,488	20,605,868	(58,879)	(2,986,343)
	178,135	8,041,014	150,513	7,634,019
Cash Generated from Operations	837,774	37,817,118	664,266	33,691,572
Income Taxes Paid	(50,500)	(2,279,570)	(142,503)	(7,227,752)
Net Cash Flow from Operating Activities	787,274	35,537,548	521,763	26,463,820
B. CASH FLOW FROM INVESTING ACTIVITIES:				
Purchase of Fixed Assets	(65,582)	(2,960,371)	(12,888)	(653,679)
Investment made for acquisition of Subsidiary Companies	-	-	(2,620,000)	(132,886,400)
Interest Received	25	1,129	27,270	1,383,134
Net Cash Used in Investing Activities	(65,557)	(2,959,242)	(2,605,618)	(132,156,945)
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Loan from Inter-Company	(878,599)	(39,659,959)	1,600,000	81,152,000
Repayment of Loan from Holding Company	-	-	(37,500)	(1,902,000)
Interest Paid	(71,745)	(3,238,569)	(31,570)	(1,601,230)
Net Cash (Used) / Raised in Financing Activities	(950,344)	(42,898,528)	1,530,930	77,648,770
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(228,627)	(10,320,222)	(552,925)	(28,044,355)
CASH AND CASH EQUIVALENTS:				
AS AT THE BEGINNING				
Cash and Bank Balances	470,560	21,241,078	1,023,485	51,911,159
AS AT THE ENDING				
Cash and Bank Balances	241,933	10,920,856	470,560	23,866,803
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(228,627)	(10,320,222)	(552,925)	(28,044,356)
Exchange rate used for translation 1 USD = Rs.		45.14		50.72

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants

Anil A. Kulkarni
Partner
M. No.: 47576
Firm Reg. No. 104607W

Date: April 22, 2010
Place: Pune

For and on behalf of the Board

Manu Parpia
Director

Ravishankar G.
Director



Schedules Forming Part of the accounts for the year ended March 31, 2010

	Current Year US Dollars	Previous Year US Dollars
SCHEDULE 1: SHARE CAPITAL		
Share Capital	2,062,771	2,062,771
TOTAL	2,062,771	2,062,771

Notes:

Issued, Subscribed and Paid Up Capital includes 7583 (Previous Year: 7583)
Shares held by Geometric Limited India, the Holding Company.

SCHEDULE 2: RESERVES AND SURPLUS

Profit and Loss Account - Surplus	918,237	677,963
TOTAL	918,237	677,963

SCHEDULE 3: UNSECURED LOANS

1. Loan from Inter - Company	721,401	1,600,000
2. Interest Accrued and due on Unsecured Loans	10,959	1,841
TOTAL	732,360	1,601,841

Schedules Forming Part of the accounts for the year ended March 31, 2010

SCHEDULE 4: FIXED ASSETS

US Dollars

ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 1-Apr-09	Additions	Deductions	As on 31-Mar-10	Upto 31-Mar-09 Adjustments*	For the Year	On Deductions	Upto 31-Mar-10	As on 31-Mar-10	As on 31-Mar-09
Computers	145,556	14,218	-	159,774	130,426	-	10,464	-	140,890	15,130
Office Equipment and EPABX System	-	8,329	-	8,329	-	-	1,651	-	1,651	-
Furniture and Fixtures	249,766	276	-	250,042	209,827	-	5,116	-	214,943	39,939
Intangible Assets:										
- Computer Software	119,785	42,759	-	162,544	119,561	-	7,287	-	126,848	224
- Goodwill	2,828,090	-	-	2,828,090	1,131,236	-	282,809	-	1,414,045	1,696,854
TOTAL	3,343,197	65,582	-	3,408,779	1,591,050	-	307,327	-	1,898,377	-
Previous Year	3,330,309	12,888	-	3,343,197	1,277,802	(2,517)	315,765	-	1,591,050	1,752,147

*Adjustments represent impact on accumulated depreciation due to change in estimated useful life.



Schedules Forming Part of the accounts for the year ended March 31, 2010

SCHEDULE 5: INVESTMENTS

Previous Year Nos.	Current Year Nos.	Face Value Rs.	US Dollars	Current Year US Dollars	Previous Year US Dollars
- EQUITY SHARES IN SUBSIDIARY COMPANIES					
Long Term (At Cost)					
-	1,000	Equity shares of Geometric Americas Inc. – a subsidiary company	2,620,000		2,620,000
				2,620,000	2,620,000
TOTAL				2,620,000	2,620,000

SCHEDULE 6: CURRENT ASSETS, LOANS AND ADVANCES

1. SUNDRY DEBTORS

(Unsecured - Considered good, unless otherwise stated)

a)	Debts outstanding for a period exceeding six months (Including doubtful debts \$ 155,671; - previous year \$ 39,162)	155,671		39,162
b)	Other Debts	1,135,880		861,765
		1,291,551		900,927
c)	Less: Provision for Doubtful Debts	155,671		39,162
			1,135,880	861,765

2. CASH AND BANK BALANCES

a)	Cash in Hand	-		-
b)	Balances with Scheduled Banks			
	- In Current Accounts	241,933		425,287
	- In Deposit Accounts	-		45,273
			241,933	470,560

3. LOANS AND ADVANCES

(Unsecured - considered good, unless otherwise stated)

a)	Advances recoverable in cash or in kind or for value to be received	148,091		160,067
b)	Advance Payment of Taxes (Net of Provision for Taxes)	14,130		-
		162,221		160,067
	Less: Provision for Doubtful Loans & Advances	51,722		67,936
			110,499	92,131
TOTAL			1,488,312	1,424,456

Schedules Forming Part of the accounts for the year ended March 31, 2010

	Current Year		Previous Year
	US Dollars	US Dollars	US Dollars
SCHEDULE 7: CURRENT LIABILITIES AND PROVISIONS			
1. CURRENT LIABILITIES			
a) Sundry Creditors			
- Others	124,192		208,243
b) Inter-Company	807,442		358,120
c) Advances and Deposits	1,746		10,163
d) Other Liabilities	935,128		828,061
		1,868,508	1,404,587
2. PROVISIONS			
a) For Taxation (Net Of Advance Payment of Taxes)	-		5,170
d) For Leave Encashment	36,838		44,271
		36,838	49,441
TOTAL		1,905,346	1,454,028
SCHEDULE 8: OTHER INCOME			
Dividend from Subsidiary Company		-	-
Other Dividends		-	-
Gain on Exchange Difference (Net)		-	-
Interest on Advances and Deposits (Gross)			
a) On Investments	-		-
b) On Advances and Deposits	25		27,270
(Tax Deducted at Source \$ Nil; previous year \$ Nil)			
1. Interest on Advances and Deposits (Gross)		25	27,270
2. Rent Received		-	46,414
3. Excess provision written back		37,572	90,235
4. Royalty Income		67,325	2,641
5. Miscellaneous Income		27,296	2,192
TOTAL		132,218	168,752



Schedules Forming Part of the accounts for the year ended March 31, 2010

	Current Year		Previous Year
	US Dollars	US Dollars	US Dollars
SCHEDULE 9: OPERATING AND OTHER EXPENSES			
1. Personnel Expenses			
Salaries, Bonus and Allowances		607,960	746,130
Staff Welfare Expenses		10,129	495
2. Software Tools and Packages		68,678	24,832
3. Software Development Charges		507,340	460,022
4. Royalty		1,313,969	1,464,268
5. Rent and Service Charges		68,124	314,835
6. Repairs and Maintenance			
a) Computers	19,798		14,951
b) Others	1,909		453
		21,707	15,404
7. Insurance		69,943	83,490
8. Travelling and Conveyance Expenses		130,020	171,752
9. Communication Expenses		40,851	35,846
10. Legal and Professional Charges		116,164	157,215
11. Advertising and Publicity		153,450	226,988
12. Miscellaneous Expenses		93,006	51,650
13. Sales and Marketing Expenses		155,051	650,582
14. Loss on Exchange Difference (Net)		24,332	16,376
15. Bad Debts Written Off		29,797	73,283
16. Provision for Doubtful Debts		116,509	(33,019)
17. Provision for Doubtful Advances		21,552	67,936
TOTAL		3,548,582	4,528,085
SCHEDULE 10: INTEREST AND FINANCE CHARGES			
1. Other Interest		60,519	1,962
2. Bank Charges		20,344	23,420
TOTAL		80,863	25,382
SCHEDULE 11: PRIOR PERIOD ADJUSTMENTS			
1. Prior period Income		21,587	2,517
2. Prior period Expenses		(15,062)	(11,417)
TOTAL		6,525	(8,900)

Schedules Forming Part of the accounts for the year ended March 31, 2010

SCHEDULE 12: Notes to Accounts

1. Significant Accounting Policies

a) Basis of Accounting:

The financial statements have been prepared on accrual basis under the historical cost convention, in conformity in all material aspects with the generally accepted accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and the requirements of the Companies Act, 1956.

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.

Depreciation is provided under the straight-line method, based on useful lives of assets as estimated by the Management. Depreciation is charged on a monthly pro-rata basis for assets purchased/sold during the year. Leasehold assets are amortized over the period of the lease. The Management's estimate of useful lives for various fixed assets is as under:

Asset	Useful Life of Asset in Years
Computers	3
Furniture and Fixtures	10
Software	3-5
Goodwill	10
Office Equipments	13

Goodwill is recorded in accordance with the Accounting Standard 26 "Intangible Assets" and is amortized over a period of ten years.

d) Cash and cash equivalents:

The Company considers cash and cash deposits with original maturities of less than 90 days as cash equivalents.

e) Investments:

Long-term investments are valued at cost less provision for diminution in value, if the diminution is other than temporary.

f) Foreign Exchange Transactions:

Transactions in foreign currencies are recorded at the rate of exchange prevailing on the date of the transaction and subsequent gains/losses are recognized on realization.

g) Earning Per Share:

The basic earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

h) Fair value of financial instruments:

The carrying amount of cash, accounts receivable, accounts payable, and notes payable approximates fair value due to short-term nature of these instruments.

i) Concentration of credit risk:

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash deposits in excess of FDIC limitations, and trade accounts receivable. The Company places its cash and cash equivalents with high-quality financial institutions. With respect to accounts receivable, such receivables arising from sales are not collateralized. The company performs ongoing credit evaluations of its customers' financial condition. The Company maintains an allowance for doubtful accounts for potential credit losses and such losses, in the aggregate, have not exceeded management expectations.

j) Revenue and Cost Recognition:

Revenue from product sales and related training services is recognized upon customer delivery of the product and training services performed provided that no significant contractual obligations remain.



Schedules Forming Part of the accounts for the year ended March 31, 2010

SCHEDULE 12: Notes to Accounts (Contd.)

Customer acceptance is realized after either the customer pays for the software or upon receiving written documentation of customer acceptance.

Revenues also include maintenance fees whereby the Company provides ongoing customer support and product upgrades. Such fees are reflected as deferred revenue and amortized ratably over the term of the maintenance period ranging from 12 to 36 months, which begins after the expiration of free support included with the initial purchase of the software for some of the Company's products.

The Royalty expenditure incurred for providing such support and product upgrades services is wholly expensed out in the year of sale.

k) Allowance for doubtful accounts:

The Company maintains an allowance for doubtful accounts for estimated losses resulting from the inability of customers to make required payments. This allowance is established using estimates that the Company makes based on factors such as the composition of the accounts receivable ageing, historical bad debts, changes in payment patterns, customer creditworthiness and current economic trends.

l) Research and Development Expenditure:

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

m) Software Expenditure:

In accordance with India's Statement of Accounting Standards No. 26, "Intangible Assets", Software costs are capitalized if, and only if, it is probable that the economic benefits that are attributable to the assets will flow to the Company and the cost can be measured reliably.

n) Income-tax:

Income taxes have been computed using the tax effect accounting method, where taxes are accrued in the same period as the related revenue and expenses. Deferred tax assets and liabilities are recognised for the expected future tax consequences attributable to timing differences between the taxable income and the accounting income for a period. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the timing differences are expected to be recovered or settled. The effect of changes in the

tax rates on deferred tax assets and liabilities is recognised in the statement of income in the period of change. Deferred tax assets are recognised based on management's judgment as to the sufficiency of future taxable income against which the deferred tax asset can be realised.

During the current period deferred tax assets have not been recognized as the management is of the opinion that there is no reasonable and virtual certainty that sufficient taxable income would be available in future, against which such deferred tax assets can be realised.

o) Provision, Contingent Liabilities and Contingent Assets:

As per Accounting Standard 29, 'Provisions, Contingent Liabilities and Contingent Assets', the Company recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

No Provision is recognized for –

- A. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or
- B. Any present obligation that arises from past events but is not recognized because -
 - a) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - b) A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities. These are assessed periodically and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

Schedules Forming Part of the accounts for the year ended March 31, 2010

SCHEDULE 12: Notes to Accounts (Contd.)

2. Leases:

Operating Lease

Lease expenditure for operating leases is recognized on a straightline basis over the period of lease. Rental expenses for the year ended March 31, 2010 was \$ 68,124/- [Previous Year \$ 3,14,835/- (including termination charges of \$ 1, 06,484)]. There are no future lease payment commitments under non-cancelable operating lease. Hence, the total of future minimum lease payments under non-cancelable operating lease for the current year is Nil.

Particulars	As at March 31, 2010	As at March 31, 2009
Up to 1 Year	Nil	68,124
1 Year – 5 Years	Nil	68,124
More than 5 Years	Nil	-
Total	Nil	1,36,248

3. Earnings Per Share:

Particulars	As at March 31, 2010	As at March 31, 2009
Profit / (Loss) for the year	240,274	1,06,618
Weighted Average	7,583	7,583
Number of Equity Shares		
Basic and Diluted	31.69	14.06
Earnings Per Share		

4. Auditors Remuneration (including service tax):

Particulars	As at March 31, 2010	As at March 31, 2009
Statutory Audit Fees	23,165	15,660
Total	23,165	15,660

5. Related party disclosure as required by Accounting Standard 18 issued by the Institute of Chartered Accountants of India, are given below:

1) Related Parties:

Company under same management:

Geometric Limited – Holding Company

Geometric Americas Inc. – Subsidiary Company

2) The following transactions were carried out with the related parties in the ordinary course of business:

Amounts in \$

Particulars	Current Year	Previous Year
Software Development Charges	5,02,340	4,60,022
Interest on loan	60,519	1,962
Royalties Expenses	7,25,192	8,43,630
Investment	-	26,20,000
Loan taken / (Repayment)	(9,30,000)	16,00,000
Loan given	-	8,00,000
Interest received	-	23,013
Software Development Income	3,000	-
Re-imbursement of expenses	-	1,45,757
Sales	-	1,13,240
Balance Payable		
- Unsecured Loan	(7,32,360)	(16,01,841)
- Sundry Creditors	(8,07,442)	(4,71,360)
- Sundry Debtors	-	1,13,240
- Investment	26,20,000	26,20,000

6. Retirement Plan

The Company maintains a retirement plan covering all employees under section 401 (k) of the Internal Revenue Code. The Company contributions to the plan are at the discretion of the Board of Directors. The Contribution made for the year ended March 31, 2010 was \$ 21,328/- (Previous Year \$ 27,807/-).

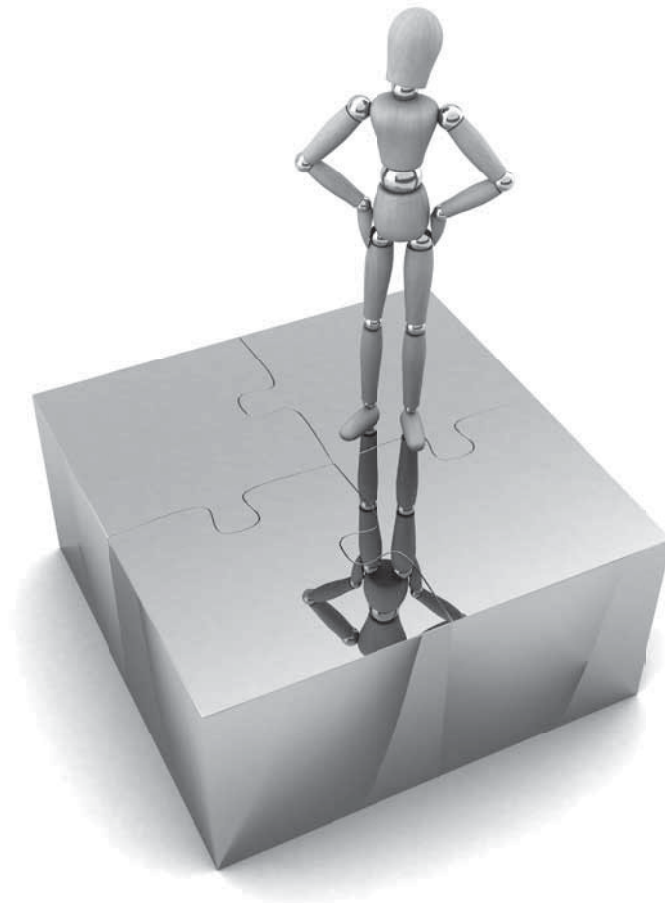
7. Subsequent events

Subsequent to the year end the company is in process of merging with Geometric Americas Inc., its subsidiary company.

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

Geometric Americas, Inc. and Subsidiaries

Annual Report and
Consolidated Financial Statements
for year ended March 31, 2010



Regd. Office:
633 South Boulevard,
Rochester Hills, MI 48307 USA

Directors' Report

To The Members

The Directors hereby present their Report of the Company for the year ended March 31, 2010.

1. OPERATIONS

Effective April 1, 2010 Geometric Americas, Inc merged with Geometric Technologies, Inc (the holding Company) and the merged entity is renamed as Geometric Americas, Inc.

The Company on a consolidated basis registered total revenue of USD 48,563,293 which resulted in a net loss of USD 29,205,754.

2. SHARE CAPITAL

During the year, there was no change in share capital of the Company.

3. DIVIDENDS

The Directors do not recommend any Dividend.

4. FUTURE OUTLOOK

Geometric Technologies, Inc will operate as division of Geometric Americas, Inc., and expects better performance in coming years.

By Order of the Board

April 22, 2010

Manu Parpia

Report of Independent Auditors

Stockholders

Geometric Americas, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of Geometric Americas, Inc., and Subsidiaries, as of March 31, 2010 and 2009, and the related consolidated statements of stockholder's equity, comprehensive income and cash flows for the years then ended and for the quarter ended March 31, 2010. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit 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 consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made

by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Geometric Americas, Inc., and Subsidiaries as of March 31, 2010 and 2009, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Southfield, Michigan
April 22, 2010

An Independent Member of Urbach Hacker Young International Limited



Consolidated Balance Sheet as at March 31, 2010

	As at March 31,			
	US\$	2010 Equivalent INR	US\$	2009 Equivalent INR
ASSETS				
CURRENT ASSETS				
Cash	1,211,471	54,685,801	1,760,134	89,273,996
Accounts receivable, trade - net	8,795,620	397,034,287	8,989,634	455,954,236
Unbilled work in process - net	3,292,074	148,604,220	3,012,657	152,801,963
Other receivables including loans to employees - net	429,460	19,385,824	997,641	50,600,352
Prepaid expenses	561,549	25,348,322	438,671	22,249,393
Deferred income tax	298,425	13,470,905	270,813	13,735,635
Prepaid corporate income tax	40,000	1,805,600	104,226	5,286,343
Total current assets	14,628,599	660,334,959	15,573,776	789,901,919
NOTE RECEIVABLE	1,586,010	71,592,491	2,455,491	124,542,504
PROPERTY AND EQUIPMENT	435,925	19,677,655	771,202	39,115,365
DEFERRED TAX ASSET	46,000	2,076,440	46,000	2,333,120
OTHER ASSETS				
Security deposits	80,505	3,633,996	140,636	7,133,058
Total assets	16,777,039	757,315,540	18,987,105	963,025,966
LIABILITIES AND STOCKHOLDER'S EQUITY				
CURRENT LIABILITIES				
Advance from related party	16,534,216	746,354,510	10,798,254	547,687,443
Note payable to bank	-	-	8,137,151	412,716,299
Current portion of long-term debt	2,400,000	108,336,000	3,201,961	162,403,462
Current portion of note payable to related party	549,999	24,826,955	-	-
Accounts payable and accrued expenses	1,387,029	62,610,489	2,116,551	107,351,467
Deferred revenue	566,334	25,564,317	237,102	12,025,813
Accrued wages and payroll taxes	349,548	15,778,597	1,893,870	96,057,086
Deferred rent	47,009	2,121,986	34,886	1,769,418
Total current liabilities	21,834,135	985,592,854	26,419,775	1,340,010,988
NON-CURRENT LIABILITIES				
Note payable to related party	12,611,146	569,267,130	6,629,158	336,230,894
Note payable to banks	-	-	2,400,000	121,728,000
Total non-current liabilities	12,611,146	569,267,130	9,029,158	457,958,894
Total liabilities	34,445,281	1,554,859,984	35,448,933	1,797,969,882
STOCKHOLDER'S EQUITY				
Common stock, no par value, 200,000 shares authorized; 190,000 issued and outstanding	14,050,000	634,217,000	14,050,000	712,616,000
Retained earnings	(31,826,757)	(1,436,659,811)	(30,539,180)	(1,548,947,210)
Accumulated other comprehensive income	108,515	4,898,367	27,352	1,387,293
Total stockholder's equity	(17,668,242)	(797,544,444)	(16,461,828)	(834,943,916)
Total liabilities & stockholder's equity	16,777,039	757,315,540	18,987,105	963,025,966
Exchange rate used for translation : 1 US\$ =		45.14		50.72

See notes to consolidated financial statements.

Consolidated Statements of Stockholder's Equity (Deficit)

	Capital Stock		Retained Earnings (Deficit)		Accumulated Other Comprehensive Income		Total	
	US\$	Equivalent INR	US\$	Equivalent INR	US\$	Equivalent INR	US\$	Equivalent INR
Balance, April 1, 2008	14,050,000	634,217,000	(1,333,426)	(60,190,850)	-	-	12,716,574	574,026,150
Net(Loss)	-	-	(29,205,754)	(1,318,347,736)	-	-	(29,205,754)	(1,318,347,736)
Translation adjustment	-	-	-	-	27,352	1,234,669	27,352	1,234,669
Balance, April 1, 2009	14,050,000	634,217,000	(30,539,180)	(1,378,538,585)	27,352	1,234,669	(16,461,828)	(743,086,916)
Net(Loss)	-	-	(1,287,577)	(58,121,226)	-	-	(1,287,577)	(58,121,226)
Translation adjustment	-	-	-	-	81,163	3,663,698	81,163	3,663,698
Balance, April 1, 2010	14,050,000	634,217,000	(31,826,757)	(1,436,659,811)	108,515	4,898,367	(17,668,242)	(797,544,444)
Exchange rate used for translation : 1 US\$ =				45.14				

See notes to consolidated financial statements.



Consolidated Statements of Comprehensive Income

	2010		2009	
	US\$	Equivalent INR	US\$	Equivalent INR
Revenue	44,711,164	2,018,261,943	56,678,374	2,874,727,129
Cost of revenue				
Software costs and services provided by related company	14,930,692	673,971,437	13,089,581	663,903,548
Payroll, payroll taxes and other labour costs	20,584,546	929,186,406	30,387,938	1,541,276,215
Indirect costs of revenue	2,295,634	103,624,919	5,085,774	257,950,457
Total cost of revenue	37,810,872	1,706,782,762	48,563,293	2,463,130,221
Gross profit	6,900,292	311,479,181	8,115,081	411,596,908
Operating expenses				
Selling, general and administrative expenses	6,943,948	313,449,813	11,270,041	571,616,480
Depreciation	355,139	16,030,974	426,849	21,649,781
Goodwill impairment	-	-	24,667,492	1,251,135,194
Total operating expenses	7,299,087	329,480,787	36,364,382	1,844,401,455
	(398,795)	(18,001,606)	(28,249,301)	(1,432,804,547)
Other income (expense)				
Interest income:				
Bank	(36,226)	(1,635,242)	1,862	94,441
Related party	102,879	4,643,958	-	-
Interest expense:				
Bank	(219,132)	(9,891,618)	(668,710)	(33,916,971)
Related party	(674,347)	(30,440,024)	(469,108)	(23,793,158)
Other income	-	-	186,565	9,462,577
Other expense	(19,280)	(870,299)	(43,402)	(2,201,349)
Total other income (expense)	(846,106)	(38,193,225)	(992,793)	(50,354,461)
Net (loss) before income taxes	(1,244,901)	(56,194,831)	(29,242,094)	(1,483,159,008)
Less income taxes	42,676	1,926,395	(36,340)	(1,843,165)
Net (loss) before other comprehensive income	(1,287,577)	(58,121,226)	(29,205,754)	(1,481,315,843)
Other comprehensive income-translation adjustment	81,163	3,663,698	27,352	1,387,293
Comprehensive Loss	(1,206,414)	(54,457,528)	(29,178,402)	(1,479,928,549)
Exchange rate used for translation : 1 US\$ =		45.14		50.72

See notes to consolidated financial statements.

Consolidated Statements of Cash Flow

	2010		2009	
	US\$	Equivalent INR	US\$	Equivalent INR
CASH FLOWS FROM OPERATING ACTIVITIES				
Net (loss)	(1,287,577)	(58,121,226)	(29,205,754)	(1,481,315,843)
Adjustments to reconcile net (loss) to net cash flows provided by operating activities				
Depreciation	355,139	16,030,974	426,849	21,649,781
Gain on sale of assets	-	-	(163,889)	(8,312,450)
Currency Translation	81,163	3,663,698	27,352	1,387,293
Deferred taxes	33,500	1,512,190	(58,616)	(2,973,004)
Allowance for doubtful accounts	(538,060)	(24,288,028)	1,128,378	57,231,332
Changes in operating assets and liabilities:				
Accounts receivable and unbilled work in process	575,728	25,988,362	(386,315)	(19,593,897)
Prepaid expense and security deposits	(122,878)	(5,546,713)	(6,581)	(333,788)
Prepaid corporate income taxes	64,226	2,899,162	-	-
Loans to employees	445,110	20,092,265	(194,593)	(9,869,757)
Security Deposits	60,131	2,714,313	(4,290)	(217,589)
Goodwill impairment	-	-	24,667,492	1,251,135,194
Advances from related party	5,735,962	258,921,325	5,335,609	270,622,088
Accounts payable and accrued expenses	(2,324,716)	(104,937,680)	1,862,976	94,490,143
Deferred revenue	329,232	14,861,532	(289,622)	(14,689,628)
Net cash provided by operating activities	3,406,960	153,790,174	3,138,996	159,209,877
INVESTING ACTIVITIES				
Net activity from related party note receivable	869,481	39,248,372	(1,841)	(93,376)
Proceeds from sale of Geometric Technologies, Inc.	-	-	740,907	37,578,803
Acquisition of property, plant and equipment	(17,979)	(811,572)	(94,538)	(4,794,967)
Net cash provided by investing activities	851,502	38,436,800	644,528	32,690,460
FINANCING ACTIVITIES				
Net activity under note payable - bank	(8,137,151)	(367,310,996)	135,787	6,887,117
Repayments of long-term debt	(3,201,961)	(144,536,520)	(2,477,295)	(125,648,402)
Proceeds from long-term debt	-	-	34,562	1,752,985
Net activity under note payable to related party	6,531,987	294,853,893	(1,000,000)	(50,720,000)
Net cash (used in) financing activities	(4,807,125)	(216,993,623)	(3,306,946)	(167,728,301)
NET CHANGE IN CASH	(548,663)	(24,766,648)	476,578	24,172,036
CASH, Beginning	1,760,134	79,452,449	1,283,556	65,101,960
CASH, Ending	1,211,471	54,685,801	1,760,134	89,273,996
Supplemental Disclosures of Cash Flow Information				
Cash paid for income taxes	22,602	1,020,254	22,276	1,129,839
Cash paid for interest	1,056,188	47,676,326	921,425	46,734,676
Exchange rate used for translation : 1 US\$ =		45.14		50.72

See notes to consolidated financial statements.



Notes to Consolidated Financial Statements

Quarter and year ended March 31, 2010 and for the year ended March 31, 2009

NOTE 1 – NATURE OF BUSINESS AND ORGANIZATION

Geometric Americas, Inc. (the “Company”) was incorporated on August 18, 1997 as a Delaware Corporation and is a wholly-owned Company of Geometric Technologies, Inc. (the “Parent”). The Company provides marketing assistance and promotes software products and provides software consulting services for customers in eleven states. The Company’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. The company has wholly-owned consolidated subsidiaries in Romania and France.

On April 1, 2008, the Company merged with its wholly-owned subsidiary, Geometric Engineering, Inc. As of that date, Geometric Engineering, Inc., no longer existed and the surviving entity was Geometric Americas, Inc.

On March 26, 2009, the Company was acquired by Geometric Technologies, Inc. As of that date, Geometric Technologies, Inc., was the 100% parent company of Geometric Americas, Inc.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the Company is presented to assist in understanding the Company’s financial statements. The financial statements and notes are representations of the Company’s management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its majority-owned subsidiaries. All material intercompany accounts and transactions between them have been eliminated.

Basis of Accounting

The accompanying financial statements were prepared on the accrual basis, under which sales revenue is recorded when services are performed or title to goods sold is transferred, and expenses or cost of assets are recorded when liability for payment is incurred.

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, and disclosure of contingent assets and liabilities at 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.

Concentration of Credit Risk

The Company from time to time during the period covered by these financial statements may have bank balances in excess of its insured limits. Management has deemed this as a normal business risk.

For the quarter and year ended March 31, 2010 and for the year ended March 31, 2009, sales from major automotive manufacturers amount to \$3,855,008, \$20,129,365 and \$18,980,464, respectively, of total sales. Total billed and unbilled accounts receivable as of March 31, 2010 and 2009 was \$5,173,657 and \$4,887,079, respectively. The Company does not require collateral from its customers.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts and loans 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, 2010 and 2009 for both accounts receivable and unbilled work in process was \$635,176 and \$1,279,395, respectively.

Fixed Assets and Depreciation

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 various categories of the assets are as follows:

Computer Software:	3 Years
Computer Equipment:	3 Years
Office Equipment:	13 Years
Furniture & Fixtures:	10 Years
Machinery & Equipment:	13 Years
Leasehold Improvements:	Over the term of the lease

Revenue Recognition

Fixed fee projects: Revenue is recognized using the percentage-of-completion method. The percentage of completion is determined by comparing the actual costs incurred to date to an estimate of total costs to be incurred on each contract. If a loss is indicated on any contract in process, a provision is made currently for the entire loss. The Company’s contracts generally provide for billing of customers upon the

Notes to Consolidated Financial Statements

Quarter and year ended March 31, 2010 and for the year ended March 31, 2009

attainment of certain milestones specified in each contract. Revenue earned on contracts in process in excess of billings are 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.

Goodwill and Impairment

In accordance with ASC Topic Intangibles—Goodwill and Other, goodwill cannot be amortized; however, it must be tested annually for impairment. This impairment test is calculated 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. As of March 31, 2009, the Company performed a valuation as required per ASC Topic Intangibles – Goodwill and Other, and determined that the carrying value of the goodwill was in excess of fair value of the Company, and accordingly, an impairment of goodwill totaling \$24,667,492 was recognized in the accompanying consolidated statements of comprehensive income for the year ended March 31, 2009.

Income Taxes

Income taxes are provided at the applicable rates on the basis of items included in determination of income for income tax purposes. The Company's effective income tax rate is different than what would be expected if the Federal statutory rate were applied to income from continuing operations primarily because of expenses deductible for financial reporting purposes that are not deductible for tax purposes.

Effective January 1, 2009 the Company adopted ASC guidance regarding accounting for uncertainty in income taxes. This guidance clarifies the accounting for income taxes by prescribing the minimum recognition threshold an income tax position is required to meet before being recognized in the financial statements and applies to all income tax positions. Each income tax position is assessed using a two step process. A determination is first made as to whether it is more likely than not that the income tax position will be sustained, based upon technical merits, upon examination by the taxing authorities. If the income tax position is expected to meet the more likely than not criteria, the benefit recorded in the

financial statements equals the largest amount that is greater than 50% likely to be realized upon its ultimate settlement. At March 31, 2010, there were no uncertain tax positions that require accrual.

None of the Company's federal or state income tax returns are currently under examination by the Internal Revenue Service ("IRS") or state authorities. However fiscal years 2007 and later remain subject to examination by the IRS and respective states.

Deferred Income Taxes

Deferred income taxes are provided for timing differences between financial statement income and tax return income under the provisions of ASC topic 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 timing difference arises from a net operating loss carryforward. The tax effect of such differences is included annually on the statement of income and on the balance sheet as an adjustment to deferred income taxes.

Deferred taxes consist of the following:

	March 31, 2010		March 31, 2009	
	Short-term	Long-term	Short-term	Long-term
Assets	\$ 309,725	\$ 46,000	\$ 297,413	\$ 46,000
Liabilities	(11,300)	–	(26,600)	–
	\$ 298,425	\$ 46,000	\$ 270,813	\$ 46,000

For Federal income tax purposes the Company has net operating loss carryforwards of \$8,414,954 that expire through 2030, that may provide future tax benefit. The deferred tax assets are shown net of a valuation allowance of approximately \$3,170,000 for the year and quarter ended March 31, 2010 and \$3,250,000 for the year ended March 31, 2009 due to the uncertainty of the realization of the asset as it related to the net operating losses.

For state income tax purposes the Company has a deferred tax asset of approximately \$101,000 and \$173,500 as of March 31, 2010 and 2009, respectively.

Advertising Expense

The Company expenses advertising costs as incurred. Advertising expenses during the quarter and year ended March 31, 2010 and during the year ended March 31, 2009 were insignificant.

Subsequent Events

The Company has performed a review of events subsequent to the balance sheet date through April 15, 2010, the date the financial statements were available to be issued. For details on subsequent events requiring disclosure, See Note 22.



Notes to Consolidated Financial Statements

Quarter and year ended March 31, 2010 and for the year ended March 31, 2009

Reclassification

Certain reclassifications were made to the financial statements for the year ended March 31, 2009 to conform with the current year presentation.

NOTE 3 - NOTE RECEIVABLE

The note receivable consisted of the following:

	March 31	
	2010	2009
Note receivable from a related party. The note is non-interest bearing, due on demand and unsecured. The note is not expected to be repaid within one year.	\$ 853,650	\$ 853,650
Note receivable from a parent company. The note bears interest at 6%, due on demand and unsecured. The note is not expected to be repaid within one year.	732,360	1,601,841
	\$ 1,586,010	\$ 2,455,491

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following:

	March 31	
	2010	2009
Machinery and equipment	\$ 31,430	\$ 30,251
Computer equipment and software	1,578,186	1,452,248
Furniture and fixtures	67,836	128,683
Leasehold improvements	1,307	1,307
Office equipment	20,443	86,626
	1,699,202	1,699,115
Less accumulated depreciation	1,263,277	927,913
	\$ 435,925	\$ 771,202

NOTE 5 - GOODWILL

Following are the details of the balances in goodwill as of March 31, 2009:

	Amount
Amount paid to former owners of Geometric Engineering, Inc.	\$ 24,228,587
Costs associated with the acquisition	910,128
	25,138,715
Book value of Company's 100% investment in Geometric Engineering, Inc.	2,645,210
deferred tax asset valuation	(2,173,987)
Adjusted book value (deficit)	471,223
Excess of investment over book value accounted for as goodwill at March 31, 2009	24,667,492
Goodwill impairment	(24,667,492)
Carrying value of goodwill	\$ —

NOTE 6 - INVESTMENT IN GEOMETRIC TECHNOLOGIES, INC.

The Company owned 18% of the outstanding capital stock of Geometric Technologies, Inc. On March 27, 2009, the Company sold this stock to Geometric Limited, a related party. At March 31, 2009 the Company had a gain on sale of investment of \$163,889.

NOTE 7 - ADVANCE FROM RELATED PARTY

The Company provides marketing services to a related party and includes such fees in revenue. The Company receives programming and other support from a related party, for which the related party receives a fee. The advance from the related party account represents the net inter-company balance related to these transactions.

NOTE 8 - NOTE PAYABLE - BANK

The Company had a revolving credit agreement with a bank, under which it could borrow up to \$10,000,000 with interest at the prime rate plus 0.35% (prime rate at both March 31, 2010 and 2009 was 3.25%). The note matured in October 2009, and was secured by all assets of the Company, and was subject to various covenants. The note was guaranteed by Geometric Limited, a related company and associates. At March 31, 2010 and 2009, the Company had drawn \$-0- and \$8,137,151, respectively, under the note.

NOTE 9 - LONG-TERM DEBT

Long-term debt consists of the following:

	March 31	
	2010	2009
Note payable to a financial institution, payable in quarterly installments of \$800,000, with interest computed on the outstanding principal balance payable quarterly at LIBOR plus 1.25% (LIBOR was 0.84% and 2.12% at March 31, 2010 and 2009, respectively), secured by a mortgage on land and buildings owned by a related party through common ownership. The note is due October 2010.	\$ 2,400,000	\$ 5,600,000
Capital leases payable to financial institutions in monthly installments totaling \$12,372, including interest. Interest on the notes range from non-interest bearing to 8.50%. The notes were due through April 2009 and were secured by furniture and software.	—	1,961
Less current portion	2,400,000	5,601,961
	2,400,000	3,201,961
	\$ —	\$ 2,400,000

Notes to Consolidated Financial Statements

Quarter and year ended March 31, 2010 and for the year ended March 31, 2009

NOTE 10 - NOTE PAYABLE TO RELATED PARTY

The Company, at March 31, 2010 and 2009, had a \$6,561,145 and \$6,629,158, respectively, note payable to a related party, with interest at 6.75% per annum due quarterly. Under the terms of the note, principal payments are to be made upon the agreement of the Company and the related party. At March 31, 2010 and 2009, both parties considered the note to be non-current.

The Company, at March 31, 2010 and 2009, had a \$6,600,000 and \$-0-, respectively, note payable to a related party, with interest at 6% per annum due quarterly. Under the terms of the note, principal payments of \$183,333 are to begin in January 2011. The note is unsecured and due January 2013.

NOTE 11 - DEFERRED REVENUE

Revenue under fixed fee contracts is deferred and recognized over the term of the contract. At March 31, 2010 and 2009, deferred revenue totaled \$566,334 and \$237,102, respectively.

NOTE 12 - DEFERRED RENT

The Company has entered into operating lease agreements for its facilities, some of which contain periods in which rent payments are abated. In accordance with generally accepted accounting principles, the Company records monthly rent expense equal to the total of the payments due over the lease term, divided by the number of months of the lease term. The difference between rent expense recorded and the amount paid is credited or charged to deferred rent and is reflected on the balance sheet.

NOTE 13 - CAPITAL LEASE

The Company was the lessee of equipment under capital leases which were paid as of April 2009. The assets under the capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the assets. The assets are depreciated over the lower of its related lease terms or its estimated productive life.

The following is a summary of property held under the capital leases:

	March 31	
	2010	2009
Cost	\$ 34,564	\$261,739
Less accumulated depreciation	8,352	165,063
	\$ 26,212	\$ 96,676

Depreciation on assets under capital leases charged to expense for the quarter and year ended March 31, 2010 and for the year ended March 31, 2009 was \$864, \$3,456 and \$29,261, respectively.

Interest expense on the capital leases for the quarter and year ended March 31, 2010 and for the year ended March 31, 2009 was \$-0-, \$15 and \$2,262, respectively.

NOTE 14 - LEASE COMMITMENT

The Company had a non-cancelable lease for office space in Merrimack, New Hampshire, which terminated on May 31, 2008 under which monthly payments of \$852 were made. The lease contains provisions for additional charges for operating expenses. Upon termination of this lease, the Company entered into a month-to-month agreement for this office space. Rent expense under this lease was \$-0-, \$-0-, and \$2,200 for the quarter and year ended March 31, 2010 and for the year ended March 31, 2009, respectively.

The Company conducts operations from facilities and has various pieces of equipment that are leased under non-cancelable operating leases expiring at various dates through June 2012. Total rent expense under these leases was \$986,055, \$2,126,898 and \$2,424,790 for the quarter and year ended March 31, 2010 and for the year ended March 31, 2009, respectively. During the year ended March 31, 2009, the Company terminated three of their facilities leases early and termination fees were accrued for.

The Company leases various office space and equipment on a month-to-month basis. Rent expense under these leases was \$47,867, \$63,822 and \$-0- for the quarter and year ended March 31, 2010 and the year ended March 31, 2009, respectively.

The Company leases office space under an operating lease through May 2010 at \$250 per month. Total rent expense was \$750, \$3,336 and \$-0- for the quarter and year ended March 31, 2010 and the year ended March 31, 2009, respectively.

The Company subleases a facility to an unrelated party for monthly payments of \$4,912. The lease expires in February 2013. Total sublease income was \$14,737, \$58,950 and \$88,870 for the quarter and year ended March 31, 2010 and for the year ended March 31, 2009, respectively.

Total lease expense for the quarter and year ended March 31, 2010 and for the year ended March 31, 2009 was \$1,002,760, \$2,194,056 and \$2,426,990, respectively.

Minimum future rental payments under non-cancelable operating leases having initial or remaining terms in excess of one year as of March 31, 2010 for each of the next three years and in aggregate are:

Years ended March 31,	Amount
2011	\$ 519,217
2012	151,318
2013	7,837
	\$ 678,372



Notes to Consolidated Financial Statements

Quarter and year ended March 31, 2010 and for the year ended March 31, 2009

NOTE 15 - INCOME TAXES

Income taxes consist of the following:

	Year ended March 31	
	2010	2009
Federal:		
Current	\$ 1,965	\$ -
Deferred	(30,000)	-
State		
Current	7,211	22,276
Deferred	63,500	(58,616)
Total	\$ 42,676	\$ (36,340)

NOTE 16 - 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 plan provides for a discretionary matching contribution to be set by the employer. 401 (k) expense for the quarter and year ended March 31, 2010 and for the year ended March 31, 2009 was \$-0-.

NOTE 17 - SELF INSURANCE

The Company provided all full-time employees health and life insurance under a qualified sponsored plan. Under the plan, the Company was liable for the first \$100,000 of health insurance claims for each individual. Claims submitted in excess of \$100,000 per individual are then covered by catastrophe insurance. A reserve for unsubmitted claims as of March 31, 2010 and 2009 was \$11,212 and \$259,063. As of January 1, 2010 the Company discontinued their company provided self-insurance plan and converted to a standard insurance policy with an insurance carrier.

NOTE 18 - RELATED PARTY TRANSACTIONS

The related parties of Geometric Americas, Inc. and Subsidiaries (GAI) are as follows:

- (i) Geometric Ltd. (GLTD)
- (ii) Geometric Technologies, Inc. (GTI)
- (iii) Geometric China, Inc. (China)
- (iv) 3D PLM Software Solutions Limited (3DPLM)

Following are the related party transactions as of and for the year ended March 31 2010:

Particulars	GLTD	China	GTI	3D PLM
Outstanding AR Billed	1,770,972	-	49,369	18,302
Outstanding AR Unbilled	115,748	-	-	-
Software Services from GAI	807,689	-	-	-
Loan to GAI	13,161,145	-	-	-
Interest on loan to GAI	631,987	-	-	-
Loan from GAI	-	853,650	732,360	-
Interest on loan from GAI	-	-	60,519	-
Billed to GAI	15,620,473	-	3,000	-
Unbilled to GAI	-	-	-	-
Billed Outstanding	18,396,697	113,817	-	2,842

Following are the related party transactions as of and for the year ended March 31, 2009:

Particulars	GLTD	China	GTI	3D PLM
Outstanding AR Billed	49,608	-	145,757	-
Outstanding AR Unbilled	-	-	-	-
Software Services from GAI	450,782	-	-	-
Advance to GAI	10,798,254	-	-	-
Loan to GAI	6,629,158	-	-	-
Interest on loan to GAI	446,094	-	23,014	-
Loan from GAI	-	853,650	1,601,841	-
Interest on loan from GAI	-	-	1,841	-
Billed to GAI	617,512	88,915	113,240	-
Unbilled to GAI	22,756	-	-	-
Billed Outstanding	459,216	88,915	-	-
Software Costs	13,089,581	-	-	-

Notes to Consolidated Financial Statements

Quarter and year ended March 31, 2010 and for the year ended March 31, 2009

In addition to the above related party transactions, employees relocating from India to the United States are entitled to a \$6,000 interest free relocation loan that is ordinarily repaid over twenty-four months. Employee loans outstanding at March 31, 2010 and 2009 were \$156,782 and \$120,407, respectively. At March 31, 2010 and 2009, the allowance for doubtful accounts against the employee advances was \$123,070 and \$22,135, respectively.

NOTE 19 - FOREIGN CURRENCY TRANSLATION

The Company's functional currency for the United States operations is the U.S. dollar. The foreign subsidiaries' functional currency is their local currency. Assets and liabilities are translated at exchange rates in effect at the end of the year. Income statement accounts are translated at average rates for the year. Gains and losses from translation of foreign currency consolidated financial statements into U.S. dollars are included in comprehensive income. Gains and losses resulting from foreign currency transactions are also included in comprehensive income. Aggregate foreign currency translation and transaction gains included in comprehensive

income totaled \$46,911, \$81,163 and \$27,352 for the quarter and year ended March 31, 2010 and for the year ended March 31, 2009, respectively.

NOTE 20 - CONTINGENT LIABILITY

There exists a potential liability to the state unemployment commission for underpayment of previous year's tax. Currently, this liability has not been assessed by the state, however, it is estimated that the liability could be approximately \$350,000. Currently there is no accrual for this amount recorded in the financial statements.

NOTE 21 - BOARD APPROVAL OF FINANCIAL STATEMENTS

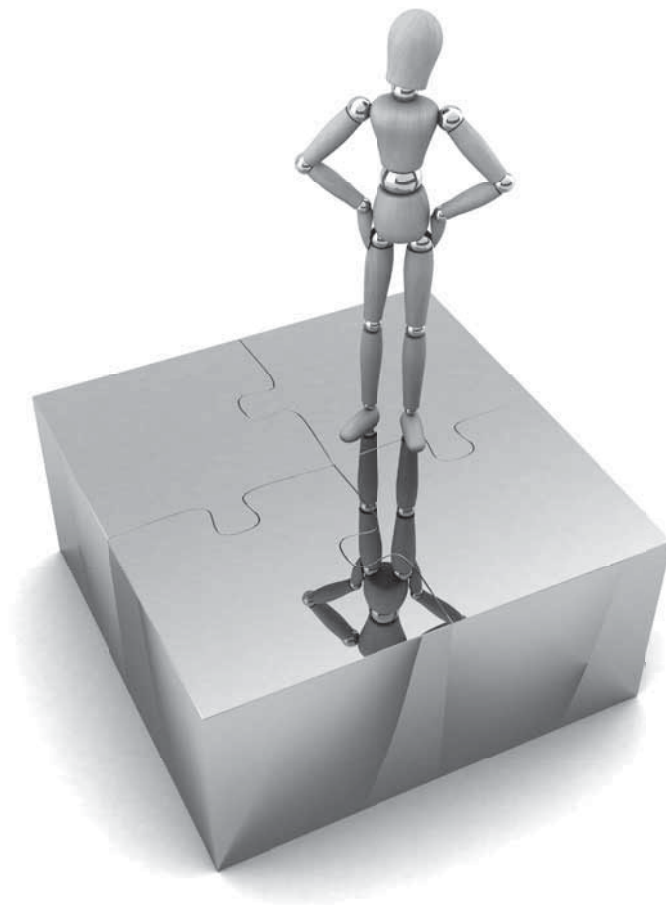
As of April 22, 2010, the board of director of Geometric Americas, Inc. and Subsidiaries had approved the financial statements for the year ended March 31, 2010.

NOTE 22 - SUBSEQUENT EVENT

Subsequent to the year end Geometric Technologies, Inc., the parent company, is in the process of merging with the Company.

Geometric S. R. L.

Annual Report and Financial Statements
for the year ended March 31, 2010



Regd. Office:
Parcul Mic Street 19-21
Brasov, RM 500386

Financial Statement of Geometric SRL Romania

Directors' Report

To the Members

The Directors hereby present their report for the year ended March 31, 2010

1. OPERATIONS

Total revenue of the Company during the year was USD 584,164 and net loss for the year was USD 307,017.

2. DIVIDEND

The Directors do not recommend payment of any dividend.

3. FUTURE OUTLOOK

The Company expect to perform better in the coming financial year, once the overall global economy recovers.

April 22, 2010

By Order of the Board
Manu Parpia

Balance Sheet as at March 31, 2010

	March 31			
	2010		2009	
	US Dollar	Equivalent Rs.	US Dollar	Equivalent Rs.
ASSETS AND LIABILITIES				
Non-current Assets				
Plant and Equipment	8,054	363,558	21,402	1,085,509
Current Assets				
Trade and Other Receivables	4,880	220,283	38,518	1,953,633
Cash and bank balance	53,212	2,401,990	37,619	1,908,036
Total Current Assets	58,092	2,622,273	76,137	3,861,669
Current Liabilities				
Trade and Other Payable	148,028	6,681,984	113,256	5,744,344
Notes Payable	240,000	10,833,600	-	-
Total Current Liabilities	388,028	17,515,584	113,256	5,744,344
Net Current Assets	(329,936)	(14,893,311)	(37,119)	(1,882,676)
Net Assets	(321,882)	(14,529,753)	(15,717)	(797,166)
EQUITY				
Share Capital	408,395	18,434,950	408,395	20,713,794
Reserves and Surplus	(730,277)	(32,964,704)	(424,112)	(21,510,961)
Total Equity	(321,882)	(14,529,753)	(15,717)	(797,166)
Exchange rate used for translation : 1USD =		45.14		50.72



Profit and Loss Account for the period ended March 31, 2010

	March 31			
	2010		2009	
	US Dollar	Equivalent Rs.	US Dollar	Equivalent Rs.
The directors hereby present their report for the year ended March 31, 2010				
Sales	584,164	26,369,163	988,210	50,122,011
Other Income	254	11,466	21	1,065
Total Income	584,418	26,380,629	988,231	50,123,076
Cost of Expenses				
Cost of Sales	757,127	34,176,713	838,643	42,535,973
staff cost	-	-	24,000	1,217,280
Depreciation	13,348	602,529	8,251	418,491
Other Operating Expenses	118,814	5,363,264	149,208	7,567,830
Total Expenses	889,289	40,142,505	1,020,102	51,739,573
Profit/(Loss) from operations	(304,871)	(13,761,877)	(31,871)	(1,616,497)
Finance costs	181	8,170	586	29,722
Profit/(Loss) before Taxation	(305,052)	(13,770,047)	(32,457)	(1,646,219)
Taxation	1,965	88,700	-	-
Net Profit/(Loss) for the year	(307,017)	(13,858,747)	(32,457)	(1,646,219)

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

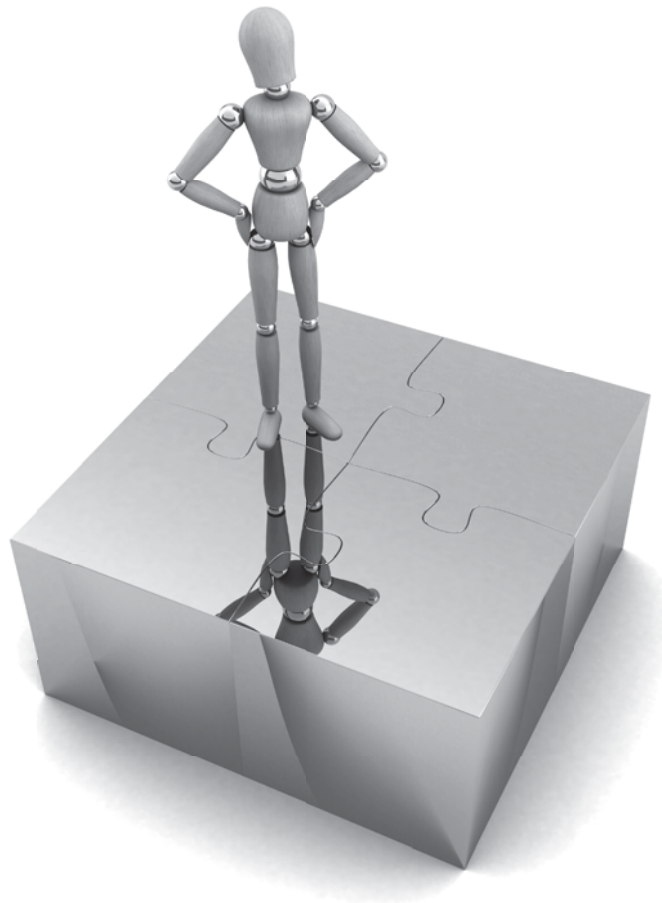
Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes, incidental expenses and financing cost of borrowed funds of fixed assets up to the date of commissioning/commercial exploitation of assets.

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	13 years
Furniture And Fixture	10 years
Machinery And Equipment	13 years
Leasehold Improvement	Over the term of the lease

Geometric SAS

Annual Report and Financial Statements
for the year ended March 31, 2010



Regd. Office:
Parc Technologique METROTECH
Immeuble 6 42650
Saint Jean Bonnefonds, France



Financial Statement of Geometric SAS, France

Directors' Report

To the Members

The Directors hereby present their report for the year ended March 31, 2010

1. OPERATIONS

The total revenue of the Company during the year was USD 767,988 and net loss for the year was USD 197,578.

2. DIVIDEND

The Directors do not recommend payment of any dividend .

3. FUTURE OUTLOOK

The Company expect to perform better in the coming financial year, once the overall global economy recovers.

April 22, 2010

By order of the Board
Manu Parpia

Balance Sheet as at March 31, 2010

	March 31			
	2010		2009	
	US Dollar	Equivalent Rs.	US Dollar	Equivalent Rs.
Non-current Assets				
Plant and Equipment	12,447	561,858	48,761	2,473,158
Current Assets				
Trade and Other Receivables	172,823	7,801,230	451,296	22,889,733
Cash and bank balance	116,285	5,249,105	101,460	5,146,051
Total Current Assets	289,108	13,050,335	552,756	28,035,784
Current Liabilities				
Trade and Other Payable	2,002,520	90,393,753	2,206,744	111,926,056
Provision for Taxation	-	-	-	-
Total Current Liabilities	2,002,520	90,393,753	2,206,744	111,926,056
Net Current Assets	(1,713,412)	(77,343,418)	(1,653,988)	(83,890,271)
Net Assets	(1,700,965)	(76,781,560)	(1,605,227)	(81,417,113)
EQUITY				
Share Capital	54,734	2,470,693	54,734	2,776,108
Reserves and Surplus	(1,755,699)	(79,252,253)	(1,659,961)	(84,193,222)
Total Equity	(1,700,965)	(76,781,560)	(1,605,227)	(81,417,113)
Exchange rate used for translation : 1USD =		45.14		50.72

Profit and Loss Account for the period ended March 31, 2010

	March 31			
	2010		2009	
	US Dollar	Equivalent Rs.	US Dollar	Equivalent Rs.
The directors hereby present their report for the year ended March 31, 2010				
Sales	767,988	34,666,978	1,766,397	89,591,656
Other Income		-		-
Total Income	767,988	34,666,978	1,766,397	89,591,656
Cost of Expenses				
Cost of Sales	470,947	21,258,548	1,492,454	75,697,267
staff cost	316,657	14,293,897	628,003	31,852,312
Depreciation	38,195	1,724,122	43,401	2,201,299
Other Operating Expenses	139,767	6,309,082	376,908	19,116,774
Total Expenses	965,566	43,585,649	2,540,766	128,867,652
Profit/(Loss) from operations	(197,578)	(8,918,671)	(774,369)	(39,275,996)
Finance costs	-	-	-	-
Profit/(Loss) before Taxation	(197,578)	(8,918,671)	(774,369)	(39,275,996)
Taxation	-	-	-	-
Net Profit/(Loss) for the year	(197,578)	(8,918,671)	(774,369)	(39,275,996)

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.

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revenues and expenses. Invoicing schedules vary from project to project but include billed upon completion and progress or milestone billings.

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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.

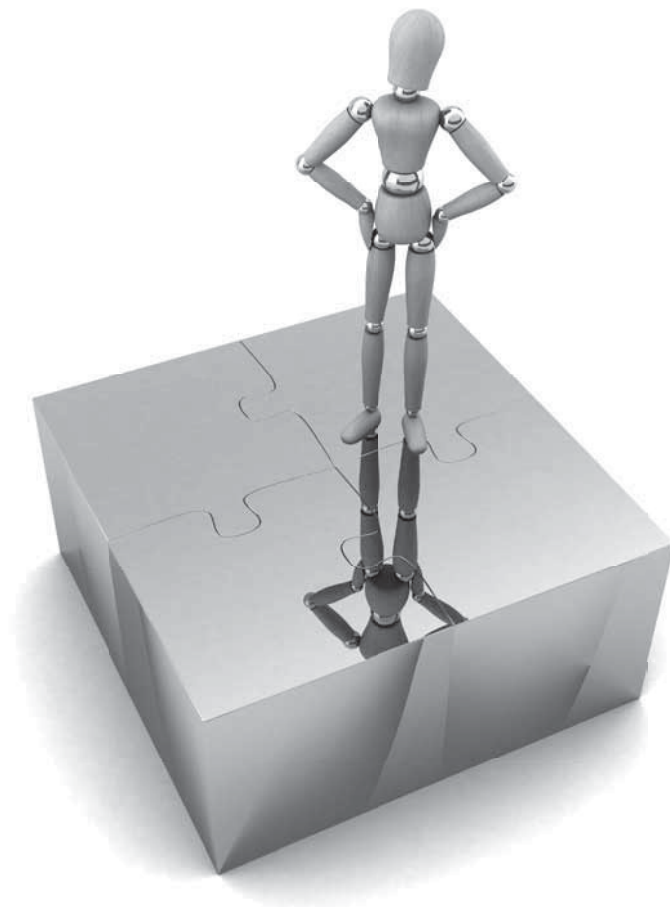
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Computer Equipment	3 years
Office Equipment	13 years
Furniture and Fixture	10 years
Machinery and Equipment	13 years
Leasehold Improvement	Over the term of the lease

Geometric Asia-Pacific Pte. Ltd. and Subsidiaries

(Incorporated in the Republic of Singapore)
(Registration Number: 200202986 R)

Annual Report and Financial Statements for the year ended March 31, 2010



Regd. Office:
78 Shenton Way #26-02A
Singapore 079210

Report of the Directors

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 subsidiary (the “Group”) for the financial year ended March 31, 2010.

1. DIRECTORS

The Directors of the Company in office at the date of this report are:

Parpia Manu Mahmud
Low Tiak Huan
Ravishankar Gopalakrishnan

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 01.04.09	At 31.03.10	At 01.04.09	At 31.03.10
Holding Company -				
Geometric Limited				
Parpia Manu Mahmud	O/S	O/S	47,15,405	46,65,405
Low Tiak Huan	O/S	O/S	27,110	27,110
Ravishankar Gopalakrishnan	O/S	O/S	-	-
Share Options				
Parpia Manu Mahmud	O/S	O/S	-	-
Low Tiak Huan	O/S	O/S #	2,110 *	-
Ravishankar Gopalakrishnan	O/S	O/S ^	100,000 *	350,000

* Options convertible into shares of INR 2 each.

On July 20, 2009, 1,440 options & December 10, 2009, 670 options - lapsed.

^ On April 27, 2009, 250,000 options were granted

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 of its subsidiary Company.

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.



Report of the Directors (Contd.)

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.

6. AUDITORS

The auditors, Messrs Rohan • Mah & Partners, Certified Public Accountants, have expressed their willingness to accept re-appointment.

On behalf of the Board

Parpia Manu Mahmud
Director

Ravishankar Gopalakrishnan
Director

Singapore,

April 22, 2010

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 subsidiary (the "Group") as at March 31, 2010 and of the results of the business, changes in equity and cash flows of the Company and the Group 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

Ravishankar Gopalakrishnan
Director

Singapore,

April 22, 2010

Independent Auditors' Report to the members of Geometric Asia Pacific Pte. Ltd. (Incorporated in the Republic of Singapore) and Its Subsidiary

We have audited the accompanying consolidated financial statements of Geometric Asia Pacific Pte. Ltd. ("the Company") and its subsidiary ("the Group"), which comprise the consolidated balance sheet and balance sheet of the Company as at March 31, 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flow cash flows of the Group and the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) 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 income statement and balance sheet and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

Auditors' 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 whether the financial statements are free from material misstatement.

The prior year audit report was qualified on the following basis:

The effect of foreign currency revaluation between USD and Renminbi relating to intercompany balances on the financial statements of the subsidiary for the year ended March 31, 2008 had only been taken up in the year ended March 31, 2009. As a result, the opening balances of the

subsidiary's financial statements as at April 1, 2008 do not include unrealised foreign exchange losses amounting to approximately S\$ 355,520 which had it been included, would have had a significant impact on the profit or loss of the Group for the year ended March 31, 2009.

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 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 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,

- (a) the consolidated financial statements of the Group and of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the "Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and the Group as at March 31, 2010 and the results, changes in equity and cash flows of the Company and the Group for the year ended on that date; and
- (b) 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 Accountant and
Certified Public Accountants
Singapore, April 22, 2010

(RK/AJ/JB/ay)



Consolidated Balance Sheet as at March 31, 2010

	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	39,176	1,265,777	54,271	1,810,481	10,798	348,883	17,479	583,099
Goodwill on acquisition	5	–	–	–	–	–	–	–	–
Investment in subsidiary	6	–	–	–	–	–	–	–	–
		39,176	1,265,777	54,271	1,810,481	10,798	348,883	17,479	583,099
Current Assets									
Trade receivables	7	1,714,010	55,379,663	2,810,088	93,744,536	1,274,757	41,187,399	2,429,666	81,053,658
Other receivables, deposits and prepayments	8	236,838	7,652,236	1,189,192	39,671,445	1,348,806	43,579,922	1,814,101	60,518,409
Cash and cash equivalents	9	565,707	18,277,993	1,266,144	42,238,564	467,912	15,118,237	1,171,502	39,081,307
		2,516,555	81,309,892	5,265,424	175,654,545	3,091,475	99,885,557	5,415,269	180,653,374
Current Liabilities									
Trade and other payables	10	2,004,644	64,770,048	4,076,459	135,990,672	628,366	20,302,505	2,429,956	81,063,332
Provision for taxation		14,490	468,172	116,949	3,901,419	14,490	468,172	116,949	3,901,419
		2,019,134	65,238,220	4,193,408	139,892,091	642,856	20,770,677	2,546,905	84,964,751
Net Current Assets		497,421	16,071,673	1,072,016	35,762,454	2,448,619	79,114,880	2,868,364	95,688,623
Net Assets		536,597	17,337,449	1,126,287	37,572,934	2,459,417	79,463,763	2,885,843	96,271,722
EQUITY									
Capital and reserve attributable to equity holders of the company									
Share capital	11	100,000	3,231,000	100,000	3,336,000	100,000	3,231,000	100,000	3,336,000
Retained earnings		74,841	2,418,113	795,772	26,546,954	2,359,417	76,232,763	2,785,843	92,935,722
Translation exchange reserve		361,756	11,688,336	230,515	7,689,980	–	–	–	–
Total Equity		536,597	17,337,449	1,126,287	37,572,934	2,459,417	79,463,763	2,885,843	96,271,722
Exchange rate used for translation 1 SGD = Rs.									
			32.31		33.36		32.31		33.36

The accompanying notes form an integral part of these financial statements.

Profit & Loss Account for the year ended March 31, 2010

	Note	The Group				The Company			
		Current Year		Previous Year		Current Year		Previous Year	
		Equivalent INR		Equivalent INR		Equivalent INR		Equivalent INR	
		S\$		S\$		S\$		S\$	
Continuing operations									
Revenue	12	6,488,862	209,655,131	11,393,888	380,100,104	5,680,263	183,529,298	10,495,547	350,131,448
Cost of services	13	(4,471,339)	(144,468,963)	(8,124,807)	(271,043,562)	(4,430,361)	(143,144,964)	(8,079,592)	(269,535,189)
Gross profit		2,017,523	65,186,168	3,269,081	109,056,542	1,249,902	40,384,334	2,415,955	80,596,259
Other income	14	251,739	8,133,687	299,556	9,993,188	249,501	8,061,377	299,186	9,980,845
Administration expenses	16	(2,642,936)	(85,393,262)	(3,341,872)	(111,484,850)	(1,587,717)	(51,299,136)	(1,903,286)	(63,493,621)
Other operating expenses	17	(344,788)	(11,140,100)	(1,345,464)	(44,884,679)	(335,643)	(10,844,625)	(30,440)	(1,015,478)
Loss before taxation		(718,462)	(23,213,507)	(1,118,699)	(37,319,799)	(423,957)	(13,698,051)	781,415	26,068,004
Taxation	18	(2,469)	(79,773)	(116,112)	(3,873,496)	(2,469)	(79,773)	(116,112)	(3,873,496)
Loss from operations		(720,931)	(23,293,281)	(1,234,811)	(41,193,295)	(426,426)	(13,777,824)	665,303	22,194,508
Total loss		(720,931)	(23,293,281)	(1,234,811)	(41,193,295)	(426,426)	(13,777,824)	665,303	22,194,508
Other comprehensive income									
Currency translation differences arising from consolidation		361,756	11,688,336	230,515	7,689,980	-	-	-	-
Other comprehensive income, net tax		361,756	11,688,336	230,515	7,689,980	-	-	-	-
Total comprehensive income		(359,175)	(11,604,944)	(1,004,296)	(33,503,315)	-	-	-	-
Loss attributable to:									
Equity holders of the Company		(720,931)	(23,293,281)	(1,234,811)	(41,193,295)	(426,426)	(13,777,824)	665,303	22,194,508
Total comprehensive income attributable to:									
Equity holders of the Company		(359,175)	(11,604,944)	(1,004,296)	(33,503,315)	(426,426)	(13,777,824)	665,303	22,194,508
Exchange rate used for translation 1 SGD = Rs.			32.31		33.36		32.31		33.36

The accompanying notes form an integral part of these financial statements.



Change in equity for the year ended March 31, 2010

The Group	Share Capital		Translation Exchange Reserve		Retained Earnings		Total	
	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR
As at 1 April 2008	100,000	3,231,000	1,135	36,672	2,030,583	65,608,137	2,131,718	68,875,809
Total comprehensive income for the year	–	–	229,380	7,411,268	(1,234,811)	(39,896,743)	(1,005,431)	(32,485,476)
As at 31 March 2009	100,000	3,231,000	230,515	7,447,940	795,772	25,711,393	1,126,287	36,390,333
Total comprehensive loss for the year	–	–	131,241	4,240,397	(720,931)	(23,293,281)	(589,690)	(19,052,884)
As at 31 March 2010	100,000	3,231,000	361,756	11,688,336	74,841	2,418,113	536,597	17,337,449
The Company	Share Capital		Translation Exchange Reserve		Retained Earnings		Total	
	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR
As at 1 April 2008	100,000	3,231,000	–	–	2,120,540	68,514,647	2,220,540	71,745,647
Total comprehensive income for the year	–	–	–	–	665,303	21,495,940	665,303	21,495,940
As at 31 March 2009	100,000	3,231,000	–	–	2,785,843	90,010,587	2,885,843	93,241,587
Total comprehensive loss for the year	–	–	–	–	(426,426)	(13,777,824)	(426,426)	(13,777,824)
As at 31 March 2010	100,000	3,231,000	–	–	2,359,417	76,232,763	2,459,417	79,463,763

Exchange rate used for translation 1 SGD = Rs. 32.31

The accompanying notes form an integral part of these financial statements.

Cash Flow Statement for the year ended March 31, 2010

	The Group				The Company			
	Current Year S\$	Equivalent INR	Previous Year S\$	Equivalent INR	Current Year S\$	Equivalent INR	Previous Year S\$	Equivalent INR
CASH FLOWS FROM OPERATING ACTIVITIES								
(Loss)/Profit before tax	(718,462)	(23,213,507)	(1,118,699)	(37,319,799)	(423,957)	(13,698,051)	781,415	26,068,004
Adjustments for:								
Depreciation of plant and equipment	22,422	724,455	31,635	1,055,344	8,847	285,847	19,492	650,253
Exchange difference on plant and equipment	6,091	196,800	(1,491)	(49,740)	(534)	(17,254)	(1,491)	(49,740)
Impairment of investment in subsidiary	—	—	—	—	—	—	10,948	365,225
Allowance for doubtful debts	24,740	799,349	—	—	24,740	799,349	—	—
Impairment of goodwill	—	—	953,123	31,796,183	—	—	—	—
Interest income	(2,134)	(68,950)	(2,134)	(71,190)	(195)	(6,300)	(1,764)	(58,847)
Operating (loss)/profit before working capital changes	(667,343)	(21,561,852)	(137,566)	(4,589,202)	(391,099)	(12,636,409)	808,600	26,974,896
Trade and other receivables	2,056,915	66,458,924	355,231	11,850,506	1,595,464	51,549,442	(80,788)	(2,695,088)
Trade and other payables	(1,983,675)	(64,092,539)	(110,532)	(3,687,348)	(1,801,590)	(58,209,373)	(669,240)	(22,325,846)
Cash generated from operations	(594,103)	(19,195,468)	107,133	3,573,957	(597,225)	(19,296,340)	58,572	1,953,962
Interest received	2,134	68,950	2,134	71,190	195	6,300	1,764	58,847
Taxation paid	(104,928)	(3,390,224)	(635,664)	(21,205,751)	(104,928)	(3,390,224)	(635,603)	(21,203,716)
Net cash (used in)/generated from operating activities	(696,897)	(22,516,742)	(526,397)	(17,560,604)	(701,958)	(22,680,263)	(575,267)	(19,190,907)
CASH FLOWS FROM INVESTING ACTIVITY								
Acquisition of plant and equipment	(10,653)	(344,198)	(22,330)	(744,929)	(2,700)	(87,237)	(13,331)	(444,722)
Net cash (used in)/generated from investing activities	(10,653)	(344,198)	(22,330)	(744,929)	(2,700)	(87,237)	(13,331)	(444,722)
Net (decrease)/increase in cash and cash equivalents	(707,550)	(22,860,941)	(548,727)	(18,305,533)	(704,658)	(22,767,500)	(588,598)	(19,635,629)
Cash and cash equivalents at beginning of year	1,266,144	40,909,113	1,822,771	60,807,641	1,171,502	37,851,230	1,760,100	58,716,936
Effect of exchange rate on cash held	7,113	229,821	(7,900)	(263,544)	—	—	—	—
Cash and cash equivalents at end of year (Note 9)	565,707	18,277,993	1,266,144	42,238,564	467,912	15,118,237	1,171,502	39,081,307
Cash and cash equivalents comprise:								
Cash and bank balances	565,707	18,277,993	1,266,144	42,238,564	467,912	15,118,237	1,171,502	39,081,307
Exchange rate used for translation 1 SGD = Rs.		32.31		33.36		32.31		33.36

The accompanying notes form an integral part of these financial statements.



Notes to the Financial Statements - March 31, 2010

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 March 31, 2010 relate to the Company and its subsidiary (together referred to as 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 activity of the subsidiary is the designing of automobiles and their spare parts.

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 March 31, 2010 were authorised for issue in accordance with a resolution of the Directors on April 22, 2010.

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 process of applying the Company'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 2009. 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 Company 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 Basis 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. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and contingent liabilities assumed in a business combination are measured initially at their fair values on the date of acquisition, irrespective of the extent of any minority interest.

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, intercompany transactions, balances and recognised gains on transactions between group companies are eliminated; recognised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Minority interest is that part of the net results of operations and of net assets of a subsidiary attributable to interests which are not owned directly or indirectly by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the date of acquisition by the Group and the minorities' share of changes in equity since the date of acquisition, except when the losses applicable

Notes to the Financial Statements - March 31, 2010

to the minority in a subsidiary exceed the minority interest in the equity of that subsidiary. In such cases, the excess and further losses applicable to the minority are attributed to the equity holders of the Company, unless the minority has a binding obligation to, and is able to, make good the losses. When that subsidiary subsequently reports profits, the profits applicable to the minority are attributed to the equity holders of the Company until the minority's share of losses previously absorbed by the equity holders of the Company has been recovered.

Please refer to Note 2.3 for the Company's accounting policy on investment in subsidiaries.

2.3 Subsidiary

A subsidiary is a company in which the Company, directly or indirectly, holds more than 50% of the issued share capital, or controls more than half of the voting power, or controls the composition of the board of directors.

Investment in a subsidiary at the Company level is accounted for at cost less any impairment losses.

On disposal of investments in a subsidiary, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the statement of comprehensive income.

2.4 Goodwill

Goodwill represents the excess of the cost of an acquisition of a subsidiary over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Negative goodwill arises when the reverse situation occurs.

Goodwill is recognised separately as intangible assets and carried at cost less accumulated impairment loss.

Negative goodwill is recognised in the statement of comprehensive income immediately upon the acquisition of subsidiaries.

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
Building fixtures	10
Furniture and fittings	3 - 5
Office equipments	3

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 income statement. 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.



Notes to the Financial Statements - March 31, 2010

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 on a time proportion basis 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 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 income statement.

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 hyper inflationary 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 income statements 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 150 to the foreign currency translation reserve within equity.

Goodwill and fair value adjustments arising on acquisition of a foreign entity on or after January 1, 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

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Notes to the Financial Statements - March 31, 2010

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 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 Group's cash management.

2.11 Impairment of Non-Financial Assets

Plant and Equipment

Investment in Subsidiary

Plant and equipment, investments in subsidiary, and other receivable 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 statement of comprehensive income 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 recognised 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.

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 arising from the business combination.

An impairment loss is recognised when the carrying amount of a CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of a CGU is the higher of the CGU's fair value less cost to sell and value-in-use.

The total impairment loss of a CGU 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.

An impairment loss on goodwill is recognised in the statement of comprehensive income and is not reversed in a subsequent period.

2.12 Impairment of Financial Assets

The Group 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 recognised 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 recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

2.13 Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for



Notes to the Financial Statements - March 31, 2010

impairment of trade receivables is established when there is objective evidence that the Group 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 recognised in the income statement.

2.14 Trade and Other Payables

Other receivable are stated at fair value and subsequently measured at amortised cost, using effective interest method.

Liabilities for trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Interest-bearing liabilities are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the statement of comprehensive income over the period of the borrowing on an effective interest basis.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are recognised as well as through the recognised process.

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 recognized 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 recognized in the financial year to which they relate.

2.19.2 Employee Leave Entitlement

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.

Notes to the Financial Statements - March 31, 2010

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.

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.

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.

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.

(i) 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.

(ii) Income taxes

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement 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 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.

(iii) Impairment of advance costs

The Group determines the recoverability of the costs incurred on contracts that cannot be billed. This determination requires significant judgement. The Group exercises its judgement using historical and industry trends, general market conditions, forecasts and other available information. An error in the judgement may impact the amount of advance cost to be carried in the balance sheet.



Notes to the Financial Statements - March 31, 2010

4. PLANT AND EQUIPMENT

The Group

2010	Building Fixtures S\$	Computer S\$	Furniture & Fittings S\$	Total S\$
Cost				
At 01.04.09	13,648	83,863	26,492	124,003
Additions	-	7,953	2,700	10,653
Translation adjustment	(599)	(5,548)	(1,049)	(7,156)
At 31.03.10	13,089	86,268	28,143	127,500
Accumulated Depreciation				
At 01.04.09	4,052	46,058	19,622	69,732
Depreciation for the year	2,340	14,588	5,494	22,422
Translation adjustment	(250)	(2,756)	(824)	(3,830)
At 31.03.10	6,142	57,890	24,292	88,324
Carrying Amount				
At 31.03.10	6,947	28,378	3,851	39,176
2009	Building Fixtures S\$	Computer S\$	Furniture & Fittings S\$	Total S\$
Cost				
At 01.04.08	11,955	67,608	11,528	91,091
Additions	-	8,999	13,331	22,330
Translation adjustment	1,693	7,256	1,633	10,582
At 31.03.09	13,648	83,863	26,492	124,003
Accumulated Depreciation				
At 01.04.08	-	29,458	3,360	32,818
Depreciation for the year	2,927	13,156	15,552	31,635
Translation adjustment	1,125	3,444	710	5,279
At 31.03.09	4,052	46,058	19,622	69,732
Carrying Amount				
At 31.03.09	9,596	37,805	6,870	54,271

Notes to the Financial Statements - March 31, 2010

4. PLANT AND EQUIPMENT - cont'd

The Company

2010	Building Fixtures S\$	Computer S\$	Furniture & Fittings S\$	Total S\$
Cost				
At 01.04.09	13,648	10,048	26,492	50,188
Additions	-	-	2,700	2,700
Exchange difference	(559)	-	(1,049)	(1,608)
At 31.03.10	13,089	10,048	28,143	51,280
Accumulated Depreciation				
At 01.04.09	4,052	9,035	19,622	32,709
Depreciation for the year	2,340	1,013	5,494	8,847
Exchange difference	(250)	-	(824)	(1,074)
At 31.03.10	6,142	10,048	24,292	40,482
Carrying Amount				
At 31.03.10	6,947	-	3,851	10,798
2009	Building Fixtures S\$	Computer S\$	Furniture & Fittings S\$	Total S\$
Cost				
At 01.04.08	11,955	10,048	11,528	33,531
Additions	-	-	13,331	13,331
Exchange difference	1,693	-	1,633	3,326
At 31.03.09	13,648	10,048	26,492	50,188
Accumulated Depreciation				
At 01.04.08	-	8,022	3,360	11,382
Depreciation for the year	2,927	1,013	15,552	19,492
Exchange difference	1,125	-	710	1,835
At 31.03.09	4,052	9,035	19,622	32,709
Carrying Amount				
At 31.03.09	9,596	1,013	6,870	17,479



Notes to the Financial Statements - March 31, 2010

5. GOODWILL ON ACQUISITION

The Group	S\$	S\$
Cost		
At March 31, 2010 and March 31, 2009	953,123	953,123
Impairment losses		
At March 31, 2009	953,123	-
Impairment loss for the year	-	953,123
At March 31, 2010	953,123	953,123
Carrying amount		
At March 31, 2010 and March 31, 2009	-	-

6. INVESTMENT IN SUBSIDIARY

	2010 S\$	2009 S\$
Unquoted equity, at cost	10,948	10,948
Less: Impairment loss	(10,948)	(10,948)
	-	-

Details of the subsidiary are as follows:

Name of Company	Country of incorporation	Effective equity held by the Group		Cost of investment	
		2010 %	2009 %	2010 S\$	2009 S\$
You Hua Engineering Machinery Design Corporation*	China	100	100	10,948	10,948

The principal activity of its subsidiary is the designing of automobiles and their spare parts.

On January 18, 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 February 1, 2008. The cost of investment of S\$10,948 relate to the professional fees for the share transfer.

* Audited by My Whole Way Certified Public Accountants,
Shanghai, the People's Republic of China

Notes to the Financial Statements - March 31, 2010

7. TRADE RECEIVABLES

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Trade receivables	1,738,750	2,810,088	1,299,497	2,429,666
Less: impairment				
Balance at beginning of year	-	26,674	-	26,674
Allowance made during the year	24,740	-	24,740	-
Allowance no longer required	-	(26,674)	-	(26,674)
Balance at end of year	24,740	-	24,740	-
	1,714,010	2,810,088	1,274,757	2,429,666

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		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Japanese Yen	820,326	767,796	820,326	767,796
Singapore Dollar	61,108	87,740	61,108	87,740
United States Dollar	771,810	1,574,130	393,323	1,574,130
China Renminbi	60,766	380,422	-	-
	1,714,010	2,810,088	1,274,757	2,429,666

The aging of trade receivables at the reporting date is:

The Group	Impairment		Impairment	
	Gross	losses	Gross	losses
	2010	2010	2009	2009
	S\$	S\$	S\$	S\$
Not past due	720,660	-	1,565,382	-
Past due 31 - 60 days	137,484	-	95,324	-
Past due 61 - 90 days	30,672	-	351,181	-
More than 90 days	825,194	-	798,201	-
	1,714,010	-	2,810,088	-



Notes to the Financial Statements - March 31, 2010

7. TRADE RECEIVABLES (Contd.)

The Company	Impairment		Impairment	
	Gross	losses	Gross	losses
	2010	2010	2009	2009
	S\$	S\$	S\$	S\$
Not past due	670,579	-	1,319,307	-
Past due 31 - 60 days	129,265	-	95,324	-
Past due 61 - 90 days	30,672	-	351,181	-
More than 90 days	444,241	-	663,854	-
	1,274,757	-	2,429,666	-

The Company and the Group did not make any impairment allowance during the year on the basis that customers have confirmed to pay most of the debts by the end of April 2010. These receivables are mainly arising by customers that have good record with the Company.

8. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Amount due from subsidiary	-	-	1,144,030	686,529
Advance costs	-	641,819	-	641,819
Deposits	83,671	141,038	66,401	79,361
Prepayment	47,085	70,721	47,085	70,721
Amount due from staff	30,570	22,191	30,570	22,191
Amount due from directors	1,974	-	1,974	-
Other receivables	14,915	52,073	123	52,130
Tax refundable	58,623	261,350	58,623	261,350
	236,838	1,189,192	1,348,806	1,814,101

The carrying amounts of other receivables approximate their fair values.

Amount due from subsidiary and staff are unsecured, non-interest bearing and no fixed term of repayment.

Other receivables are denominated in the following currencies:

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Japanese Yen	166,684	392,519	342,816	392,519
Singapore Dollar	30,700	272,796	62,257	272,796
United States Dollar	17,027	452,844	938,575	1,139,373
Korean Won	1,230	1,511	1,230	1,511
China Renminbi	21,197	69,522	3,928	7,902
	236,838	1,189,192	1,348,806	1,814,101

Notes to the Financial Statements - March 31, 2010

9. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Cash and bank balances	565,707	1,266,144	467,912	1,171,502

The carrying amounts of cash and cash equivalents approximate their fair values.

Cash and cash equivalents are denominated in the following currencies:

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Japanese Yen	393,176	739,696	393,176	739,696
Singapore Dollar	27,204	7,001	27,204	7,001
United States Dollar	115,580	412,650	34,272	406,145
Korean Won	13,260	18,660	13,260	18,660
China Renminbi	16,487	88,137	-	-
	565,707	1,266,144	467,912	1,171,502

10. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Trade payables	164,360	2,401	164,360	2,401
Advance billings	15,871	51,029	-	36,475
Amount due to holding corporation				
- trade	151,663	2,233,875	134,521	2,153,566
Amount due to related companies	1,343,265	1,530,251	-	-
Accrued operating expenses	294,547	197,225	294,547	186,938
Amount due to directors	-	-	-	-
Other payables	34,938	61,678	34,938	50,576
	2,004,644	4,076,459	628,366	2,429,956

Amount due to holding company and 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:

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Japanese Yen	-	160,134	-	160,134
Singapore Dollar	204,245	72,844	204,245	72,844
United States Dollar	1,778,805	2,191,559	418,398	2,191,559
Korean Won	2,706	2,401	2,706	2,401
China Renminbi	18,888	1,649,521	3,017	3,018
	2,004,644	4,076,459	628,366	2,429,956



Notes to the Financial Statements - March 31, 2010

11. SHARE CAPITAL

	2010		2009	
	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
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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.

12. REVENUE

Revenue represents the software development services and sale of software products.

13. COST OF SERVICES

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$

Cost of services include the following:

Staff costs

Wages, salaries and related costs	1,151,676	3,252,955	1,151,676	3,252,955
Defined contribution pension costs	249,158	437,578	249,158	437,578
(Note 14)	1,400,834	3,690,533	1,400,834	3,690,533

14. OTHER INCOME

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Interest income	383	2,134	195	1,764
Gain on foreign exchange	86,815	268,749	84,765	268,749
Other	164,541	28,673	164,541	28,673
	251,739	299,556	249,501	299,186

15. STAFF COSTS

Staff costs (including executive directors)

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Salaries, bonus and other related costs	2,651,765	4,819,322	2,010,350	4,067,497
Defined contribution pension costs	280,682	480,150	280,682	480,150
	2,932,447	5,299,472	2,291,032	4,547,647
Less: included in cost of services (Note 12)	(1,400,834)	(3,690,533)	(1,400,834)	(3,690,533)
	1,531,613	1,608,939	890,198	857,114

16. ADMINISTRATION EXPENSES

Administration expenses include:

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Professional fees	121,276	182,186	121,276	182,186
Sales commission	189,393	144,694	189,393	144,694
Travelling expenses	166,323	282,021	100,238	180,558

Notes to the Financial Statements - March 31, 2010

17. OTHER OPERATING EXPENSES

	The Group 2010 S\$	2009 S\$	The Company 2010 S\$	2009 S\$
Depreciation	22,422	31,635	8,847	19,492
Loss on foreign exchange	248,462	360,706	239,234	-
Impairment of investment in subsidiary	-	-	-	10,948
Impairment of goodwill	953,123	953,123	-	-

18. TAXATION

Major components of income tax expense for the year ended March 31 were:

	The Group 2010 S\$	2009 S\$	The Company 2010 S\$	2009 S\$
Based on results for the year:				
Current Taxation				
- current year	-	115,000	-	115,000
- under-provision in prior year	1,404	-	1,404	-
Foreign tax	1,065	1,112	1,065	1,112
	2,469	116,112	2,469	116,112

A reconciliation between the tax expense and the product of accounting result multiplied by the applicable tax rate for the year ended March 31, 2010 was as follows:

	The Group 2010 S\$	2009 S\$	The Company 2010 S\$	2009 S\$
(Loss)/Profit before taxation	(724,026)	(1,118,699)	(423,957)	781,415
Tax expense on (loss)/profit before tax at 17% (2009: 18%)	(123,084)	(201,366)	(72,073)	140,655
Non-deduction expenses	16,622	171,744	16,622	2,152
Unutilised tax losses	106,462	172,429	55,451	-
Under-provision in prior years	1,404	-	1,404	-
Tax exemption	-	(27,450)	-	(27,450)
Others	-	7,029	-	7,029
Utilisation of capital allowances	-	-	-	-
Foreign tax suffered	1,065	(6,274)	1,065	(6,274)
Income tax as per income statement	2,469	116,112	2,469	116,112

Unrecognised deferred tax assets:

Deferred tax assets have not been recognised in respect of the following items:

Others	-	182	-	182
Difference in TWDV and NBV of qualifying expenditure	1,435	-	1,435	-
Tax losses	106,462	172,429	55,451	-

Deferred tax asset in respect of the above item relates to tax losses incurred. The amount has not been recognised in the financial statements, as the amount is immaterial.



Notes to the Financial Statements - March 31, 2010

19. SIGNIFICANT RELATED PARTIES TRANSACTIONS

Significant related parties transactions on terms agreed between the Company and its related parties are as follows:

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Holding company				
- services rendered from	2,136,475	4,465,625	2,136,475	4,389,059

Director's remuneration

The Company director's remuneration amounts to S\$251,530 (2009: S\$170,418).

Rental Paid to a Director

Rental paid to a director amounts to S\$11,298 (2009: S\$6,944)

20. OPERATING LEASE COMMITMENT

Rental expenses for offices for the Company and the Group were S\$86,647 (2009: S\$98,490) and S\$167,097 (2009: S\$283,597). 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 March 31:

	The Group		The Company	
	2010	2009	2010	2009
	S\$	S\$	S\$	S\$
Payable within 1 year	87,206	220,323	50,216	73,068
Payable within 2 - 5 years	18,495	-	-	-
	105,701	220,323	50,216	73,068

21. FINANCIAL INSTRUMENTS

Financial Risk Management Objectives and Policies

The main risks arising from the Group's financial instruments are credit, foreign currency, and interest rate and liquidity risks. The policies of managing each of these risks are summarised below:

Credit Risk

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. The Group monitors its credit collection regularly as a means of managing credit risk.

Information regarding financial assets that are either past due or impaired is disclosed in Note 7 (trade receivables).

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:

	JPY S\$	USD S\$	CNY S\$	KRW S\$
2010				
Trade and other receivables	987,010	788,837	81,963	1,230
Cash and cash equivalents	393,176	115,580	16,487	13,260
Trade and other payables	54,329	(1,833,134)	(18,888)	(2,706)
	1,434,515	(928,717)	79,562	11,784
2009				
Trade and other receivables	1,160,315	2,026,974	449,944	1,511
Cash and cash equivalents	739,696	412,650	88,137	18,660
Trade and other payables	(160,134)	(2,191,559)	(1,649,521)	(2,401)
	1,739,877	248,065	(1,111,440)	17,770

Notes to the Financial Statements - March 31, 2010

21. FINANCIAL INSTRUMENTS (Contd.)

Sensitivity analysis

A 5% strengthening of SG dollar against the following currencies at the reporting date would increase/(decrease) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

As at March 31, 2010	S\$ Statement of comprehensive income
Japanese Yen	(71,726)
United States Dollar	46,436
Chinese Renminbi	3,978
Korean Won	589
	(20,723)
As at March 31, 2009	
Japanese Yen	(86,994)
United States Dollar	(12,403)
Chinese Renminbi	55,572
Korean Won	(889)
	(44,714)

A 5% weakening of SG 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

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.

Liquidity Risk

Liquidity risk refers to the risk that the Group is unable to meet its obligations when fall due. The Group monitors its cash flow and it's collections on a regular basis as a means of managing liquidity risk.

The following are the expected contractual undiscounted cash outflows of financial liabilities, including interest payments and excluding the impact of netting agreements:

The Group	Carrying amount		Cash flows		
Non-derivative financial liabilities		Contractual cash flows	Within 1 year	Within 1 to 5 years	More than 5 years
	S\$	S\$	S\$	S\$	S\$
2010					
Trade and other payables	2,004,664	2,004,664	2,004,664	-	-
2009					
Trade and other payables	4,076,459	4,076,459	4,076,459	-	-

Fair Value of Financial Instruments

There are no other differences between the book value and the fair value of the Group's financial assets and liabilities. The Group does not engage in transactions involving financial derivatives.



Notes to the Financial Statements - March 31, 2010

22. COMPARATIVE FIGURES

Certain comparative figures have been reclassified so as to conform to the current financial year presentation.

Consolidated Balance Sheet as at 31 March 2009	Balance as previously stated		Current year reclassification	Balance restated	
	The Group S\$	The Company S\$		The Group	The Company S\$
Other receivables, deposits and prepayment	144,401	144,401	116,949	261,350	261,350
Provision for taxation	-	-	(116,949)	(116,949)	(116,949)

Detailed Statement of Comprehensive Income for the year ended March 31, 2010

The Company	S\$
Revenue	5,680,263
COST OF SALES	
COS - CPF/House Funds	249,157
COS - Insurance	188,030
COS - Other cost of sales	206,384
COS - Salaries	1,506,011
COS - Software services	2,136,475
COS - Staff accommodation	144,304
	4,430,361
Gross profit	1,249,902
Other Incomes	
Interest income	195
Other income	81,298
Gain on foreign exchange	84,765
Reimbursement of expenses	83,243
	249,501
	1,149,403
Less:	
Administration expenses	1,587,717
Other operating expenses	335,643
	1,923,360
Profit before taxation	(423,957)

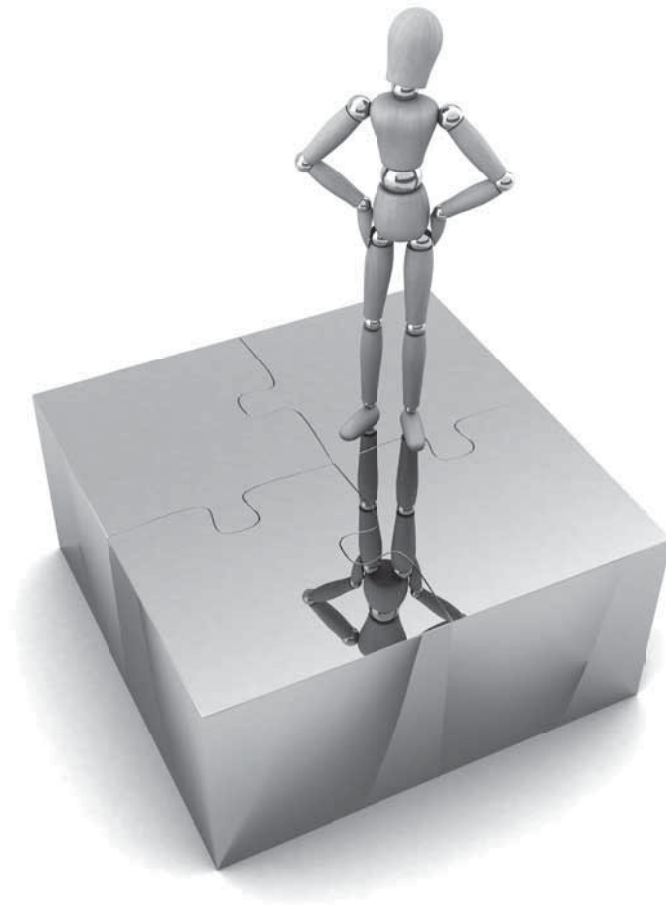
Notes to the Financial Statements - March 31, 2010

Schedule of Operating Expenditure for the year ended March 31, 2010

	S\$
Administration expenses	
Accountancy fees	102,784
Advertisement	31,280
Audit fee	50,074
Bad debts	24,740
Bank charges	14,949
CPF contributions	31,524
Director sales commission	132,137
Directors' emoluments	117,014
Entertainment	22,319
General expenses	4,679
Insurance	28,254
Late payment charges	339
Medical fees	1,425
Office rental	89,968
Other loss	2
Postage and courier	4,865
Printing and stationery	6,806
Professional fees	121,276
Repair and maintenance of office equipment	2,777
Salaries, allowances and bonus	420,130
Sales commission	189,393
Secretarial and filing fees	2,893
Staff welfare	3,511
Tax fee	523
Telephone charges	22,472
Transport charges	56,865
Travelling expenses	100,238
Utilities	4,480
	1,587,717
Other operating expenses	
Depreciation of plant and equipment	8,847
Loss on foreign exchange	50,031
Bank interest	60
Foreign tax	87,502
Loss on foreign exchange (unrealized)	189,203
	335,643
Total operating expenses	1,923,360

Geometric China, Inc.

Annual Report and Financial Statements
for the year ended March 31, 2010



Regd. Office:
7G, 855 South Pudong Rd
Pudong New Area, Shanghai, PRC.

Statement by Directors

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 March 31, 2010 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.

Ravi Shankar Gopinath

Executive Director / Legal Representative

Date: April 20, 2010

Auditors' Report

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 March 31, 2010 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's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated 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 March 31, 2010 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 Pty. Ltd., for the year ended March 31, 2010.

My Whole Way CPAs

Shanghai, The People's Republic of China

April 20, 2010



Balance Sheet as at March 31, 2010

	Note	2010 RMB	2010 Equivalent INR	2009 RMB	2009 Equivalent INR
Assets					
Property, plant and equipment	4	138,094	912,801	165,581	1,265,039
Total non-current assets		138,094	912,801	165,581	1,265,039
Trade receivables	5	2,137,484	14,128,769	1,712,070	13,080,215
Other receivables, deposits & prepayments	6	84,034	555,465	277,317	2,118,702
Cash and bank balances	7	475,889	3,145,626	425,932	3,254,120
Total current assets		2,697,407	17,829,860	2,415,319	18,453,037
Total assets		2,835,501	18,742,661	2,580,900	19,718,076
Liabilities					
Trade and other payable	8	12,161,357	80,386,570	10,424,688	79,644,616
Tax payable		30,935	204,480	49,966	381,740
Total current liabilities		12,192,292	80,591,050	10,474,654	80,026,356
Owners' equity					
Paid-up capital	9	1,125,552	7,439,899	1,125,552	8,599,217
Accumulated losses		(10,482,343)	(69,288,288)	(9,019,306)	(68,907,497)
Total owners' equity		(9,356,791)	(61,848,389)	(7,893,754)	(60,308,280)
Total liabilities and owners' equity		2,835,501	18,742,661	2,580,900	19,718,076
Exchange rate used for translation 1 RMB = Rs.			6.61		7.64

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

Profit & Loss Account for the year ended March 31, 2010

	Note	2010		2009	
		RMB	Equivalent INR	RMB	Equivalent INR
Revenue	10	3,942,462	26,059,674	4,290,074	32,776,165
Business tax		(199,795)	(1,320,645)	(215,928)	(1,649,690)
Gross profit		3,742,667	24,739,029	4,074,146	31,126,475
Administrative and general expenses		(5,211,086)	(34,445,278)	(6,927,171)	(52,923,586)
Operating Loss	11	(1,468,419)	(9,706,249)	(2,853,025)	(21,797,111)
Finance (expenses)/income	12	5,382	35,575	(1,695,094)	(12,950,518)
Loss before taxation		(1,463,037)	(9,670,674)	(4,548,119)	(34,747,629)
Income tax	13	–	–	–	–
Net loss		(1,463,037)	(9,670,674)	(4,548,119)	(34,747,629)
Exchange rate used for translation 1 RMB = Rs.			6.61		7.64

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

Change in Owner's Equity for the year ended March 31, 2010

	Paid-in capital		Accumulated losses		Total	
	RMB	Equivalent INR	RMB	Equivalent INR	RMB	Equivalent INR
Balance at 1 April 2008	1,125,552	7,439,899	(4,471,187)	(29,554,546)	(3,345,635)	(22,114,647)
Net Loss for the year 2009	–	–	(4,548,119)	(30,063,067)	(4,548,119)	(30,063,067)
Balance at 31 March 2009	1,125,552	7,439,899	(9,019,306)	(59,617,613)	(7,893,754)	(52,177,714)
Net Loss for the year 2010	–	–	(1,463,037)	(9,670,675)	(1,463,037)	(9,670,675)
Balance at 31 March 2010	1,125,552	7,439,899	(10,482,343)	(69,288,288)	(9,356,791)	(61,848,389)
Exchange rate used for translation						
1 RMB = Rs.		6.61				

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



Cash Flow for the year ended March 31, 2010

	2010		2009	
	RMB	Equivalent INR	RMB	Equivalent INR
Cash flows from operating activities:				
Net loss for the year	(1,463,037)	(9,670,675)	(4,548,119)	(34,747,629)
Adjustments to reconcile net profit to net cash				
Generated from operating activities:				
Depreciation of fixed assets	66,187	437,496	57,987	443,021
Loss of unrealized foreign exchange	—	—	1,696,000	12,957,440
Interest income	(917)	(6,061)	(1,767)	(13,500)
Operating loss before working capital changes	(1,397,767)	(9,239,240)	(2,795,899)	(21,360,668)
Net increase in trade and other receivables	(232,130)	(1,534,379)	(860,217)	(6,572,058)
Net increased in trade and other payables	1,717,637	11,353,580	3,803,182	29,056,310
Cash generated from operations	87,740	579,961	147,066	1,123,584
Interest income	917	6,061	1,767	13,500
Net cash generated from operating activities	88,657	586,022	148,833	1,137,084
Cash flows from investing activities:				
Purchase equipment	(38,700)	(255,807)	(40,500)	(309,420)
Net cash used in investing activities	(38,700)	(255,807)	(40,500)	(309,420)
Net Increased in cash and cash equivalents	49,957	330,215	108,333	827,664
Cash and cash equivalents at the beginning of the year	425,932	2,815,411	317,599	2,426,456
Cash and cash equivalents at the end of the year	475,889	3,145,626	425,932	3,254,120
Exchange rate used for translation: 1 RMB = Rs.		6.61		7.64

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 December 12, 2005. The registered capital of the Company is USD 140,000. On February 25, 2008, the ownership of the USD 140,000 of paid-up capital was transferred from Michael Mc Connell to Geometric Asia Pacific Pty. 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 of is 7EFGH, 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 April 1, 2009 to March 31, 2010.

2.3 Plant and Equipment

2.3.1 Plant and Equipment

All other items of property, plant and equipment are initially recognised 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.

2.4.3 Other Revenue

Revenue from sale of traded software



Notes to Financial Statements (Contd...)

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 Pty. 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.

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

Notes to Financial Statements (Contd...)

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 recognised 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 recognised 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 amortisation, if no impairment loss had been recognised.

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 recognised 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 recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

2.11 Trade and Other Receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised 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 recognised in the income statement.

Other receivable are stated at fair value and subsequently measured at amortised cost, using effective interest method.

Liabilities for trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method. Interest-bearing liabilities are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowing on an effective interest basis.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation 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 recognised 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 recognised 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 recognised as finance costs.



Notes to Financial Statements (Contd...)

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.

2.14 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 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 lessor by way of penalty is recognised 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 capitalised 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 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 recognised 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 recognised 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 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.

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 utilised.

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 realised or the deferred income tax liability is settled, based on tax rates (and tax laws) that have been enacted or substantively 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 income statement for the period, 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.

Notes to Financial Statements (Contd...)

3. CRITICAL JUDGEMENTS, ASSUMPTION AND ESTIMATION UNCERTAINTIES

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised 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 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 uncollectibility 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. PLANT AND EQUIPMENT

	Computer and office equipment	Total
Cost:	RMB	RMB
As at April 1, 2009	332,000	332,000
Additions	38,700	38,700
As at March 31, 2010	370,900	370,900
Accumulated depreciation:		
As at April 1, 2009	(166,619)	(166,619)
Additions	(66,187)	(66,187)
As at March 1, 2010	(232,806)	(232,806)
Net book value:		
As at March 31, 2010	138,094	138,094

	Computer and office equipment	Total
Cost:	RMB	RMB
As at April 1, 2008	291,700	291,700
Additions	40,500	40,500
As at March 31, 2009	332,000	332,000
Accumulated depreciation:		
As at April 1, 2008	(108,631)	(108,631)
Additions	(57,988)	(57,988)
As at March 1, 2009	(166,619)	(166,619)
Net book value:		
As at March 31, 2009	165,581	165,581

5. TRADE RECEIVABLES

	2010	2009
	RMB	RMB
Trade receivables		
Third parties	684,948	367,953
Amount due from related company	1,452,536	1,344,117
	2,137,484	1,712,070
Less: impairment		
Balance at beginning of year	-	-
Allowance made during the year	-	-
Allowance no longer required	-	-
Balance at end of year	-	-
	2,137,484	1,712,070



Notes to Financial Statements (Contd...)

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:

	2010 RMB	2009 RMB
Renminbi	295,696	367,953
United States Dollar	1,841,788	1,344,117
	2,137,484	1,712,070

Aging of trade receivables at the reporting date is:

	2010 RMB	2009 RMB
Past due 61 - 90 days	283,696	367,953
More than 90 days	1,853,788	1,344,117
	2,137,484	1,712,070

6. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2010 RMB	2009 RMB
Deposits	84,034	277,574
Prepayment		(256)
	84,034	277,317

The carrying amounts of other receivables approximate their fair values and denominated by Renminbi currency.

7. CASH AND CASH EQUIVALENTS

	2010 RMB	2009 RMB
Cash and bank balances	475,889	425,932

The carrying amounts of cash and cash equivalents approximate their fair values.

Cash and cash equivalents are denominated in the following currencies:

	2010 RMB	2009 RMB
Renminbi	80,230	396,656
United States Dollar	395,659	29,276
	475,889	425,932

8. TRADE AND OTHER PAYABLES

	2010 RMB	2009 RMB
--	-------------	-------------

Trade and other payables

Amount due to holding company	5,495,076	3,064,647
Amount due to related companies	6,619,985	7,248,245
Other payables	46,296	111,796
	12,161,357	10,424,688

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:

	2010 RMB	2009 RMB
Renminbi	46,296	111,796
United States Dollar	12,115,061	10,312,892
	12,161,357	10,424,688

9. SHARE CAPITAL

	2010 USD	2009 USD
--	-------------	-------------

Registered capital and paid-in capital:

Balance at end of year	140,000	140,000
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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

	2010 RMB	2009 RMB
Revenue:		
Contract Revenue	3,942,462	4,290,074

11. Operating loss

	2010 RMB	2009 RMB
Loss from operations is after charging		
Depreciation and amortization	66,187	57,987
Director's remuneration	-	-
Rental of premises & equipment	376,054	833,068
Staff cost	3,130,507	3,590,379
Travelling expenses	401,093	484,829

Notes to Financial Statements (Contd...)

Director's remuneration

There is no director remuneration offer to the directors during the financial year.

12. FINANCE (EXPENSES)/INCOME

	2010 RMB	2009 RMB
Interest income	(4,613)	906
Loss on unrealised foreign exchange	9,995	(1,696,000)

13 TAXATION

A reconciliation between the tax expense of accounting profit multiplied by the applicable tax rate as per China tax requirement for the year ended March 31, 2010 was as follows:

	2010 RMB	2009 RMB
Loss before taxation	(1,463,037)	(4,548,119)
Add non deductible as per China tax regulation	-	-
Expenses paid by Geometric India	83,398	365,706
Unrealised foreign exchange loss	(9,995)	1,696,000
Employees benefit not utilised	46,296	46,296
Entertainment expenses	-	1,930
Taxable income	(1,343,338)	(2,438,187)
Less: Utilised tax losses brought forward	(6,909,374)	(4,471,187)
Tax losses carried forward	(8,252,712)	(6,909,374)
Tax rate @ 25%	25%	25%
Tax for the financial year	-	-

The tax losses carried forward for financial years 2010 have yet to confirm by China tax authorities.

Deferred tax asset in respect of the above item relates to tax losses incurred. The amount has not been recognized in the financial statements, as the amount is immaterial.

Pursuant to the New Income Tax Law of the PRC effective from 2008 concerning Foreign Investment Enterprises and Foreign Enterprises and various local income tax laws, foreign investment enterprises are subject to the statutory income tax rate of 25% unless the enterprises are located in specially designated regions or cities in which more favourable tax rates will apply. Accordingly, the company is subject to the income tax rate of 25% for the year ending March 31, 2010.

14 SIGNIFICANT RELATED PARTIES TRANSACTIONS

Significant related parties transactions on terms agreed between the Company and its related parties are as follows:

	2010 RMB	2009 RMB
Related party transaction:	521,618	876,390

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 RMB376,054 (2009: RMB 833,068). 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 March 31:

	2010 RMB	2009 RMB
Payable with 1 year	180,000	662,712
Payable with 2-5 years	90,000	-

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 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



Notes to Financial Statements (Contd...)

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:

	2010-3-31 RMB	2009-3-31 RMB
Trade receivables:		
Less than 90 days	283,696	367,953
Over 90 days	1,853,788	1,344,117
Total	2,137,484	1,712,070

Foreign Currency Risk

Analysis of amounts denominated in non-functional currencies:

Financial assets:

	Trade and other Receivables RMB	Cash and cash equivalents RMB
At March 31, 2010:		
United States Dollar	1,841,788	395,659
At March 31, 2009:		
United States Dollar	1,344,117	29,275

Financial liabilities:

	Trade and other Payables RMB
At March 31, 2010:	
United States Dollar	12,115,060
At March 31, 2009:	
United States Dollar	10,312,893

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:

	2010-3-31 RMB	2009-3-31 RMB
Trade payables:		
Within 1 year	12,161,357	10,424,688

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. Comparative figures

Certain comparative figures have been reclassified so as to conform to the current financial year presentation.

18. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorized for issue by the Company on April 20, 2010.

Geometric Europe GmbH

Annual Report and Financial Statements
for the year ended March 31, 2010



Regd. Office:
Friedrichstrasse 15 70174
Stuttgart, Germany



Financial Statement of Geometric Europe GmbH

Directors' Report

To the Members

The directors hereby present their report for the year ended March 31, 2010

1 OPERATIONS

Germany-based company was acquired by Geometric Ltd & later renamed it as Geometric Europe GmbH. This wholly-owned subsidiary has not yet commenced business.

2 FUTURE OUTLOOK

The Company is expected to start its operations once the overall global economy recovers

April 26, 2010

By order of the Board

Manu Parpia

Balance Sheet as on March 31, 2010

	As at March 31, 2010	
	€	Rs
SOURCES OF FUNDS:		
1. SHAREHOLDERS' FUNDS		
a) Share Capital	25,000	1,511,500
TOTAL	25,000	1,511,500
APPLICATION OF FUNDS:		
2. CURRENT ASSETS, LOANS AND ADVANCES		
a) Cash And Bank Balances	25,000	1,511,500
TOTAL	25,000	1,511,500
Exchange rate used for translation : 1 Euro =		60.46

Statement Pursuant to Section 212 of the Companies Act, 1956, relating to the Subsidiary Companies

A. Name of The Subsidiary	Geometric Americas, Inc.	Geometric SRL, Romania	Geometric France	Geometric SAS	Geometric Asia Pacific Pte Ltd.,	Geometric China Inc.	3D PLM Software Solutions Ltd.	Geometric Technologies Inc.	Geometric Europe GmbH
B. Financial year of the subsidiary ended on	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10	31-Mar-10
C. The company's interest in the subsidiary on the aforesaid date									
a) Numbers of shares held	Geometric Technologies Inc held the entire stock of aggregate value of US \$ 14,050,000	Geometric Americas Inc held the entire stock	Geometric Americas Inc held the entire stock of aggregate value of US \$ 54,734	Geometric Americas Inc held the entire stock of aggregate value of \$100,000	Geometric Asia Pacific Pte Ltd held the entire stock of aggregate value of RMB 1,125,552	Geometric Ltd held the 900,200 Equity Shares	Geometric Ltd held the entire stock of aggregate value of US \$ 2,062,771	Geometric Technologies Inc.	Geometric Europe GmbH
b) Face Value per share	Common stock - No face value	Common stock - No face value	Common stock - No face value	Common stock - No face value	Common stock - No face value	Rs. 10	US \$ 272	US \$ 272	Common stock - No face value
c) Extent of Holdings	100%	100%	100%	100%	100%	70%	100%	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\$ (804,511)	US\$ (303,366)	US\$ (179,701)	US\$ (426,426)	S\$ (294,505)	Rs 424,668,719	US\$ 240,274		-
Equivalent INR*	(36,315,626.54)	(13,693,941.24)	(8,111,703.14)	(13,777,824.06)	(9,515,456.55)		10,845,968.36		-
2. For the previous financial years of the subsidiary since it became the company's subsidiary	US\$ (28,836,150)	US\$ (15,716)	US\$ (1,687,313)	S\$2,785,843	S\$ (1,990,071)	Rs. 510,618,645	US\$ 677,963		-
Equivalent INR*	(1,301,663,811.00)	(709,420.24)	(76,165,308.82)	90,010,587.33	(64,299,194.01)		30,603,249.82		-
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
Equivalent INR*	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
Equivalent INR*	NIL	NIL	NIL	NIL	NIL		NIL		NIL

* Exchange Rate used: 1 USD = Rs.45.14, 1 SGD = Rs. 32.31
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, 2010. 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.

J. N. Godrej
Chairman

Manu Parpia
Founder & Vice
Chairman

M. Sarwate
Director

Date: April 26, 2010



Ratio Analysis for the year ended March 31, 2010

	Year ended March 31,	
	2010	2009
Ratio - Growth compared to previous year		
Growth in Operating revenue	-14.46%	23.10%
Growth in Total revenue	-14.32%	22.57%
Growth in PBT	761.27%	-84.25%
Growth in PAT	577.88%	-78.58%
Ratio - Financial Performance		
Export revenue/Total Revenue	93.63%	95.83%
Domestic(India) Revenue/ Total Revenue	5.72%	3.68%
Other Income/Total revenue	0.66%	0.49%
Manpower Cost/Total Revenue	62.28%	63.80%
Other Operating Expenses/Total Revenue	20.86%	30.75%
Operating & Other expenses/Total Revenue	83.14%	94.55%
Interest Costs/Total Revenue	0.71%	0.80%
Depreciation/Total Revenue	4.50%	3.49%
PBT/Total Revenue	11.66%	1.16%
PBT/Average Net Worth	44.76%	6.61%
ROCE(PBIT/Average capital Employed)	29.05%	4.36%
Capital Output Ratio (Total Revenue/Average Capital Employed)	2.35	2.22
Payout Ratio (Dividend paid/PAT)	14.64%	72.19%
Ratio - Balance Sheet		
Debt/ Equity Ratio	0.10	1.13
Current Ratio	2.59	2.29
Cash & Bank Balances/ Total Assets	7.49%	24.27%
Cash & Bank Balances/ Total Revenue	3.37%	9.77%
Sundry Debtors/Total Revenue	17.96%	17.96%
Depreciation for the year/Average gross block of assets	12.25%	8.70%
Per Share Data		
Earning per share (Basic) (Rs.)	7.51	-18.81
Cash Earnings per share(Basic) (Rs.)	11.24	-15.46
Dividend %	55%	40%
Dividend per share	1.10	0.80
Book Value per share	27.66	15.52

* previous year figures reinstated wherever classification changes to make it comparable

Notes

[illegible]



Milestones



Established the eleventh delivery center in Hyderabad;
Recognized as NASSCOM's IT Innovators 2009 for an orthodontics software solution



Setup the Chennai Development Center; launched two new products, DFMPPro and 3DPaintBrush
Received the 2008 Frost & Sullivan Global Engineering Design Services Emerging Company of the Year Award;
Recognized amongst NASSCOM's IT Innovators 2008 for DFMPPro



Rebranded all companies, products and technologies under a unified umbrella brand, 'Geometric'
Inducted into John Deere Excellence Hall of Fame through a Partner Level Supplier Award from John Deere;
Recognized amongst NASSCOM's IT Innovators 2007 for GeomCaliper



Acquired Modern Engineering, Inc. (now renamed Geometric Americas, Inc.), a 60 year old Detroit-based engineering services company



Acquired TekSoft, Inc. (now renamed Geometric Technologies, a division of Geometric Americas, Inc.), a CAD/CAM products company with its flagship product, CAMWorks® that was developed by Geometric in 1996
Established a one of its kind PLM Institute for training the employees on various PLM platforms



Established Engineering Services center in Bengaluru



Set up 3D PLM Software Solutions Ltd., a joint venture company with 30% equity participation from Dassault Systèmes



Listed on the Indian Stock exchanges (BSE: 532312, NSE: GEOMETRIC)
Signed a Global System Integrator partnership agreement with MatrixOne



Established Europe sales operations in Stuttgart, Germany
American Machinist Award for CAMWorks® for excellence in manufacturing automation



Formed Geometric Software Solutions, Inc., a US subsidiary, based in Merrimack, NH
Alliance with SolidWorks
CAMWorks® receives Desktop Engineering's Readers' Choice Award



Launched Automatic Feature Recognition and Multi-surface Machining Library



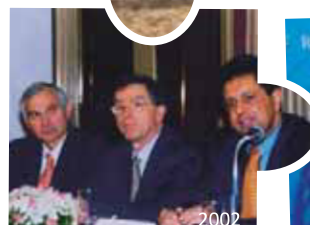
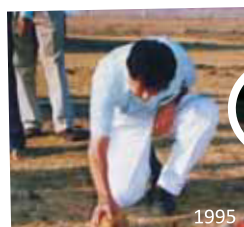
Setup Pune operations, our largest development center today



Incorporated as an independent company, Geometric Software Services Co. Ltd., headquartered in Mumbai



Founded as part of the electronics business of Godrej & Boyce with operations in India





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