



Geometric

People Building Partnerships



Together we can





Together we can, and will CHANGE!

The environment we work in is extremely dynamic, and the solutions and offerings which were touted as silver bullets a few years back, today are considered just about 'basic'. In the niche space we work in, it is critical to always relook at the way we work, what we offer, and how do we offer it, in order to adapt to the changing customer needs and provide unique 'solutions' to help our customers stay ahead of the curve. The Company is driven by a passion to constantly evolve and be one of the most innovative partners for our customers' product realization needs.

So as Pauline R. Kezer very eloquently put it:

“Continuity gives us roots; change gives us branches, letting us stretch and grow, and reach new heights.”

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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.

Board of Directors



Jamshyd N. Godrej
Chairman



Manu M. Parpia
Managing Director
and CEO



Dr. Richard Riff
Director



Dr. Kyamas A. Palia
Director



Anita Ramachandran
Director



Milind S. Sarwate
Director



Ajay Mehra
Director



Parth Gandhi
Director

Auditor Information

Company Secretary & Compliance Officer

Maria Monserrate

Auditors

Kalyaniwalla & Mistry
Chartered Accountants

Registrars & Share Transfer Agents

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C-13, Pannalal Silk Mills
Compound, L.B.S. Marg, Bhandup,
Mumbai 400 078, India
Tel: +91 22 2596 3838
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Registered Office

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Tel: +91 22 6705 6500
Fax: +91 22 6705 6891

Letter to the Shareholders

Dear Shareholders,

Let me start with a very personal observation, I did not think I would find myself in the situation of leading the Company once again. However, shareholders should be assured that I am doing all I can to ensure Geometric is a strong, scalable entity.

The last year saw revenues rise significantly by 26% in US Dollar terms and profits on a consolidated basis increased to record level of Rupees 575 Million or Rupees 9.24/Share. What was even more encouraging was that the share of profit contributed by Geometric, excluding our subsidiary 3DPLM, rose from 36 % of consolidated profits in the previous year to 51% of the total profit.

The strategy the Company should take up has been well addressed so there is no need for a change. Furthermore, we are blessed to be in an environment where there is a good demand for our services and solutions. The need to undertake product development in a cost effective and rapid manner is increasing. Manufacturing facilities are being restructured in existing locations and facilities being set up in new locations. Both these trends create more opportunities for a company like Geometric. So my agenda for the next few months is to focus on creating the environment which will take advantage of these trends, thus ensuring growth both in revenues and margins, which in turn will help Geometric become a scalable enterprise.

While the direction is clear, there are several steps we need to take, some of which are difficult to implement. Let me highlight a few of them.

- 1. Create clear and easily identifiable offerings:** While we have always addressed a very specific market, our emphasis on 'tell us what to do and we will do it', is no longer adequate for our customers. We are expected to help them identify solutions, extract the best from their investments, and even take 'ownership' from design to implementation to maintenance. For example, a major automotive customer with disparate PLM environments in different locations has asked us to build a bridge, maintain it and then be responsible for the data exchange. Thus, it is important we package our capabilities into solutions which meet customers' needs, thereby enabling us to cut down sales cycle times while improving our margins.
- 2. Build IP led solutions:** Traditionally Geometric has been well known in its market for its creative niche technologies. But here too our customers are not interested in the technology per se but in solutions to their problem. For example, we possess great Intellectual Property (IP) in Feature Recognition, DFMPPro, etc; yet they do not find ready acceptance in our industrial customer base. However, when we built a solution called 'should costing', using these technologies to create a predictive model for the cost of a component, our selling cycle reduced dramatically and gave us a significant competitive advantage supported by good margins.
- 3. Improve efficiency and quality:** While we have a number of certifications, I believe we have a long way to go in creating an 'engine' wherein we utilize our learnings from complex projects we have successfully implemented, and thereby add value to our customers. Unfortunately there is no shortcut to improvements. We have to clearly identify the relevant processes, document them, and then ensure their implementation through enforced discipline and competency building.



4. **Think and act globally:** While our customers need global support and we have invested in facilities in relevant parts of the globe viz. North America, Europe, China and India, we face two problems. Many parts of the Company often remain India centric, and at times our processes discourage working together as a team. We need to think and act globally to offer our customers total solutions at a lower cost while improving our margins.
5. **Align incentives with objectives:** The previous paragraph highlights the need to align incentives. Other changes we have to make include better rewarding our sales team for orders, which result in multiyear contracts, predictable revenues, and higher margins. Similarly for delivery teams, variable pay has to be more effectively linked to quality and timely delivery which in turn will lead to higher margins.
6. **Be partners to our customers:** The discernible thread through all these points, is our customers expectations. They have told us they want to work with us in a closer collaborative manner, sharing their vision and objectives, their pain points and constraints, so that together we can help them build solutions which will give them a competitive advantage. We need to understand, the days of 'tell us what to do' are behind us.

I understand that none of this is 'rocket science', but implementing it is hard. Our objectives are clear, closer, deeper and a longer term approach with our customers, which must lead to higher revenues at better margins as we provide greater value. Thus, while containing cost is very important, creating value is the future. As I said earlier, we are fortunate to be blessed by good demand for our services, which will make it easier to achieve these objectives.

In closing, I thank our employees, in particular, the management team for their support and understanding, and the Board of Directors for their encouragement and support. It now remains the task of the employees, Directors and myself in particular, to ensure we reward our shareholders for their patience.



Manu M. Parpia
Managing Director & CEO

Note from Management Team

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

The year gone by was very significant for 3DPLM. For strengthening global R&D activities in India and creating stronger synergies between all R&D teams, Dassault Systèmes and Geometric, signed an agreement, to combine DS R&D labs in Bangalore and Chennai with 3DPLM. This transaction is a testament of the caliber of work 3DPLM does, and the speed with which it has become an integral part of Dassault Systèmes' R&D ecosystem.

Our dedicated focus on efficiency, quality and delivery excellence has helped us in continually enhancing our value add to DS. We have further strengthened our efforts in implementing the technical career growth path and competency building. Launch of 'Prabodhan' a competency building framework, was a major step this year towards this. These initiatives are core to our success and have resulted, not only in business growth, but also in DS transferring more autonomy and responsibilities for new topics to 3DPLM.

Promoting an innovation culture is an integral part of our DNA. In fact, our annual Innovation contest received 46 entries across product and process innovation categories this year. 3DPLM held its annual technical conference, '3DVerve' in February this year. The objective of this conference was to provide a platform to 3DPLM employees for technical paper presentations, knowledge sharing and synergizing across all teams, products and brands. This year's theme for 3D Verve was 'DS Next', focusing on new technologies and products launched by DS. We also have a strong 'green initiative' at 3DPLM, encouraging employees to car pool, as well as dedicating a day for cycling to work to reduce our carbon footprint.

Overall, it was a great year for 3DPLM.



Shashank Patkar

*CEO,
3D PLM Software
Solutions Ltd.*

The automotive industry is coming out of one of the most significant global recessions of our time. It has kicked off opportunities to regain business and market share; and is taking cautious steps to get back on the right track with a consistent focus on value addition. In support of this need, we at Geometric are continuing and further strengthening our efforts to support and service the automotive market by offering them integrated solutions utilizing our capabilities in software solutions, complemented with engineering services and products. Our focus on our customers enables us to create a collaborative environment with complementing partners to extend excellence to the market. We offer automotive OEMs global solutions along with local support to ensure success of their technology implementations and further leverage investments through value-added services. We are also cementing our growth in this sector, by extending our offerings to Tier 1 and key global suppliers as well.

FY 2011 has been a year of foundation building and improvement for the Automotive Business. We set the foundation for our key global accounts by establishing global customer managers and regional sales managers, all working under one comprehensive automotive business development process. This development led to improvements in delivery, quality and margins, including winning master service agreements. In fact, the business met and exceeded our targets by nearly 20%, with a strong sense of commitment and collaboration across the organization globally. We also successfully initiated service partnerships with leading technology and service providers to strengthen our position in the market, while utilizing complementing core competencies between us and our partners to offer value added solutions to our customers.

In FY 2012, we will increase our efforts and focus to further improve the Automotive Business' profitability margins, while aggressively growing revenues. Our focus will be on global solutions that support the market growth of automotive accounts in established and emerging markets. With our knowledge and expertise, we have developed an understanding of our customer's global strategies, and are constantly adapting our solutions to meet their needs. The organization will continue to collaborate to ensure timely and high quality delivery at target cost or lower to our customers. Our theme for FY 2012 is to build on our positive past and IP to extend unique offerings to reach our target elevation.



Joseph Sahiouni

*Senior Vice President,
Automotive Vertical*

Note from Management Team



Kalidas Surapaneni

Senior Vice President,
Industrial Vertical
& Geographies

FY 2009-10 was an incredibly challenging year for businesses around the world. Geometric was also hit with the effects of the global economic crisis and its impact on the manufacturing industry in the USA, Japan and Europe. The symbols for crisis in Chinese are made up of two words 'wei' which means 'danger', and 'ji' which means 'opportunity'. We used the 'opportunity' to focus on our key accounts by staying close to them and working with them through this difficult period, and laid the foundation and platform to grow with them during the partial economic recovery we witnessed in FY 2010-11. We also used this period to reduce revenue which was not profitable and focus on profitability.

Geometric has also been largely dependent on the automotive market and in 2010-11, we decided to additionally target the heavy machinery and Industrial segment by creating a specific vertical. The rest of the Geographies concentrated on markets such as Aerospace and Defense, Medical Devices, and Oil and Gas. This focus and alignment with key customers and specific segments enabled good growth and also helped us reduce our dependency on the automotive market.

Since the past couple of quarters the manufacturing companies in the USA, Japan and Europe are witnessing good demand in growth markets such as China and India, and this is leading to a spurt in manufacturing especially in the USA where the PMI composite index is breaching the 2004 records. However, these companies are facing severe margin pressure with the huge rise in R&D, manufacturing costs, cost of raw material such as steel, rubber, oil and power to name a few; steel prices alone are expected to increase by over 25% in the next 12 months. We also see this as an 'opportunity' to help our customers reduce their cost of product development and improve their margins.

With the steps we have taken in the past two years, I believe we are well aligned to capture this 'opportunity' and also help our customers be successful through a four pronged strategy:

- Selling our revitalized PLM solutions offering by combining them with our very own key technologies and IP. This is our USP and our customers also believe we are differentiated from the run-of-the-mill engineering & PLM services companies because of our IP. Both our customers and Geometric will benefit through a faster time-to-market and increased margins.
- Focus on manufacturing engineering solutions: This is our sweet spot and we now have scaled manufacturing engineering services operations in all our global delivery centers. We can seamlessly work with our customers in all their global engineering and manufacturing centers on the optimization of the manufacturing processes and improve on their time to market.
- True Global Engineering services through our engineering locations in USA, India, China and Romania. I believe there is no other engineering services company in the world with such scaled engineering services centers across the world. This helps us with better customer alignment on their global expansion footprint, and also helps them reach these markets with the right products and at the right price.
- Increased market reach by expanding our sales & marketing teams.

Looking forward to the 'opportunity' to serve our customers and help them succeed.



Venkatesh Jagannath

Vice President,
Strategy & Innovation

As Head of Strategy and Innovation, I am responsible for creating the business strategy for the organization, defining newer offerings based on the strategy, and delivering these new offerings. In addition to this, I am also responsible for the overall Products strategy and its associated P&L, the nascent embedded systems business, the corporate marketing function, and business levers management.

The plan for FY 2012 is to be active in seeking strategic partnerships that can help us scale in other areas, viz. growing embedded systems business or partnerships for greater market reach. Our aim is to create a set of new offerings that can be taken to market towards the end of the current fiscal and can contribute to revenue from the next fiscal. We envisage building some of these offerings ground up in our Innovation Cell. In the context of creating differentiated offerings, the role of our Products business is expected to change. There will be considerably more emphasis on conceptualizing and creating solutions that address market needs, by enhancing and leveraging the IP built by this business, while also continuing to develop and license end-user products.

With this strategy, Geometric is well poised to take these superior technology-based solution offerings to the market, while also using our reach with technical analysts to ensure better positioning for the company as a whole.



Note from Management Team

Over the past year, we have seen an increase in customer discretionary spends in both software and engineering services. This led to stronger engagements, reinforced by our business process consulting capabilities and our technical competencies. We have gained credible traction in aerospace and oil & gas engineering, effectively diversifying the industry base of our markets. Our focus on AMS (Application Management Services) has been driven by the demand for specialized support services, and large AMS deals will contribute to our growing annuity revenue base. We also reinforced our CAD engagements and helped customers define and develop new age solutions.

Engineering Services, which has traditionally relied heavily on the automotive industry, saw very good traction with the industrial machinery and equipment manufacturers. For higher end services, viz. CAE, we engaged with leaders in the electronic devices and industrial equipment to help them localize their existing products for new growth markets. Our goal is to support global engineering and manufacturing, and increase productivity for customers through Knowledge Based Engineering and adoption of Geometric built tools.

Going forward, the integrated Global Operations will enable us to achieve significant synergies to focus on creating a sustainable and profitable engine. The need for us is to match the changing business scenario and to be customer focused in our actions. We will focus on building solutions and offerings that provide a unified value proposition based on our Intellectual Property to emerge as a trusted engineering partner for our customers. The key functions of Global Operations will be:

- **Delivery Operations:** Manage all our customer engagements towards delivery excellence, leading to higher customer satisfaction. We will continue to improve our ability to manage larger programs.
- **Quality and Process:** The focus will be on productivity improvement to bring benefits to customers and earn higher margins.
- **Center of Excellence (COE):** A major focus area for us will be developing and managing our talent efficiently and productively, and to continually improve their technical competency. Recruitment will see stronger alignment to the space we operate in, and people will have a visible career path within Geometric. COE will also have subject matter experts for established competencies and offerings.
- **Business Development:** This function will comprise of our Practices, Pre-sales, Business Response and Business Marketing functions that will work closely with our Geography and Vertical business teams for business development.

As we fortify our culture of exemplary performance, strong performance orientation will be rewarded and as we grow; it will be our endeavor to reward internal people with greater responsibilities.

After the hiatus of FY 2010, FY 2011 started on a positive note with the opening up of our customer markets. In light of the cautious recovery of the economy, our focus for the fiscal was primarily enhancing internal capabilities and retaining employees.

Along these lines, we had mid-term salary corrections, reinforced employee engagement initiatives, and held several programs for upcoming leaders and business drivers within the organization, including a management development program at Indian Institute of Management, Bangalore.

We also invested in strengthening technical competencies at junior levels.

To further reinforce a performance driven culture, we focused on clearer responsibilities, accountabilities, and goals.

Our focus in the coming year will be:

- Globalizing our training initiatives through e-learning
- Creating a succession plan for key positions at two levels below the CEO position
- Standardizing the performance management system across all geographies
- Building a stronger global connect through employee engagement initiatives

FY 2012, surely seems to be very positive, and with continued growth.



Nitin Tappe

*Vice President,
Global Operations*

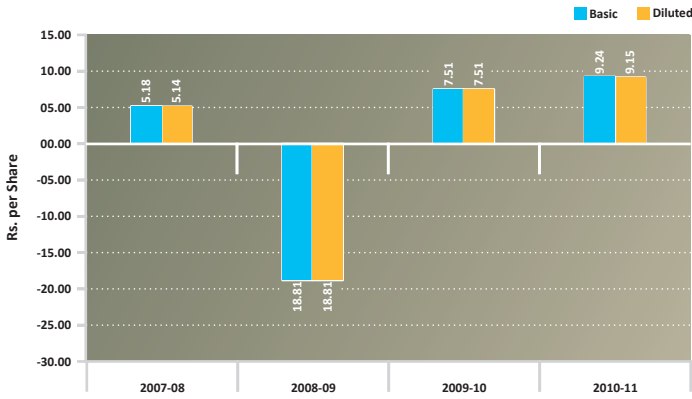


Rani Desai

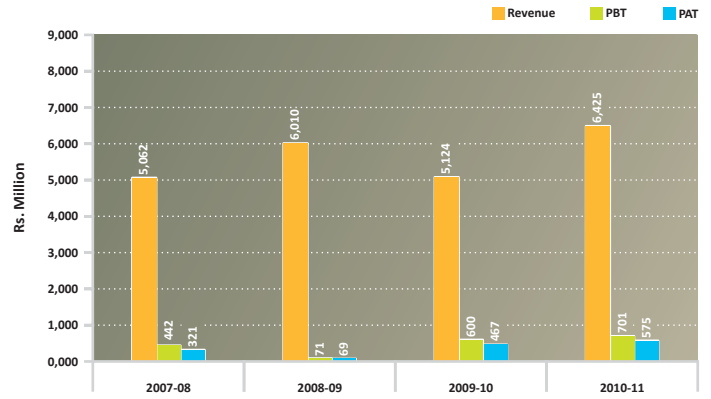
*Vice President,
Human Resources &
Organizational
Development*

Financial Highlights (Consolidated)

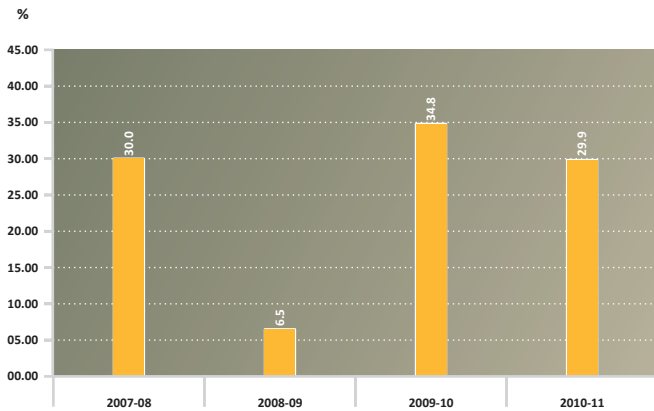
EPS Consolidated



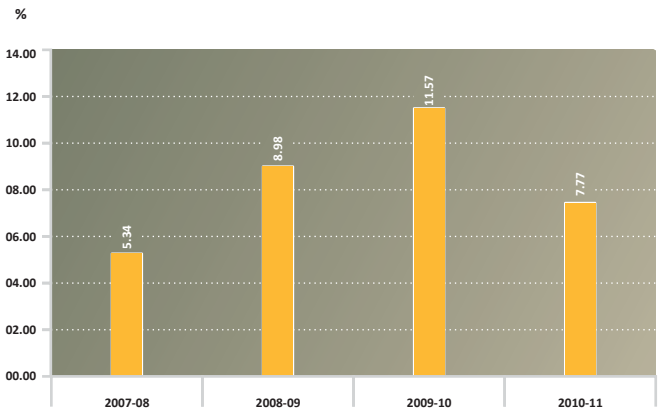
Revenue/PBT/PAT



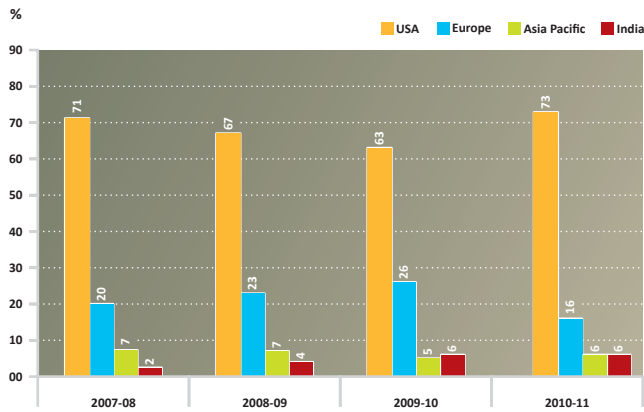
Return on Net Worth



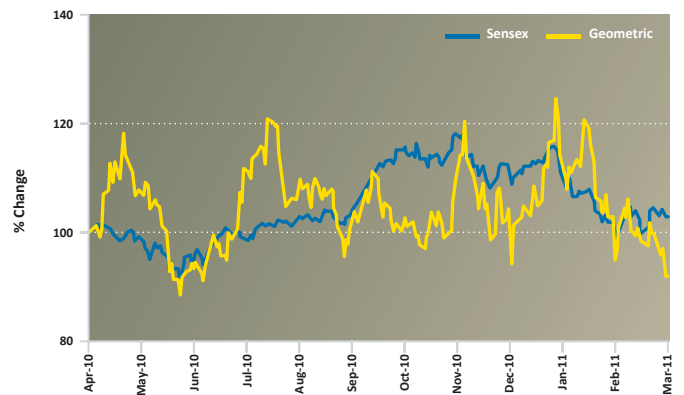
Operating Profit as % to Operating Revenue



Break up of Revenue by Region



Share Price Movement



*previous year figures reinstated wherever classification changes to make it comparable

Financial Highlights (Consolidated)

(Amount in '000 except Share price)

Particulars	Year ended March 31			
	2011		2010	
	INR	US\$	INR	US\$
Revenue	6,206,123	139,088	5,115,620	113,328
Other Income	22,989	515	27,985	620
Total Revenue	6,229,112	139,604	5,143,604	113,948
EBITDA	946,525	21,213	865,024	19,163
Depreciation	235,459	5,277	231,523	5,129
Interest Expenses	9,875	221	33,253	737
Income Tax	17,126	384	4,053	90
Minority Interests	108,327	2,428	127,401	2,822
Other prior period items	(530)	(12)	(2,189)	(48)
Profit After Tax (PAT)	575,208	12,891	466,605	10,337
Basic EPS	9.24	0.21	7.51	0.17
Diluted EPS	9.15	0.21	7.51	0.17
Dividend (%)	60%	60%	55%	55%
PAT as % of total income	9.23%	9.23%	9.07%	9.07%
Share Price (NSE/BSE)				
- High	87.00	1.95	79.60	1.76
- Low	57.80	1.30	14.40	0.32
- Closing	61.10	1.37	63.80	1.41
US \$ Exchange Rate (₹)		44.62		45.14



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, 2011.

1A. FINANCIAL RESULTS: (STANDALONE)

The Company's operating performance (standalone) during the year ended March 31, 2011 as compared to the previous year is summarized below:

(₹ in Millions)

	Current Year	Previous Year
Sales and Other Income	2,519.67	2,209.86
Profit before Interest, Depreciation and Tax	319.15	236.92
Less : Interest and Finance Charges	(6.14)	(6.39)
Less : Depreciation	(79.91)	(80.43)
Profit before Taxes	233.10	150.10
Less : Tax adjustment in respect of earlier years	(1.28)	-
Less : Provision for Taxes	11.31	10.61
Net Profit before Extraordinary Items and Minority Interest	223.07	139.49
Add: Extra ordinary Items & Prior Period Items	-	(3.13)
Net Profit	223.07	136.36
Surplus brought forward	1,098.03	1,052.96
Profit available for Appropriation	1,321.10	1,189.32
Appropriations		
Proposed Dividend	74.91	68.33
Dividend Tax	10.39	9.32
Transfer to General Reserve	22.40	13.65
Surplus Carried Forward	1,213.40	1,098.03
Total	1,321.10	1,189.33

1B. FINANCIAL RESULTS: (CONSOLIDATED)

The Company's operating performance (consolidated) during the year ended March 31, 2011 as compared to the previous year is summarized below:

(₹ in Millions)

	Current Year	Previous Year
Sales and Other Income	6229.11	5,143.60
Profit before Interest, Depreciation and Tax	946.52	865.02
Less : Interest and Finance Charges	9.87	33.25
Less : Depreciation	235.46	231.52
Profit before Taxes	701.19	600.25
Less : Provision for Taxes	17.12	4.05
Net Profit before Extraordinary Items and Minority Interest	684.07	596.20
Add: Extra ordinary Items	(0.53)	(2.19)
Net Profit before Minority Interest	683.54	594.01
Less: Minority Interest	(108.33)	(127.40)
Net Profit	575.21	466.61
Surplus brought forward	1,201.94	861.84
Profit available for Appropriation	1,777.15	1,328.45
Appropriations		
Proposed Dividend	74.91	68.33
Dividend Tax	10.39	11.50
Transfer to General Reserve	61.90	43.40
Corporate Dividend Tax Paid by Subsidiary	25.63	3.28
Surplus Carried Forward	1,604.32	1,201.94
Total	1,777.15	1,328.45

Directors' Report to the Members (Contd.)

2. DIVIDEND:

The Directors recommend payment of dividend to the shareholders for the year at the rate of ₹ 1.20 per Equity Share of ₹ 2 each, compared to ₹ 1.10 including a special dividend of ₹ 0.30 per Equity Share, paid last year.

3. BUSINESS REVIEW:

The financial year 2010-11 was a good year in which we saw an increased demand for our services and solutions as our major markets slowly but surely recovered from the effects of the global recession.

The consolidated revenues for year ended FY11 increased from USD 108.12 mn in FY10 to USD 136.47 mn, a growth of 26.2%. Revenues in rupee terms also increased from INR 511.56 Cr in FY10 to INR 620.61 Cr in FY11, a growth of 21.3% impacted due to the appreciation of the rupee by 3.9%. For the same period, profit after tax increased from INR 46.66 Cr to INR 57.52 Cr (after adjustment for extraordinary items). A significant contributor to this increase was differential in forex gain compared to the last year which is INR 19.61 crores in FY11 as against the loss of 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 FY11:

- Software services contribution to the top line decreased from 64.3% in FY10 to 56.9% in FY11. In absolute terms, this business increased by 11.7% over the previous year.
- Engineering services contribution to the top line increased from 28.4% in FY10 to 36.7 % in FY11. In absolute terms, the Engineering services increased by 63.1% over the previous year.
- Products business contribution to the top line decreased from 7.3% in FY10 to 6.4% in FY11. In absolute terms, the products business increased by 10.1% 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 63.3% in FY10 to 72.6% in FY11; a growth of 44.8% in absolute terms.
 - Europe's share of revenue decreased from 26.2% in FY10 to 16% in FY11; a de-growth of 23.2% in absolute terms.
 - APAC's share increased from 4.7% in FY10 to 5.6% in FY11.
 - India's share increased from 5.8% in FY10 to 5.9% in FY11.

These numbers reflect the positive demand environment.

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

- Software ISV & Partners: Segment share of business reduced from 47.6% in FY10 to 38% in FY11; still showing a growth of 1.8% in absolute terms.
- Automotive: Segment share of business increased from 32.5% in FY10 to 34% in FY11. In absolute terms, this segment recorded a growth of 33.6% over the previous year. (USD 43.48 mn in FY11 Vs 32.54 mn in FY10)
- Agricultural and Construction Equipment: Segment share of business increased at 14.3% in FY11 compared to 10.8% in FY10. In absolute terms, this segment recorded a growth of 68.9% over the previous year. (USD 18.30 mn in FY11 Vs 10.84 mn in FY10)
- Industrial and Marine Engineering: Segment share of business increased from 5.3% in FY10 to 7.5% in FY11. In absolute terms, this segment recorded a year-on- year growth of 80%. (USD 9.52 mn in FY11 Vs 5.29 mn in FY10).

In the coming financial year, while the demand for our services remain high, our approach will be to repackage our offerings into solutions that meet our customers' needs.

4. DIRECTORS:

Mr. Parth Gandhi, a nominee of ICICI Venture Funds Management Company Limited was appointed as an Additional Director with effect from October 22, 2010. Mr. Gandhi holds office until the date of the Annual General Meeting. Your Board recommends his appointment as a Director of the Company.

Mr. Ravishankar G., Managing Director & CEO of the Company resigned from office with effect from April 8, 2011. The Board places on record its appreciation to Mr. Ravishankar G. for producing record profits in FY11. Mr. Manu Parpia has been appointed as Managing Director & CEO of the Company with effect from April 8, 2011, subject to the approval of the members of the Company at the ensuing Annual General Meeting.

In terms of Article 131 of the Articles of Association of the Company, Mr. Milind Sarwate and Dr. Richard Riff retire by rotation and being eligible, offer themselves for re-appointment at the ensuing Annual General Meeting.

5. AUDITORS

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

6. AUDIT COMMITTEE

The Company has an Audit Committee consisting of four non-executive Directors of the Company, viz Mr. Milind



Directors' Report to the Members (Contd.)

Sarwate – Chairman, Dr. K A Palia, Dr. Richard Riff and Ms. Anita Ramachandran. The accounts have been duly reviewed by the Audit Committee.

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

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

8. SUBSIDIARIES

The Company has the following wholly-owned Subsidiary Companies:

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

The Company has the following other Subsidiary Companies:

- a) 3D PLM Software Solutions Ltd., in which the Company holds 70% stake.
- b) Geometric S.R.L., Romania (A WOS of Geometric Americas Inc., USA)
- c) Geometric SAS France (A WOS of Geometric Americas Inc., USA)
- d) Geometric China Inc. (A WOS of Geometric Asia Pacific Pte. Ltd., Singapore)
- e) Geometric Japan K.K. (A WOS of Geometric Asia Pacific Pte. Ltd, Singapore w.e.f. April 1, 2011)

The Hon'ble High Court of Judicature at Bombay has, by its Order dated April 8, 2011, sanctioned the Scheme of Amalgamation of Somero Enterprises Inc. with 3D PLM Software Solutions Ltd., a subsidiary of the Company.

As required under Section 212 of the Companies Act, 1956, the subsidiaries' statements of accounts for the year ended March 31, 2011 are attached to the Balance Sheet.

9. 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.

10. 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.

The Board of Directors of the Company at their meeting held on April 25, 2011, approved introduction of a new Employee Stock Option Scheme titled 'ESOP Scheme-2011' for issuance of upto 1.8 Million Options to the senior management of the Company and its subsidiaries. The Scheme is subject to approval of the Members at the forthcoming Annual General Meeting.

11. CORPORATE GOVERNANCE:

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

12. EMPLOYEE RELATIONS:

The Company continued to have cordial relations with its employees.

13. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- (ii) that the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and of the profit of the Company for the period ended on that date;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a going concern basis.

14. 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 25, 2011

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.

Mumbai facility has been awarded the 2nd prize in the Tata Power's Energy Conservation Awards. We were pitted against all the industries (in Mumbai) taking a LT supply from Tata Power. The factors deciding this was the statistics on the measures and technologies adopted and deployed, and the energy saved on account of such deployment.

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 CAMWorks product for supporting multi-spindle turn machines and advanced reporting modules for DFMPPro. 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 R&D work has also been initiated for next generation visualization and collaboration solution running on multiple platform including handheld mobile device.

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 (₹)	Previous year (₹)
Total Foreign Exchange used	476,072,041	433,457,303
Total Foreign Exchange earned	2,099,309,321	2,019,705,215



Annexure ‘B’ to the Directors’ Report

Particulars as prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1975.

Sr. No.	Employee Name	Position	Age	Date of Joining	Main Qualification	Total Exp. Years	Gross Remuneration	Last Company Name
1.	Ravishankar G.	Managing Director & CEO	43	28-Feb-07	BSc, CA, ICWA	21	19,772,153	GE Healthcare

Notes:

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, employee is entitled to gratuity, medical benefits etc., in accordance with the Company’s rules.
3. The remuneration as indicated above includes performance linked payments for employee for the previous year, which were approved by the Management during the year.
4. The above appointment is contractual.
5. The employee is not related to any Director of the Company.



Annexure 'C' to the Directors' Report

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

A. Summary of Status of ESOPs Granted

The position of the existing schemes is summarized as under -

Sr. No.	Particulars	Scheme 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				
1	Details of the Meeting	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	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.
4	Options Granted	630,956	2,477,695	1,872,500	1,116,950	250,000	600,000
5	Options Vested	71,135	-	115,000	158,550	50,000	97,260
6	Options Exercised	27,336	1,012,015	-	248,700	-	62,520
7	Options Forfeited/ Surrendered (Note 2)	108,081	691,950	1,642,500	229,500	-	67,400
8	Options Unexercised	495,539	-	230,000	638,750	250,000	470,080
9	Options Lapsed	-	773,730	-	-	-	-
10	Total Number of Options in force	-	-	230,000	638,750	250,000	470,080
11	Variation in terms of ESOP	NA	NA	NA	NA	NA	NA
12	Total Number of Shares arising as a result of Exercise of Options	1,148,695	0	0	248,700	0	62,520
13	Money realised by exercise of Options (₹ in Lakhs)	570.10	0.00	0.00	49.73	0.00	29.51

Notes:

- The No. of Options mentioned above have been adjusted for sub-division of the Company's shares from face value of ₹ 10 each into five shares of face value of ₹ 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 Schemes 2003, 2006, 2009 & 2009 - (Directors & Employees).



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

B. Employee-wise details of options granted during the financial year 2010-11 to:

(i) Senior managerial personnel

Name	No. of options granted
Narendra Pitre	26,350
Nitin Tappe	30,600
Joseph Sahiouni	40,000

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

Name	No. of options granted
Narendra Pitre	26,350
Nitin Tappe	30,600
Joseph Sahiouni	40,000

(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

3.58

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

(a) Exercise price equals market price	80.45
(b) Exercise price is greater than market price	NA
(c) Exercise price is less than market price	NA

Weighted average fair value of options granted during the year whose

(a) Exercise price equals market price	34.08
(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 2010-11 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 2010-11 would be (₹ 5,928,021). The effect of adopting the fair value method on the net income and earnings per share is presented below:

Proforma Adjusted Net Income and Earning Per Share

Particulars	₹
Net Income	
As Reported	223,069,266
Add: Intrinsic Value Compensation Cost	–
Less: Fair Value Compensation Cost	(5,928,021)
Adjusted Proforma Net Income	217,141,245
Earning Per Share: Basic	
As Reported	3.58
Adjusted Proforma	3.49
Earning Per Share: Diluted	
As Reported	3.58
Adjusted Proforma	3.45

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

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	7.03%
2. Expected Life	3.45
3. Expected Volatility	57.18%
4. Dividend Yield	1.00%
5. Price of the underlying share in market at the time of the option grant.	77.55



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, 2011, 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 subject to:

- i. sub-clause IA (ii) of Clause 49, regarding the number of independent directors being less than half for the period from October 22, 2010 up to April 8, 2011, when Mr. Ravishankar G. resigned and the composition of the Board was in compliance of Clause 49, and
- ii. sub-clause IIA (iv) of the said Clause, regarding the Annual General Meeting of the Company being attended by the Co-Chairperson of the Audit Committee as the Chairman of the Audit Committee was unable to attend, as stated in paragraph 3(b) of the Report on Corporate Governance,

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 25, 2011.



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 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, 2011, the Board comprised of nine Directors out of which eight were Non Executive. Mr. Ravishankar G., Managing Director & CEO resigned with effect from April 8, 2011 and Mr. Manu Parpia was appointed as Managing Director & CEO with immediate effect. With the resignation of Mr. Ravishankar G., the composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the stock exchanges. The Chairman of the Board is a Non-Executive Director.

None of the Directors on the Board is a member of more than 10 committees or Chairman of more than 5 Committees across all the companies in which he/she is a Director as detailed below. Necessary disclosures regarding committee positions in other public companies as of March 31, 2011 have been made by the Directors.

Except the Executive Director and the Nominee Director, all other directors are liable to retire by rotation as per the provisions of the 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 hereinbelow:

Name of the Director	Designation	Category	No. of Board Meetings during the year		Attendance at the last AGM	No. of other Directorships held as at March 31, 2011 ¹	Committee position in other public Ltd Companies as at March 31, 2011 [#]	
			Held	Attended			Member	Chairman
Mr. J. N. Godrej	Chairman	Non-Executive; Non-Independent	4	4	Present	9	2	–
Mr. Manu Parpia ++	MD & CEO	Promoter; Executive; Non-Independent	4	4	Present	3	–	–
Mr. Ravishankar G.+	MD & CEO	Executive; Non-Independent	4	4	Present	1	–	–
Dr. K. A. Palia	Director	Non-Executive; Non Independent	4	4	Present	4	1	–
Ms. Anita Ramachandran	Director	Non-Executive; Independent	4	4	Present	4	2	3
Mr. Milind Sarwate	Director	Non-Executive; Independent	4	3	Absent	2	–	–
Dr. Richard Riff	Director	Non-Executive; Independent	4	4	Present	–	–	–
Mr. Ajay Mehra	Director	Non-Executive; Independent	4	4	Present	–	–	–
Mr. Parth Gandhi [§]	Additional Director	Non-Executive; Non-Independent	1 [^]	1	N.A.	1	–	–

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

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

[§] Nominee Director of ICICI Venture Funds Management Co. Ltd. appointed w.e.f. October 22, 2010.

[^] Details provided from date of appointment.

⁺ Resigned w.e.f April 8, 2011.

⁺⁺ Appointed as MD & CEO w.e.f. April 8, 2011 and considered to be executive henceforth.



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 an informed decision. The Board is also free to recommend the inclusion of any matter for discussion in consultation with the Chairman. The Vice President – Finance and in the absence of him/her the Finance Controller is normally invited to the Board Meetings to provide necessary insights into the working of the Company and for discussing corporate strategies.

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

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

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

Sr. No.	Dates on which the Board Meetings were held	Total strength of the Board	No. of Directors present (Physical)	No. of Directors present (Teleconference)
1	26-Apr-2010	8	8	–
2	23-Jul-2010	8	7	–
3	22-Oct-2010	8	8	–
4	24-Jan-2011	9	9	–

Equity Shares of the Company held by Directors as on March 31, 2011:

Name of Director	Number of Shares held	Percentage
Mr. J. N. Godrej	–	–
Mr. Manu Parpia	42,42,925	6.80
Mr. Ravishankar G.**	–	–
Dr. K. A. Palia	45,000	0.07
Ms. Anita Ramachandran	35,000	0.06
Mr. Milind Sarwate	–	–
Dr. Richard Riff	–	–
Mr. Ajay Mehra	–	–
Mr. Parth Gandhi*	–	–

* Appointed as Additional Director w.e.f. October 22, 2010.

** Resigned w.e.f. April 8, 2011.

c) Re-appointment of Directors

Mr. Milind Sarwate and Dr. Richard Riff 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:

- i) 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 judgment by management.
 - (d) Significant adjustments made in the financial statements arising out of audit findings.
 - (e) Compliance with listing and other legal requirements relating to financial statements.
 - (f) Disclosure of any related party transactions.
 - (g) Qualifications in the draft audit report.
 - vi) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
 - vii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
 - viii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
 - ix) Discussion with internal auditors on any significant findings and follow up thereon.
 - x) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - xi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - xii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of 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	No. of Meetings during the year 2010-11	
		Held	Attended
Mr. Milind Sarwate (Chairman)	Non-Executive, Independent	4	3
Dr. K. A. Palia	Non-Executive, Non-Independent	4	4
Dr. Richard Riff	Non-Executive, Independent	4	1*
Ms. Anita Ramachandran	Non-Executive, Independent	4	4

* 3 on teleconference

Audit Committee meetings were held on April 22, 2010, July 23, 2010, October 20, 2010 and January 22, 2011. The necessary quorum was present at all the meetings.

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

The previous Annual General Meeting of the Company was held on July 23, 2010 and in the absence of the Chairman it was attended by Ms. Anita Ramachandran, Co-Chairperson 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 Plan, which the Company may wish to offer to its employees and reports the same to the Board of Directors.

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

Name of the Member	Category	No. of Meetings during the year 2010-11	
		Held	Attended
Mr. J. N. Godrej (Chairman)	Non-Executive, Non-Independent	5	4
Mr. Manu Parpia*	Promoter, Non Executive, Non-Independent	5	5
Mr. Milind Sarwate	Non-Executive, Independent	5	3 #
Ms. Anita Ramachandran	Non-Executive, Independent	5	5
Mr. Ajay Mehra	Non-Executive, Independent	5	4

* upto April 7, 2011

1 attended on teleconference

Compensation Committee meetings were held on April 26, 2010, July 23, 2010, October 15, 2010, October 22, 2010 and January 24, 2011. The necessary quorum was present at all the meetings.

Compensation Policy

i) Management Staff:

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

ii) Non-Executive Directors:

Pursuant to the Members approval at the Annual General Meeting held on August 4, 2008, the Company has obtained approval from the Central Government for payment of commission upto 3% of the Net Profits of the

Report on Corporate Governance (Contd.)

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, 2011, to the Non-Executive Directors, amounted to ₹ 8,239,000/-.

The details of commission payable and sitting fees paid to the Non-Executive Directors for the financial year 2010-11 are summarized as below:

Name of the Director	Commission (₹)	Sitting Fees (₹)
Mr. J. N. Godrej	969,294	120,000
Mr. Manu Parpia	1,938,588	130,000
Dr. K. A. Palia	969,294	160,000
Ms. Anita Ramachandran	969,294	210,000
Dr. Richard Riff	969,294	100,000
Mr. Milind Sarwate	969,294	150,000
Mr. Ajay Mehra	969,294	120,000
Mr. Parth Gandhi*	484,648	20,000
Total	8,239,000	1,010,000

* Nominee Director of ICICI Venture Funds Management Co. Ltd. appointed w.e.f. October 22, 2010 and commission and sitting fees paid to "ICICI Venture Funds Management Co. Ltd."

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 has availed the professional services of Mr. Manu Parpia, during the year at fee of ₹ 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 him and as approved by the Central Government under Section 309 (1) of the Companies Act, 1956.

Under ESOP Scheme 2009 - Directors, the eligible Directors were granted stock options on October 26, 2009. The details of shares and Employee Stock Options held by the Non-Executive Directors as on March 31, 2011, were as given below:

Name of the Director	No. of Shares held	No. of Stock Options Held*	Grant Price (in ₹)	Date of expiry
Mr. J. N. Godrej	–	–	–	–
Mr. Manu Parpia	42,42,925	–	–	–
Dr. K. A. Palia	45,000	50,000	47.20	October 26, 2014
Ms. Anita Ramachandran	35,000	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
Mr. Parth Gandhi	–	–	–	–

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

iii) Executive Director:

Mr. Ravishankar G., Managing Director and CEO, was the only Executive Director in the Company. His remuneration for the financial year 2010-11, has been approved by the Compensation Committee, the Board of Directors and also the Shareholders in the General Meeting as required by the Companies Act, 1956. The

Report on Corporate Governance (Contd.)

Company has also received Central Government approval for payment of remuneration to Mr. Ravishankar G., of a consolidated amount (inclusive of perquisites) not exceeding ₹ 2 crores per annum.

Remuneration to Executive Director –

The details of remuneration paid to Mr. Ravishankar G., for the period from April 1, 2010 to March 31, 2011, are given below:

Particulars	Amounts (₹)
Salary	5,925,388
Performance pay	7,200,000
Others	1,087,675
Total	14,213,063

Under “ESOP Scheme 2009” the Company granted 250,000 stock options to Mr. Ravishankar G. at ₹19.10 of which 112,500 options have been exercised by him and the balance 137,500 stock options have been cancelled according to the terms of the Scheme.

C. Investor Grievances Redressal Committee

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

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

Name of the Member	Category	No. of Meetings during the year 2010-11	
		Held	Attended
Mr. J. N. Godrej (Chairman)	Non-Executive, Non-Independent	4	4
Mr. Manu Parpia*	Promoter, Executive, Non-Independent	4	4
Dr. K. A. Palia	Non-Executive, Non-Independent	4	4
Mr. Ravishankar G.**	Executive, Non-Independent	4	4

* Appointed as Managing Director & CEO w.e.f April 8, 2011 and considered to be executive henceforth.

** Resigned w.e.f from April 8, 2011.

Investor Grievances Redressal Committee meetings were held on April 26, 2010, July 23, 2010, October 22, 2010 and January 24, 2011. The necessary quorum was present at all the meetings. The Company Secretary acts as Secretary of the Committee.

Share Transfers in Physical Mode:

In order to expedite the process of share transfers, the Directors delegated the power to the Company’s Registrar & Share Transfer Agent (The RTA), Link Intime India Pvt. Ltd. (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 and resolved during the year 2010-2011

Nature of Requests/ Grievances/Complaints	Opening Balance as on April 1, 2010	Received during the year	Resolved during the year	Closing Balance as on March 31, 2011
Non-receipt of Dividend warrants	NIL	5	5	NIL
Non Receipt of Share Certificate(s)	NIL	1	1	NIL
Others	NIL	2	2	NIL
Total		8	8	NIL

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 Meetings:

Year	Date	Time	Location	Special Resolutions passed
2009-10	July 23, 2010	11.00 a.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	Approval of remuneration of Mr. Ravishankar G., Managing Director & CEO
2008-2009	September 25, 2009	9.30 a.m.	Plant 6, Pirojshanagar, Vikhroli (W), Mumbai – 400 079.	<ol style="list-style-type: none"> 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.

Extraordinary General Meetings:

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.	<ol style="list-style-type: none"> 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.	<ol style="list-style-type: none"> 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.

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.



Report on Corporate Governance (Contd.)

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 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 from time to time in line with the amended Securities and Exchange Board of India (SEBI) Regulations in this regard. All the Directors on the Board as well as senior level employees/officers of the Company who could be privy to unpublished price sensitive information of the Company are governed by this code.
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.

6. Means of Communication

The Un-audited/Audited quarterly/half yearly/yearly financial statements are announced within 45 days of the end of the quarter. The aforesaid financial statements are taken on record by the Board of Directors and are communicated to the Stock Exchanges where the Company's securities are listed. Once the Stock Exchanges 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 : July 25, 2011
at 11.00 a.m.

Venue : Plant 6, Pirojshanagar,
Vikhroli (W),
Mumbai 400 079

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

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

3. Name & contact details of the Compliance Officer:

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

4. Book Closure:

The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, July 19, 2011 to Monday, July 25, 2011 (both days inclusive).

5. Dividend:

The Board has recommended Dividend on equity shares.

Report on Corporate Governance (Contd.)

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/Scrip Code & ISIN/Common Code Number

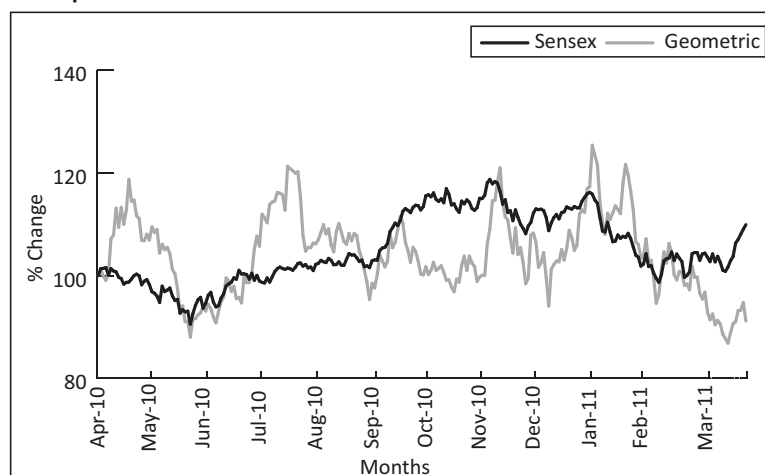
The Stock Exchange, Mumbai (BSE)	532312
National Stock Exchange of India Ltd. (NSE)	GEOMETRIC
ISIN Number with NSDL & CDSL	INE797A01021

7. Market Price Data:

High, lows and volume of Company's shares for 2010-11 at BSE & NSE

Month	Bombay Stock Exchange			National Stock Exchange		
	High	Low	Volume	High	Low	Volume
Apr-10	80.90	63.25	489,928,620	80.85	63.00	727,880,000
May-10	76.60	57.80	97,190,688	76.65	58.00	167,338,000
Jun-10	73.70	60.05	124,760,184	73.70	59.20	179,098,000
Jul-10	84.10	69.05	872,085,762	84.40	69.10	922,327,000
Aug-10	75.90	62.55	154,639,393	75.80	63.25	220,211,000
Sep-10	76.30	63.50	117,505,059	76.70	64.10	227,034,000
Oct-10	73.70	64.10	147,449,308	73.90	64.30	269,145,000
Nov-10	85.45	61.00	332,545,067	85.40	61.00	579,504,000
Dec-10	79.80	62.20	167,610,971	79.80	62.50	302,296,000
Jan-11	87.00	68.00	394,657,074	87.00	68.00	605,427,000
Feb-11	72.70	63.00	60,044,628	73.00	63.10	94,815,000
Mar-11	68.90	58.00	61,166,982	69.00	57.90	77,918,000

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





Report on Corporate Governance (Contd.)

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 (West), Mumbai - 400 078.

10. Share Transfer System

99.05% 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.

11. Distribution of Shareholding as on March 31, 2011:

Shareholding of Shares	Number of Shareholders	Percentage of Shareholders	Shares Amount Total	Percentage of Total
1 – 5000	26634	96.38	13,888,890	11.12
5001 – 10000	423	1.53	3,168,560	2.54
10001 – 20000	253	0.91	3,741,660	3.00
20001 – 30000	92	0.33	2,387,522	1.91
30001 – 40000	54	0.20	1,901,056	1.52
40001 – 50000	44	0.16	2,047,230	1.64
50001 – 100000	69	0.25	5,208,704	4.17
100001 and above	65	0.24	92,507,518	74.10
Total:	27634	100.00	124,851,140	100.00

12. Categories of Shareowners as of March 31, 2011:

Category	Shares	Percent
Promoters & Promoter Group	23,428,933	37.53
Clearing Member	203,965	0.33
Other Bodies Corporate	2,092,377	3.35
Directors (Excluding Promoter Director)	80,000	0.13
Financial Institutions	7,950	0.01
Foreign Inst. Investor	7,403,220	11.86
Life Insurance Corpn of India	1,464,882	2.34
Mutual Fund	959,667	1.54
Nationalised Banks	400	0.00
Non Nationalised Banks	–	–
Non Resident Indians	515,588	0.83
Non Resident (Non Repatriable)	216,562	0.35
Public	22,114,225	35.42
Trusts	3,868,775	6.20
GIC & Its Subsidiaries	69,026	0.11
Total	62,425,570	100.00

13. Dematerialization of shares and Liquidity:

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

As on March 31, 2011, 99.05% Equity shares have been dematerialized. The shares have been admitted for dematerialization with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders have option to dematerialize their shares with either of the depositories.



Report on Corporate Governance (Contd.)

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 there are no Outstanding GDRs/Warrants or any Convertible Instruments as on March 31, 2011, the conversion thereof, which may have a likely impact on equity share capital of the Company.

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

(Registered Office) Mumbai	Plant 6, Pirojshanagar, Vikhroli (West), Mumbai - 400 079.
Pune	Geometric Limited Plot No. 15/B, Pune Infotech Park, M.I.D.C. Hinjewadi, Taluka Mulshi, Pune-411 057
	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 Limited Vikas Telecom Limited (SEZ), Vrindavan Tech Village, Ground Floor, Tower 3 of 2B, Survey No. 12/3 & 12/4 of Devarabeesanhalli Village, Varthur Hobli, Bangalore East Taluka, Bengaluru - 560 037
Chennai	Geometric Limited SP Info City, Block A, 1st Floor, Module 4, No.40, MGR Salai, Perungudi, Kandanchavadi, Chennai - 600 096
Hyderabad	Geometric Limited Q-City, 5th Floor, Block A, Survey Nos. 109, 110 & 111/2, Nanakrumpguda Village, Gachibowli, 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 Americas Inc.	50 Kirts Blvd. Suite A, Troy, MI 48084, USA
Geometric Europe GmbH	Friedrichstrasse, 15 70174 Stuttgart, Germany

Other Subsidiaries

Geometric China Inc.	23B, 855 South Pudong Rd, Pudong New Area, Shanghai, PRC.
Geometric SAS (France)	Parc Technologique METROTECH, Immeuble 6 42650 Saint Jean Bonnefonds, France
Geometric SRL (Romania)	Parcul Mic 19-21, bl.2 sc.A Mezzanine, Brasov, 500386, Romania
Geometric Japan K. K.	Hikari Bldg 9F, 1-43-7, Yoyogi, Shibayu-Ku, Tokyo - 151-0053

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 (West), Mumbai - 400078.
Tel.: 022 – 25963838
Fax: 022 – 25946969



Report on Corporate Governance (Contd.)

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

For Geometric Limited

Place : Mumbai

Date : April 25, 2011

Manu Parpia

Managing Director & CEO

Management's Discussion and Analysis Report

Overview

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

A. Business Environment and Outlook

Geometric operates in the Engineering 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.

FY11 saw Geometric's primary markets cautiously come out of a global recession that started in late FY09, resulting in a gradual increase in demand and volumes for a wide variety of products and services.

A recovery is expected in the US automobile industry with Detroit staging a comeback. The economic downturn provided the impetus for a massive structural change in the auto industry, setting the stage for growth over the next decade. Ford and GM bounced back with a recovery in the global market and restructuring of the product portfolio at the end of 2009. In 2010, Automakers sales grew rapidly. Given the high barriers to entry and the need for economies of scale, the global auto industry landscape is expected to be ruled by global automakers and suppliers based in the six major auto markets — China, India, Japan, Korea, Western Europe and the U.S.

As auto companies try to remain competitive by focusing on more user-friendly, technologically advanced, yet cost-effective vehicles, it becomes imperative for them to shift production and outsourcing work from high cost countries to low cost ones including India, while continuing investment in research. This is likely to open up opportunities for Geometric with new and existing customers. However, it would also put pressure on prices in the interim.

Construction Equipment and Heavy Machinery industry giants like Caterpillar are giving positive outlook for 2011, though there has been a marginal impact of Japan Earthquake. The Aerospace industry expects continued recovery in airline passenger and cargo traffic that will allow a resumption of the order stream. Geometric will continue to work with our customers in providing value and benefit from the new opportunities coming up.

In all industries, the restructuring measures and process improvements initiated after the recession are likely to continue. This would drive IT outsourcing, particularly in Engineering Services, with focus on areas like optimization of manufacturing process costs, competitive sourcing of components, and increasing integration between various enterprise level systems. Research and Development in Green technologies to make energy efficient products with minimal impact on the environment, is likely to increase. All of these trends will favor 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. As major industries that Geometric operates in provide a positive outlook for 2011, it provides many opportunities to deeply engage with our existing customers as well as acquire new customers. We see a lot of opportunities arising out of partnerships and alliances.
2. Using innovation as a key driver, we would look out at creating intellectual property to add value to our offerings for our customers. Our customers are increasingly seeking solutions to their problems rather than dictating requirements. We see a great opportunity in being seen as solution providers and not just solution implementers.
3. The PLM (Product Lifecycle Management) systems market continues to show a strong growth. Many new initiatives have been taken up by major PLM vendors like generating more synergies between enterprise search and PLM, more intuitive decision support in design and engineering, connectivity between direct modeling and history-based modeling in computer-aided design (CAD), social product development in the cloud, etc. Geometric sees great opportunities in contributing to these initiatives as well as helping customers implement them.



Management's Discussion and Analysis Report (Contd.)

4. Geometric true Global Engineering service delivery model, combining 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.

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 ₹ 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 inhouse 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. Despite the economic recovery, customers are very cautious with their spending. As they continue measures to reduce costs, it would have impact on the price we can negotiate of our offerings, putting pressure on margins. Geometric will focus on value adding offerings that can provide higher margins, alongwith creation and licensing of intellectual property.
4. As competition increases, acquiring and retaining customers would be challenging. Geometric will use its niche expertise as well as its intellectual property to provide a competitive edge.

C. Segment-wise Reporting

Geometric has organized its business into three distinct segments:

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

1. Software Solutions and Services include development, deployment and support of bespoke and packaged applications that digitize the extended PLM environment
 - a. With the changing economic scenario we continued our strategy of building stronger direct customer relationships. The PLM applications market started to witness a technology shift last year with demands for OOTB implementations. To address these needs we have reinforced our business process consulting capabilities and strengthened our technical competencies for largescale PLM implementations. We maintained our focus on building process solutions and offerings that combine software and engineering services further differentiated by our products and technologies to emerge as the differentiated Systems Integrator in our domain. The business has gained credible traction in verticals such as aerospace and oil & gas engineering, effectively diversifying the industry base of the business's markets. With focus on AMS (Application Management Services), we successfully closed AMS deals with large industrial customers, which contribute to our growing annuity revenue base. The industry clearly demands specialized support services for the engineering and manufacturing IT landscapes. Growing markets like India saw promising adoption of enterprise PLM systems and Geometric is aligned to service these opportunities through well-defined market making alliances with the leading PLM ISVs.
 - b. Software Engineering offers architecture, development, industrialization and support services for custom applications and software products. We reinforced our engagements through new fixed price projects with existing customers and by partnering with new customers to define and build new age solutions. We have successfully provided end to end program management for turkey projects. We leveraged our technology alliances to work with the system OEMs early in their decision making process and have today moved ahead to being a provider that brings value across the software product lifecycle by fulfilling expectation to provide product management capabilities in the CAX domain.



Management's Discussion and Analysis Report (Contd.)

2. Engineering Solutions and Services unit provides services in product engineering, manufacturing engineering and supply chain engineering to clients in the automotive, aerospace and heavy engineering domains. This year saw significant improvement in demand for these services. The automotive part of the business recovered from last year, however, the increase in revenues was due to a major thrust in the construction machinery business. Our China centre grew substantially in FY11. We see this trend continue in China mainly due to the demands in the construction machinery segment in China to support product engineering and supplier collaboration engineering. We continued our focus on improving productivity by investing in tools and automation techniques.
3. Products and Technology portfolio of Geometric includes Design and Manufacturing solutions, visualization and collaboration solution, and Computer Aided Manufacturing (CAM) product. Portfolio also includes interoperability solutions that integrate engineering and manufacturing applications within and across PLM and other enterprise systems. 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. Keeping with the new technology trends, Geometric also plans to build new multi-platform visualization offerings that will run on iPad and other popular handheld devices. It will leverage cloud based infrastructure for data optimization and collaboration.

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 several 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 ₹ 2 each. Our authorized share capital is ₹ 160 million, divided into 80 million equity shares of ₹ 2 each.

During the year 311,220 equity shares of ₹ 2 each have been issued under various Employee Stock Option Plans. Consequently, the issued, subscribed and outstanding shares increased to 62,425,570 from 62,114,350 and share capital increased to ₹ 124.85 Mn from ₹ 124.23 Mn.



Management's Discussion and Analysis Report (Contd.)

2. Reserves and Surplus

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

(₹ Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Securities Premium Account	11.91	4.61	11.91	4.61
Cash Flow Hedges Reserve	75.58	122.88	124.86	200.36
General Reserve	79.15	56.75	254.56	192.66
Foreign Currency Translation Reserve	-	-	7.87	6.08
Investment Restructuring Reserve	756.07	756.07	49.36	49.36
Profit and Loss Account – Surplus	1,213.40	1,098.03	1,604.31	1,201.94

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, 2011, Total Loan funds outstanding are ₹ 44.62 Mn as compared to (Consolidated) in Previous Year ₹ 185.30 Mn.

As of 31st March, 2011, loans outstanding are as below:

(₹ Millions)

	Geometric Limited	Geometric Americas	Geometric Engineering
Loan from Citi Bank	44.62	-	-
Loan from ICICI Bank	-	-	-

4. Deferred tax Liability

We recorded deferred tax liability of ₹ 11.39 (unconsolidated) and ₹ 30.40 (consolidated) as of March 31, 2011 (₹ 10.61 (unconsolidated) and ₹ 30.37 (consolidated) as of March 31, 2010). 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:

(₹ Millions)

Particulars	Unconsolidated			Consolidated		
	Current Year	Previous Year	Growth (%)	Current Year	Previous Year	Growth (%)
Leasehold Land	15.73	15.73	0.00	50.84	50.84	-
Buildings	113.50	113.70	0.00	263.63	262.15	0.57
Leasehold Improvement	6.66	-	-	14.06	4.68	200.10
Computers	59.29	118.25	(49.86)	726.43	737.75	(1.53)
Electrical Installations	98.33	94.21	4.37	196.55	195.74	0.42



Management's Discussion and Analysis Report (Contd.)

Particulars	Unconsolidated			Consolidated		
	Current Year	Previous Year	Growth (%)	Current Year	Previous Year	Growth (%)
Office Equip. and EPABX	39.70	46.40	(14.43)	82.27	83.67	(1.67)
Furniture and Fixtures	135.29	131.45	2.93	264.22	257.98	2.42
Vehicles	-	2.03	(99.95)	-	2.03	(99.95)
Computer Software	298.46	229.64	29.97	417.09	351.49	18.66
Goodwill	-	-	-	60.89	60.89	-
Gross Block	766.98	751.42	2.07	2075.99	2007.23	3.43
Less: Accumulated Dep.	477.10	490.59	(2.75)	1230.48	1150.75	6.93
Net Block	289.88	260.83	11.13	845.51	856.48	(1.28)
Add: Capital WIP	1.02	0.54	88.69	5.92	0.56	966.99
Net Fixed Assets	290.90	261.37	11.29	851.43	857.03	(0.65)

a. Capital expenditure

We incurred an amount of ₹ 232.68 (excl. Goodwill) (₹ 278.30 Mn in the previous year) as capital expenditure comprising of additions to gross block and ₹ 5.92 Mn (₹ 0.56 Mn in the previous year) on account of increase in capital work in progress.

b. Additions to gross block

(₹ Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Total Addition to Gross Block	114.98	52.64	232.68	278.30
Out of which, Investment in Technology Assets	91.06	36.14	192.10	124.75

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

6. Investments

(₹ Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Investments in Mutual Funds	-	146.90	138.52	166.97
Investments in Subsidiaries	126.98	126.98	-	-
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 merged Geometric Technologies Inc., into Geometric America's 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

(₹ Millions)

Particulars	Unconsolidated (Excluding Intercompany)		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Sundry Debtors	342.40	199.09	1183.48	924.96
Days sales Outstanding (DSO)	77	66	59	66
Debtors as a % of revenue	13.59%	9.01%	19.00%	17.98%



Management's Discussion and Analysis Report (Contd.)

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, 2011, Debtor's amounting ₹ 22.35 Mn (unconsolidated) and ₹ 50.34 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 ₹ 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.

(₹ Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Cash balances	-	-	0.09	0.05
Current Accounts	17.88	7.07	94.50	109.74
Deposit Accounts	4.08	55.50	9.05	60.47
Foreign currency accounts	0.57	0.23	2.03	0.73
Unclaimed dividend account	3.02	2.70	3.03	2.71
Investment in liquid mutual funds reported under investments	-	146.90	138.52	166.97
Total cash & cash equivalent	25.55	212.40	247.22	340.69
Cash & cash equivalent/assets	3.33%	28.27%	11.91%	16.97%
Cash & cash equivalent/revenues	1.01%	9.61%	3.97%	6.62%

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 ₹ 0.5 Million to Geometric Americas, Inc. Total Loans granted to Geometric Americas, Inc. stands at ₹ 538 Million.

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.

Management's Discussion and Analysis Report (Contd.)

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)

(₹ Millions)

Particulars	Current Year		Previous Year	
	₹	%	₹	%
Products	404.91	6.52	371.68	7.27
Projects	5,801.21	93.48	4,743.94	92.73
Total	6,206.12	100.00	5,115.62	100.00

b) Geographical Segmentation of total sales (Consolidated)

(₹ Millions)

Particulars	Current Year		Previous Year	
	₹	%	₹	%
USA	4,504.40	72.58	3,237.01	63.28
Europe	990.50	15.96	1342.00	26.23
Asia Pacific	345.06	5.56	242.28	4.74
India	366.16	5.90	294.33	5.75
Total	6,206.12	100.00	5,115.62	100.00

2. Expenditure

2.1 Operating and Other Exp (unconsolidated)

(₹ Millions)

Particulars	Current Year	% to Total Income	Previous Year	% to Total Income	Growth %
Personnel Expenses	1,598.80	63.45	1,268.97	57.42	6.03
Travelling and Conveyance Expenses	104.23	4.14	95.20	4.31	(0.17)
Software Tools and Packages	25.81	1.02	12.26	0.55	0.47
Royalty	46.86	1.86	47.35	2.14	(0.28)
Legal and Professional Charges	137.90	5.47	70.42	3.19	2.29
Rent and Service Charges	192.89	7.66	179.23	8.11	(0.46)
Repairs and Maintenance	17.99	0.71	18.26	0.83	(0.11)
Electricity Expenses	36.09	1.43	42.00	1.90	(0.47)
Computer Rental Charges	75.03	2.98	85.42	3.87	(0.89)
Sales and Marketing Expenses	-	-	32.50	1.47	(1.47)
Other Expenses	50.96	2.02	208.13	9.42	(7.40)
Total Operating and Other Expenses	2,286.57	90.75	2,059.75	93.21	(2.46)
Total Income	2,519.67		2,209.86		

Management's Discussion and Analysis Report (Contd.)

2.2 Operating and Other Exp (Consolidated)

(₹ Millions)

Particulars	Current Year	% to Total Income	Previous Year	% to Total Income	Growth %
Personnel Expenses	4,164.35	66.85	3,153.07	61.30	5.55
Travelling and Conveyance Expenses	263.42	4.23	190.74	3.71	0.52
Software Tools and Packages	54.54	0.88	48.95	0.95	(0.08)
Royalty	76.64	1.23	75.32	1.46	(0.23)
Legal and Professional Charges	223.10	3.58	158.40	3.08	0.50
Rent and Service Charges	259.57	4.17	310.23	6.03	(1.86)
Repairs and Maintenance	37.36	0.60	35.37	0.69	(0.09)
Electricity Expenses	72.91	1.17	75.72	1.47	(0.30)
Insurance	12.32	0.20	16.42	0.32	(0.12)
Communication Expenses	52.45	0.84	52.28	1.02	(0.17)
Other Expenses	311.25	5.00	426.85	8.30	(3.30)
Total Operating and Other Expenses	5,527.92	88.74	4,543.36	88.33	0.41
Total Income	6,229.11		5,143.60		

2.3 Depreciation

(₹ Millions)

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Depreciation	79.91	80.43	235.46	231.52
% to gross block of assets	10.42	10.70	11.34	11.53
% to Sales: Software Packages & Services	1.38	1.70	4.06	4.88

3. Operating Profit

Particulars	Unconsolidated		Consolidated	
	Current Year	Previous Year	Current Year	Previous Year
Operating Profit (Profit Before Tax Less non operating Income/(Loss))*	63.35	74.52	677.67	570.07
Sales: Software Packages & Services	2,349.92	2,137.39	6,206.12	5,115.62
Operating Margin	2.70%	3.49%	10.92%	11.14%

*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, 2011	March 31, 2010
Production	3,692	2,826
Support	373	343
Total	4,065	3,179



CEO & CFO's Certification

We, Manu Parpia, Managing Director and Chief Executive Officer and Anil Jain, Finance Controller of Geometric Limited, to the best of our knowledge and belief, certify that:

- a. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2011 and that to the best of our knowledge and belief :
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

For Geometric Limited

Manu Parpia
Managing Director & Chief Executive Officer

Anil Jain
Finance Controller

Place: Mumbai

Date: April 25, 2011

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

The Board of Directors

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, 2011, the Consolidated Profit and Loss Account and the 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 financial statements of Geometric Asia Pacific Pte. Ltd. and its subsidiaries and 3D PLM Software Solutions Limited, being the subsidiaries included in the consolidated financial statements whose financial statements reflect total assets of Rs. 1,505,226,520 as at March 31, 2011, total revenues of Rs. 1,735,165,440 and net cash flows amounting to Rs. 14,570,581 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. Three subsidiaries whose financial statements reflect total assets of Rs. 140,344,420 as at March 31, 2011, total revenues of Rs. 93,807,571 and the net cash flows amounting to Rs. 2,698,930 for the year ended on that date has not been audited and has been considered in the consolidated financial statements based solely on the unaudited separate financial statements certified by the Management.
5. 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.
6. 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, 2011;
 - (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
Firm Reg. No. 104607W

Viraf R. Mehta
Partner
M. No. 32083

Mumbai, April 25, 2011



Consolidated Balance Sheet as at March 31, 2011

	Schedule	Amount in ₹	
		As at March 31, 2011	2010
SOURCES OF FUNDS:			
1. SHAREHOLDERS' FUNDS			
a) Share Capital	1	124,851,140	124,228,700
b) Share Application Money		234,860	-
c) Reserves and Surplus	2	2,052,867,940	1,655,006,723
		2,177,953,940	1,779,235,423
2. LOAN FUNDS			
Secured Loans	3	44,619,476	185,299,984
3. DEFERRED TAX LIABILITY (NET)	4	30,397,789	30,374,232
4. MINORITY INTEREST		384,094,693	338,004,367
TOTAL		2,637,065,898	2,332,914,006
APPLICATION OF FUNDS:			
5. FIXED ASSETS	5		
a) Gross Block		2,075,989,871	2,007,225,199
b) Less: Depreciation		1,230,476,744	1,150,746,812
c) Net Block		845,513,127	856,478,387
d) Capital Work-in-Progress		5,922,553	555,072
		851,435,680	857,033,459
6. INVESTMENTS	6	138,517,535	166,975,512
7. CURRENT ASSETS, LOANS AND ADVANCES			
a) Sundry Debtors	7	1,183,481,587	924,963,077
b) Cash and Bank Balances	8	108,707,449	173,713,856
c) Other Current Assets	9	1,896,231	1,979,630
d) Loans and Advances	10	1,201,495,294	1,023,474,345
		2,495,580,561	2,124,130,908
8. Less: CURRENT LIABILITIES AND PROVISIONS			
a) Current Liabilities	11	667,097,220	676,355,987
b) Provisions	12	181,370,658	138,869,886
		848,467,878	815,225,873
9. NET CURRENT ASSETS		1,647,112,683	1,308,905,035
TOTAL		2,637,065,898	2,332,914,006
NOTES TO ACCOUNTS	17		

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
Firm Reg. No. 104607W

Signatures to the Balance Sheet and Schedules 1 to 12 and 17.
For and on behalf of the Board

Viraf R. Mehta
Partner
M. No.: 32083

J. N. Godrej
Chairman

Manu Parpia
Managing Director & CEO

Milind Sarwate
Director

Maria Monserrate
Company Secretary

Anil Jain
Finance Controller

Place: Mumbai
Date: April 25, 2011

Consolidated Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year ended March 31, 2011	Amount in ₹ Year ended March 31, 2010
INCOME:			
1. Sales - Software Products and Services		6,206,122,677	5,115,619,601
2. Other Income	13	22,989,010	27,984,868
		6,229,111,687	5,143,604,469
EXPENDITURE:			
3. Operating and Other Expenses	14	5,478,708,000	4,258,865,015
4. (Gain)/Loss on Foreign Exchange Transactions (Net)		(196,121,106)	19,715,437
5. Interest and Finance Charges	15	9,875,384	33,253,490
6. Depreciation		235,458,750	231,523,124
		5,527,921,028	4,543,357,066
PROFIT BEFORE TAX AND PRIOR PERIOD ADJUSTMENTS:		701,190,659	600,247,403
7. Provision for Taxes			
(a) Current Taxes			
- Indian Taxes		103,398,890	100,770,337
- Foreign Taxes		33,222	-
(b) MAT Credit Eligible for Set-off		(86,285,829)	(73,834,196)
(c) Deferred Taxes		1,260,559	(22,883,113)
(e) Tax Adjustment Prior Years		(1,280,514)	-
		17,126,328	4,053,028
PROFIT AFTER TAX, BEFORE PRIOR PERIOD ADJUSTMENTS AND MINORITY INTEREST:		684,064,331	596,194,375
8. Prior Period Adjustments	16	(530,031)	(2,189,014)
NET PROFIT AFTER TAXES BEFORE MINORITY INTEREST:		683,534,300	594,005,361
9. Less: Minority Interest in Net Profit of Subsidiaries		(108,326,584)	(127,400,616)
		575,207,716	466,604,745
10. Surplus Brought Forward		1,201,941,520	861,843,585
AMOUNT AVAILABLE FOR APPROPRIATION:		1,777,149,236	1,328,448,330
APPROPRIATIONS:			
Proposed Dividend		74,910,684	68,325,785
Dividend Tax		10,391,966	11,502,689
Transfer to General Reserve		61,900,000	43,400,000
Corporate Dividend Tax Paid by Subsidiary		25,630,623	3,278,336
Surplus Carried Forward		1,604,315,963	1,201,941,520
TOTAL		1,777,149,236	1,328,448,330
EARNINGS PER EQUITY SHARE		17 - (15)	
(Face value ₹ 2 each)			
Before Extraordinary Items:			
Basic		9.24	7.51
Diluted		9.15	7.51
Including Extraordinary Items:			
Basic		9.24	7.51
Diluted		9.15	7.51
NOTES TO ACCOUNTS		17	

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
Firm Reg. No. 104607W

Viraf R. Mehta
Partner
M. No.: 32083

Signatures to the Profit and Loss Account and Schedules 13 to 17.
For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Managing Director & CEO

Milind Sarwate
Director

Maria Monserrate
Company Secretary

Anil Jain
Finance Controller

Place: Mumbai
Date: April 25, 2011

Consolidated Cash Flow Statement for the year ended March 31, 2011

	Amount in ₹	
	As at March 31,	
	2011	2010
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax, and Prior Period Items	701,190,659	600,247,403
Adjustment for:		
Depreciation	235,458,750	231,523,124
(Profit)/ Loss on Sale of Fixed Assets	5,928,579	(1,021,142)
(Profit)/ Loss on Sale of Investments	(205,847)	(6,129,276)
Interest Expense	9,875,384	33,253,490
Interest Income	(4,034,901)	(10,147,983)
Dividend Income	(8,583,143)	(10,595,817)
Unrealised Foreign Exchange loss/ (gains)	1,786,637	4,403,095
	240,225,459	241,285,491
Operating Profit Before Working Capital Changes	941,416,118	841,532,894
Working Capital Changes:		
Trade and Other Receivables	(406,232,725)	334,034,227
Current Liabilities and Provisions	93,020,620	(161,667,850)
	(313,212,105)	172,366,377
Cash Generated from Operations	628,204,013	1,013,899,271
Income Taxes Paid	(199,709,823)	(194,014,867)
Net Cash from Operating Activities	428,494,190	819,884,404
Prior Period Adjustments	(530,031)	(2,189,014)
Net Cash from Operating Activities	427,964,159	817,695,390
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(238,043,533)	(218,014,599)
Proceeds from Sale of Fixed Assets	2,253,982	9,553,089
Purchase/ Reinvestment of Investments	(3,606,411,002)	(5,196,025,468)
Proceeds from Sale of Investments	3,635,074,826	5,235,185,999
Dividend Received	8,583,143	10,595,817
Interest Received	4,118,300	9,454,285
Net Cash (used in) Investing Activities	(194,424,284)	(149,250,877)
<i>Balance carried forward</i>	233,539,875	668,444,513



Consolidated Cash Flow Statement for the year ended March 31, 2011

	Amount in ₹	
	As at March 31,	
	2011	2010
<i>Balance Brought forward</i>	233,539,875	668,444,513
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from issue of Share Capital/ESOP's	8,158,514	-
Borrowings from Bank	681,776,921	77,640,804
Repayment of Bank Borrowings	(822,457,429)	(1,061,130,864)
Interest Paid	(9,875,384)	(33,253,490)
Dividend Paid	(118,479,785)	(55,478,480)
Dividend Tax Paid	(37,669,119)	(9,428,568)
Net Cash (used in) Financing Activities	(298,546,282)	(1,081,650,598)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(65,006,407)	(413,206,085)
CASH AND CASH EQUIVALENTS		
AT THE BEGINNING OF THE PERIOD		
Cash and Bank Balances	173,713,856	586,919,941
CASH AND CASH EQUIVALENTS		
AT THE END OF THE PERIOD		
Cash and Bank Balances	100,791,927	173,935,193
Effect of exchange rate changes	7,915,522	(221,337)
	108,707,449	173,713,856
NET (DECREASE) IN CASH AND CASH EQUIVALENTS	(65,006,407)	(413,206,085)

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
Firm Reg. No. 104607W

Viraf R. Mehta
Partner
M. No.: 32083

For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Managing Director & CEO

Milind Sarwate
Director

Maria Monserrate
Company Secretary

Anil Jain
Finance Controller

Place: Mumbai
Date: April 25, 2011

Schedules annexed to and forming part of the Consolidated Balance Sheet

		Amount in ₹	
		As at March 31, 2011	As at March 31, 2010
SCHEDULE 1: SHARE CAPITAL			
1.	AUTHORISED:		
	80,000,000 Equity shares of ₹ 2/- each (Previous year		
	80,000,000 equity shares of ₹ 2/- each)	160,000,000	160,000,000
2.	ISSUED, SUBSCRIBED AND PAID UP:		
	62,425,570 Equity shares of ₹ 2/- each (Previous year		
	62,114,350 Equity shares of ₹ 2/- each) fully paid up.	124,851,140	124,228,700
TOTAL		124,851,140	124,228,700
Notes:			
Of the above equity shares:			
a)	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 ended March 31, 2011, 311,200 (previous year NIL) equity shares of ₹ 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	4,611,766
	Add: Received on shares allotted during the year	7,301,215	-
		11,912,981	4,611,767
2.	HEDGING RESERVE		
	As per last Balance Sheet	200,357,311	(166,293,163)
	Add : Fair Value (loss)/gain from forward currency contracts during the year (net)	(75,501,077)	366,650,474
		124,856,234	200,357,311
3.	FOREIGN CURRENCY TRANSLATION RESERVE		
	As per last Balance Sheet	6,081,229	1,678,134
	Add: Amount recognised during the year	1,786,637	4,403,095
		7,867,866	6,081,229
4.	GENERAL RESERVE		
	As per last Balance Sheet	192,655,000	149,255,000
	Add: Transfer from Profit and Loss Account	61,900,000	43,400,000
		254,555,000	192,655,000
5.	INVESTMENT RE-ORGANISATION RESERVE		
	As per last Balance Sheet	49,359,896	62,929,072
	Less: Utilisation during the year	-	(13,569,176)
		49,359,896	49,359,896
6.	PROFIT AND LOSS ACCOUNT	1,604,315,963	1,201,941,520
TOTAL		2,052,867,940	1,655,006,723

Schedules annexed to and forming part of the Consolidated Balance Sheet

	Amount in ₹	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE 3: SECURED LOANS		
1. Short Term Loan from Banks (Secured by hypothecation of book debts)	44,619,476	185,299,984
TOTAL	44,619,476	185,299,984
SCHEDULE 4 : DEFERRED TAX LIABILITY (NET)		
1. Deferred Tax Liability		
a) Depreciation on Fixed Assets	49,103,362	44,659,183
2. Deferred Tax Asset		
a) Provision for Employee Benefits	(11,280,777)	(8,778,055)
b) Provision for Bad and Doubtful Debts	(7,424,796)	(5,505,411)
c) Doubtful Advances	-	(1,485)
TOTAL	30,397,789	30,374,232

Schedules annexed to and forming part of the Balance Sheet

SCHEDULE 5: FIXED ASSETS

Amount in ₹

ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on April 1, 2010	Additions	Deductions	As on March 31, 2011	Upto March 31, 2010	For the period	On Deductions	Upto March 31, 2011	As on March 31, 2011	As on March 31, 2010
Leasehold Land	50,835,089	-	-	50,835,089	4,805,936	3,084,284	-	7,890,220	42,944,869	46,029,153
Buildings	262,152,365	1,684,275	202,909	263,633,731	44,249,873	12,541,809	40,461	56,751,221	206,882,510	217,902,492
Leasehold Improvement	4,683,863	9,372,598	-	14,056,461	4,665,477	1,472,583	-	6,138,060	7,918,401	18,386
Computers	737,749,034	106,495,091	117,809,332	726,434,793	592,830,346	98,541,236	117,025,168	574,346,414	152,088,379	144,918,688
Electrical Installations	195,737,713	7,603,792	6,785,968	196,555,537	92,124,288	18,036,877	5,995,776	104,165,389	92,390,148	103,613,425
Office Equipment and EPABX System	83,668,203	11,204,233	12,597,816	82,274,620	37,683,602	7,200,201	8,784,891	36,098,912	46,175,708	45,984,601
Furniture and Fixtures	257,982,307	10,714,402	4,473,574	264,223,135	111,192,324	23,957,119	3,321,492	131,827,951	132,395,184	146,789,983
Vehicles	2,033,107	-	2,032,107	1,000	596,549	109,316	704,865	1,000	-	1,436,558
Intangible Assets:										
- Goodwill	60,889,052	-	-	60,889,052	-	12,915,290	-	12,915,290	47,973,762	60,889,052
- Computer Software	351,494,466	85,601,661	20,009,675	417,086,452	262,598,417	57,600,037	19,856,167	300,342,287	116,744,165	88,896,049
TOTAL	2,007,225,199	232,676,052	163,911,381	2,075,989,870	1,150,746,812	235,458,750	155,728,820	1,230,476,744	845,513,126	-
As at March 31, 2010	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
Capital Work-in-Progress including Capital Advances									5,922,553	555,072
TOTAL									851,435,680	857,033,459



Schedules annexed to and forming part of the Consolidated Balance sheet

	Amount in ₹	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE 6: INVESTMENTS		
1. OTHER TRADE INVESTMENTS		
Long Term Investments (At Cost) (Unquoted Trade, Fully paid)		
1,410,176 Powerway Inc. No par value shares of Series E Senior Preferred Stock, fully paid and non-assessable.	30,959,151	30,959,151
Provision for diminution in value of investments	(30,959,151)	(30,959,151)
	A	-
2. Current Investments (At lower of cost and market value) (Unquoted, Non Trade, Fully paid)		
Units of Mutual Funds	138,517,535	166,975,512
	B	-
TOTAL BOOK VALUE OF INVESTMENTS (A+B)	138,517,535	166,975,512
Aggregate Book Value of Investments:		
Quoted	-	-
Unquoted	138,517,535	166,975,512
	138,517,535	166,975,512
Repurchase Price of Units of Mutual Funds	106,851,295	-
SCHEDULE 7: SUNDRY DEBTORS		
(Unsecured - Considered good, unless otherwise stated)		
1. Debts outstanding for a period exceeding six months (Including doubtful debts ₹ 50,340,610; - previous year ₹ 61,244,693)	50,340,610	61,244,693
2. Other Debts (Including doubtful debts ₹ Nil , Previous Year ₹ 7,863,246)	1,183,481,587	932,826,323
	1,233,822,197	994,071,016
Less: Provision for Doubtful Debts	50,340,610	69,107,939
	1,183,481,587	924,963,077
SCHEDULE 8: CASH AND BANK BALANCES		
1. Cash in Hand	93,901	51,909
2. Balances with Scheduled Banks		
- In Current Accounts	48,456,597	22,848,844
- In Deposit Accounts	9,047,463	60,474,036
3. Balances with Non-Scheduled Banks	51,109,488	90,339,067
	108,707,449	173,713,856



Schedules annexed to and forming part of the Consolidated Balance sheet

	Amount in ₹	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE 9: OTHER CURRENT ASSETS		
Accrued Interest	1,896,231	1,979,630
	1,896,231	1,979,630
SCHEDULE 10: LOANS AND ADVANCES		
(Unsecured - considered good, unless otherwise stated)		
1. Unbilled Revenue	419,091,588	220,704,725
2. Advances recoverable in cash or in kind or for value to be received (including doubtful advances ₹ 21,309,084, Previous Year ₹ 17,865,010)	230,047,493	217,132,418
3. Derivative contract receivable	145,976,126	233,548,211
4. Sundry Deposits	133,894,545	194,049,443
5. Advance payment of taxes (Net of Provision for Taxes ₹ 469,042,989, previous year ₹ 387,223,234)	293,794,626	175,904,558
	1,222,804,378	1,041,339,355
Less: Provision for Doubtful Advances	21,309,084	17,865,010
	1,201,495,294	1,023,474,345
SCHEDULE 11: CURRENT LIABILITIES		
1. Sundry Creditors		
- Micro, Small and Medium Enterprises	41,595	-
- Others	34,666,511	95,265,472
2. Advances and Deposits	100,467,079	43,301,639
3. Unclaimed Dividends *	3,020,113	2,702,834
4. Other Liabilities	478,562,100	465,573,602
5. Advanced Billing and Deferred Revenue	50,339,822	69,512,440
	667,097,220	676,355,987
*The amount of Unclaimed Dividend reflects the position as at March 31, 2011. During the year, the Company has transferred an amount of ₹ 216,472 (previous year ₹ 215,027); to the Investor Education and Protection Fund in accordance with the provisions of Section 205C of the Companies Act, 1956.		
SCHEDULE 12: PROVISIONS		
1. For Proposed Dividend	74,910,684	68,325,785
2. For Tax on Dividend	12,152,386	13,798,916
3. For Gratuity	51,322,323	22,952,085
4. For Leave Encashment	42,985,265	33,793,100
	181,370,658	138,869,886

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

	Year ended March 31, 2011	Amount in ₹ Year ended March 31, 2010
SCHEDULE 13: OTHER INCOME		
1. Dividend from Mutual Funds	8,583,143	10,595,817
2. Interest on Advances and Deposits (Gross) (Tax Deducted at Source ₹ 21,264; previous year ₹ 1,667,010)	4,034,901	10,147,983
3. Rent Received	86,206	73,584
4. Profit on Sale of Investments (Net)	205,847	6,129,276
5. Miscellaneous Income	10,078,913	1,038,208
TOTAL	22,989,010	27,984,868
SCHEDULE 14: OPERATING AND OTHER EXPENSES		
1. Personnel Expenses		
Salaries, Bonus and Allowances	3,842,649,347	2,933,068,315
Contribution to Provident and Other Funds	148,744,118	94,183,836
Staff Welfare Expenses	172,959,747	125,816,304
2. Software Tools and Packages	54,543,142	48,952,576
3. Electricity Expenses	72,915,640	75,718,103
4. Rates and Taxes	9,816,231	(717,587)
5. Rent and Service Charges	259,571,508	310,232,722
6. Repairs and Maintenance		
a) Computers	17,137,121	18,275,128
b) Buildings	3,103,807	2,362,817
c) Others	17,116,155	14,731,244
	37,357,083	35,369,189
7. Insurance	12,321,523	16,420,333
8. Travelling and Conveyance	263,418,250	190,742,836
9. Communication Expenses	52,449,840	52,285,252
10. Legal and Professional Charges	223,096,804	158,398,308
11. Advertising and Publicity	18,973,779	15,244,687
12. Staff Recruitment Expenses	52,820,209	7,132,859
13. Royalty	76,640,385	75,319,099
14. Sales and Marketing Expenses	61,035,321	33,564,347
15. Commission to Non Executive Directors	8,240,000	6,224,428
16. Bad Debts Written Off	28,144,062	1,415,342
17. Provision for Doubtful Debts and Advances written back	(16,717,152)	(4,299,308)
18. Loss/(Profit) on Assets sold/written off	5,928,579	(1,021,142)
19. Miscellaneous Expenses	143,279,576	157,807,620
	5,528,187,992	4,331,858,119
20. Reimbursement from customers	(49,479,992)	(72,993,104)
TOTAL	5,478,708,000	4,258,865,015
SCHEDULE 15: INTEREST AND FINANCE CHARGES		
1. Interest on Bank Loans	3,980,344	27,419,401
2. Other Interest	87,710	409,604
3. Bank Charges	5,807,330	5,424,485
TOTAL	9,875,384	33,253,490
SCHEDULE 16: PRIOR PERIOD ADJUSTMENTS		
1. Prior period expense (net of income)	(530,031)	(2,189,014)
TOTAL	(530,031)	(2,189,014)



Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: 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 ₹ 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	3-5
Leasehold Improvement	Period of Lease
Electrical Installation	8
Office Equipment	3-13
Furniture and Fixtures	3-10
EPABX Systems	10
Vehicles	10
Software	3-5
Lease hold land is depreciated over the period of lease	

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

d) Leases :

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



Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: Notes to Accounts (Contd..)

g) Foreign Exchange Transactions:

i) Initial recognition and conversion:

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 year end rates. 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. Exchange gains and losses are dealt with in the statement of profit and loss.

ii) Derivative Instruments and Hedge Accounting:

The Group uses foreign currency forward contracts to hedge its risk associated with foreign currency fluctuations relating to certain firm commitments and highly probable forecast transactions.

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

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

iii) Functional and Presentation Currency:

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

iv) 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.

h) Revenue Recognition:

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

Services:

Revenue from time and material contracts for software development is recognized on a per hour basis as per the terms and conditions agreed with the customers or when the deliverables are dispatched to customers. In case of fixed



Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: Notes to Accounts (Contd..)

price contracts, which are generally time bound, revenue is recognized over the life of the contract using proportionate completion method, on the basis of work completed. Foreseeable losses on such contracts are recognised when probable.

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

Products:

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

Others:

Interest income is recognized on time proportion basis. Dividend income is recognized when the right to receive the payment is established.

i) 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.

j) 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.

k) 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 ₹ 5,000 and ₹ 50,000, other than software categorized as 'Standard Software

Development Tools', is written off as and when incurred. Software categorized as 'Standard Software Development Tools' is capitalized and depreciated over a period of three years.

- (iv) Software costing below ₹ 5,000 is written off as and when the cost is incurred

l) 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.

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.



Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: Notes to Accounts (Contd..)

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 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. 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. 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.



Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: Notes to Accounts (Contd..)

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.

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. Intra group balances, intra group transactions and unrealized profits or losses are fully eliminated.

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.

3. 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.	Singapore	100%
Geometric China Inc. (subsidiary of Geometric Asia Pacific Pte. Ltd)	China	100%
3D PLM Software Solutions Ltd.	India	70%
Geometric Americas, Inc.	USA	100%
Geometric SAS (subsidiary of Geometric Americas, Inc.)	France	100%
Geometric S.R.L (subsidiary of Geometric Americas, Inc.)	Romania	100%
Geometric Europe GmbH	Europe	100%

4. MERGER

Pursuant to the merger agreement dated March 30, 2010 between Geometric Technologies Inc. and Geometric Americas Inc., two wholly owned subsidiaries of the company, the approval of the board of directors dated April 26, 2010 and the approvals of the Commissioners of the respective states of Arizona and Delaware, Geometric Technologies Inc. was merged with Geometric Americas Inc. effective end of day March 31, 2010. Consequent to the merger, the company's investment of 7583 shares in Geometric Technologies Inc. has been extinguished and 1,000 shares in Geometric Americas Inc. have been received as consideration on merger.

5. PROPOSED SCHEME OF AMALGAMATION

As per the resolution dated November 3, 2010 the board of directors of 3D PLM Software Solutions Limited (3D PLM) approved the proposal for amalgamation of Somero Enterprises Inc. (a group company of the joint venture partner, Dassault Systemes) with 3D PLM. The proposed merger is envisaged under the provisions of sections 391 to 394 and other applicable provisions of the Companies Act, 1956, and is subject to requisite approvals of the concerned persons and other regulatory and statutory approvals including approvals required under applicable law relating to Somero Enterprises Inc.

The application for the scheme is filed with the Honourable High Court on December 28, 2010. The proposed merger will take effect from the first day of the calendar quarter immediately following the last of the dates on which all necessary regulatory and statutory approvals and clearances to the scheme of amalgamation have been received or such other date as may be advised ('the appointed date'). The order for the amalgamation is expected to be received.

6. CONTINGENT LIABILITIES

- Guarantees given by the Company's bankers against counter guarantees given by the Company ₹ 4,215,744 (previous year ended ₹ 4,055,000).
- Corporate Guarantee of up to ₹ Nil (USD Nil), previous year ended March 31, 2010 ₹ 361,120,000 (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, 2011 ₹ Nil previous year ended March 31, 2010 ₹ 108,336,000 (USD 2,400,000 has been drawn under the credit agreement).
- Claims against the Company not acknowledged as debt:
 - ₹ 202,062,137 (previous year ended March 31, 2010 ₹ 61,350,500) 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.
 - ₹ 5,016,619 (previous year ended March 31, 2010 ₹ 5,013,818) in respect of disputed demand of excise duty against which the Company has preferred an appeal.
 - ₹ 8,372,875 (previous year ended March 31, 2009 ₹ 8,538,871) in respect of a sales tax

Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: Notes to Accounts (Contd..)

assessments of previous years against which the Company has applied for cancellation.

- iv) Suit filed against the Company in India claiming damages of ₹ 1,118,000,000 (previous year ended March 31, 2010 ₹ 1,118,000,000/-) for alleged breach of a non-recruitment provision in an agreement. A similar case has already been dismissed by a Court of law in Virginia, USA.
- v) Suit filed against the Company in India for non payment of contract fee of ₹ 171,187 as per the agreement. (previous year ended March 31, 2010, ₹ Nil)

7. 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) ₹ 21,224,775/- (previous year ended March 31, 2010 ₹ 11,652,285)

b) Intangible Assets:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) ₹ Nil (previous year ended March 31, 2010 ₹ 2,520,655)

8. SECURED LOANS

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

9. DERIVATIVE INSTRUMENTS

- a) The Company uses forward exchange contracts to hedge its foreign exchange exposure. Following are outstanding foreign exchange contracts, which have been designated as Cash Flow Hedges as on 31st March 2011:

March 31, 2011				March 31, 2010			
Foreign Currency	No. of Contracts	Notional Amount of Foreign Currency	Fair Value (₹) Gain/(Loss)	Foreign Currency	No. of Contracts	Notional Amount of Foreign Currency	Fair Value (₹) Gain/(Loss)
USD	224	162,112,008	157,274,434	USD	132	85,870,000	230,787,447
EURO	36	11,400,000	(11,270,470)	EURO	14	1,000,000	2,762,014
	260		146,003,965		146		233,549,461

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

Unhedged Foreign Currency Exposure	As at March 31, 2011		As at March 31, 2010	
	USD	INR	USD	INR
Loans	11,062,557	493,611,293	11,441,145	516,453,285
Receivables (Net)	26,855,903	1,198,310,391	4,198,386	189,515,144
Bank	1,711,370	76,361,319	186,860	80,658,878
Total	39,629,830	1,768,283,003	15,826,391	786,627,307

10. ACCOUNTING FOR LEASES

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 ₹)

Particulars	Year ended March 31,	
	2011	2010
1. Lease Rentals paid during the year	288,474,745	348,813,825
2. Future Lease Obligations		
a) Due within one year	256,823,543	204,978,414
b) Due between one year and five years	358,698,051	359,661,205
c) Due after five years	-	-

Sub-lease income:

(Amounts in ₹)

Particulars	Year ended March 31,	
	2011	2010
Received during the year	Nil	2,800,125
Future receivables	Nil	Nil



Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: Notes to Accounts (Contd..)

11. 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.

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	Shareholders' Approval.	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	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 & ESOS) 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 & ESOS) 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 & ESOS) 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 & ESOS) Guidelines, 1999.
4	Options Granted	Pre Split	Post split	1,872,500	1,116,950	250,000	600,000
		630,956	2,477,695				
5	Options Vested	71,135	-	115,000	158,550	50,000	97,260
6	Options Exercised	27,336	1,012,015	-	248,700	-	62,520
7	Options Forfeited / Surrendered	108,081	691,950	1,642,500	229,500	-	67,400
8	Options Unexercised	495,539	-	230,000	638,750	250,000	470,080
9	Options Lapsed	-	773,730	-	-	-	-
10	Total Number of Options in force	-	-	230,000	638,750	250,000	470,080
11	Variation in terms of ESOP	NA		NA	NA	NA	NA



Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: 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
12	Total Number of Shares arising as a result of Exercise of Options	1,148,695	-	248,700	-	62,520
13	Money realised by exercise of Options (₹ in Lakhs)	570.10	-	49.73	-	29.51

Notes:

- The number of options disclosed above has been adjusted for subdivision of the Company's shares from face value of ₹ 10 each into five equity shares of face value of ₹ 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. PROFIT SHARING PLAN

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

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

14. DETAILS OF EMPLOYEE BENEFITS APPLICABLE TO GEOMETRIC LIMITED AND 3D PLM SOFTWARE SOLUTIONS LIMITED

a) DEFINED CONTRIBUTION PLANS

i) Provident Fund:

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

ii) Superannuation:

The companies have maintained a Group Superannuation Scheme for its senior



Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: Notes to Accounts (Contd..)

- 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 the return on plan assets and the companies policy for plan asset management.
- e) The status of the companies funded gratuity plan is as under:
- d) Amounts Recognised as Expense:
- i) Defined Contribution Plans
Employer's Contribution to Provident Fund amounting to ₹ 76,968,095 (previous year ended March 31, 2010, ₹ 58,875,121) and contribution to Superannuation Fund amounting to ₹ 22,653,672 (previous year ended March 31, 2010, ₹ 18,753,344) has been included in Schedule 14 under Personnel Expenses - Contribution to Provident and Other Funds.
- ii) Defined Benefit Plan
Gratuity cost amounting to ₹ 46,211,502 (previous year ended March 31, 2010, ₹ 14,183,152) has been included in Schedule 14 under Personnel Expenses - Contribution to Provident and Other Funds.

Particulars	(Amount in ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
i) Change in Present Value of Obligation		
Present value of the obligation at the beginning of the year	85,994,906	75,830,122
Current Service Cost	29,539,768	22,730,685
Interest Cost	6,425,325	5,249,519
Past Service cost	18,813,308	-
Actuarial (Gain) / Loss on Obligation	10,363,716	(14,538,824)
Benefits Paid	-	(3,366,596)
Present value of the obligation at the end of the year	151,137,023	85,904,906
ii) Change in Plan Assets		
Fair value of Plan Assets at the beginning of the year	63,042,821	54,288,640
Expected return on Plan Assets	5,192,643	4,693,259
Actuarial Gain / (Loss) on Plan Assets	5,155,672	(4,693,259)
Contributions by the Employer	17,841,264	12,030,777
Benefits Paid	(14,110,818)	(3,366,596)
Fair value of Plan Assets at the end of the year	77,121,582	63,042,821
iii) Amounts Recognised in the Balance Sheet:		
Present value of Obligation at the end of the year	128,443,905	85,994,906
Fair value of Plan Assets at the end of the year	77,121,582	63,042,821
Net Obligation at the end of the year	(51,322,323)	(22,952,085)
iv) Amounts Recognised in the statement of Profit and Loss:		
Current Service Cost	29,539,768	22,730,685
Interest cost on Obligation	6,425,325	5,249,519
Past Service Cost	18,813,308	-
Expected return on Plan Assets	(5,192,643)	(4,693,259)
Net Actuarial (Gain) / Loss recognised in the year	(3,374,256)	(9,845,565)
Net Cost Included in Personnel Expenses	46,211,502	13,441,380
v) Actual return on Plan Assets		
Expected return on Plan Assets	5,192,643	(1,115,249)
Actuarial Gain/ (Loss) on Plan Assets	5,155,672	(4,693,259)
	10,348,315	(5,808,508)

Schedules forming part of the consolidated accounts for the year ended March 31, 2011

SCHEDULE 17: Notes to Accounts (Contd..)

	(Amount in ₹)	
	Year ended 31-03-2011	Year ended 31-03-2010
16. SEGMENT REPORTING		
The Company's primary segments consist of Projects and Products.		
The Secondary segments are geographical area by location of customers.		
PRIMARY BUSINESS SEGMENT RESULTS:		
A Segment Revenue		
Products	404,911,828	371,679,053
Software Services	3,575,488,677	3,276,550,955
Engineering Services	2,225,722,172	1,467,389,594
TOTAL	6,206,122,677	5,115,619,602
Less : Inter Segment Revenue	-	-
Net Revenue from Operations	6,206,122,677	5,115,619,602
B Segment Results		
Products	134,003,172	149,099,339
Software Services	999,428,641	1,021,888,542
Engineering Services	483,248,466	417,497,665
TOTAL	1,616,680,279	1,588,485,546
Less : (a) Interest	9,875,384	33,253,490
(b) Other unallocable expense net of unallocable income	905,614,236	954,984,653
Profit/(Loss) from Ordinary Activities before Tax	701,190,659	600,247,403
SECONDARY GEOGRAPHICAL SEGMENTS - REVENUE		
Region		
USA	4,505,170,677	3,237,015,601
EUROPE	990,099,600	1,341,995,200
Asia Pacific	346,557,600	242,278,400
India	364,294,800	294,330,400
TOTAL	6,206,122,677	5,115,619,601

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

17. GENERAL

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



Geometric Limited
Standalone Financial Statements
for the year ended March 31, 2011

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, 2011, 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. Without qualifying our opinion, we draw attention to note 8 of Schedule 17: Notes to Accounts regarding loans to a subsidiary of ₹ 538,231,292 (previous year - ₹ 594,094,085) and debts due from the subsidiary amounting to ₹ 879,661,684 (previous year - ₹ 777,576,645). As stated in the said note, the above loans and debts due from the subsidiary, in spite of the erosion in net worth, are considered to have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The management has implemented various cost reduction measures and revamped the business thereof and is proposing a restructuring of the investments and repatriation of the dues.
5. 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 purpose of our audit.
 - b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of 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, Profit and Loss Account and 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, 2011;
 - 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.
6. On the basis of the written representations received from the directors as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011, 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
Firm Reg. No. 104607W

Viraf R. Mehta
Partner
M. No. 32083

Place: Mumbai
Date: April 25, 2011.



Report of the Auditors (Contd.)

Annexure to the Auditors' 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. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets were physically verified by the management. In our opinion the frequency of such verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed were not material and have been properly dealt with in the books of accounts.
 - c) In our opinion, the Company has not disposed off a substantial part 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. a) The Company has granted unsecured loans to a party listed in the register maintained under Section 301 of the Companies Act, 1956. The maximum balance outstanding during the year was ₹ 624,303,939 and balance outstanding as at the year end was ₹ 538,231,292.
 - b) In our opinion, the rate of interest and other terms and conditions on which the unsecured loans have been granted to the above mentioned party listed in the register maintained under Section 301 of the Companies Act, 1956, are not prima facie prejudicial to the interest of the Company.
 - c) According to the information and explanations given to us, the repayment of the principal amount is to commence as per mutually agreed terms, which has not commenced till date. The party to whom the Company has granted loans is generally regular in payment of interest thereon.
 - d) As the repayment schedule has not commenced, there are no overdue amounts exceeding ₹ One lakh.
 - e) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase 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 explanation given to us, we have not come across any continuing failure to correct major weaknesses in the internal control system.
5. a) Based upon the audit procedures applied by us and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956, have been entered in the register maintained under that section.
 - b) In our opinion and according to the information and explanations given to us, having regard to the explanation that many items are of a special nature and their prices cannot be compared with alternative quotations, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable, having regard to prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A, 58AA, or any other relevant provisions of the Companies Act, 1956 and the rules framed 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. a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing undisputed statutory dues, including dues pertaining to provident fund, investor education and protection fund, income-tax, sales tax, wealth tax, service tax, custom duty, cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed payable in respect of the above dues



Report of the Auditors (Contd.)

were outstanding as at the end of the financial year, for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty or cess which have not been deposited on account of any dispute, other than the following:

Name of Statute	Nature of Dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income-tax Act, 1956	Income-tax	178,109,364	Financial Years 2005-06 to 2007-08	Add. Commissioner of Income Tax
Central Excise and Customs Act, 1962	Duty Payable on items procured Duty Free.	115,650	Financial Years 1999-2000 and 2002-2003	Commissioner of Central Excise (Appeals)
Central Excise and Customs Act, 1962	Excise duty exemption on electrical and light fittings.	1,023,131	Financial Years 1995-96 and 2002-03	Commissioner of Central Excise (Appeals)
Central Excise and Customs Act, 1962	Wrongful availment of exemption notification for procurement of UPS system.	2,808,670	Financial Year 1991-92	Add. Commissioner of Central Excise
Central Excise and Customs Act, 1962	Wrongful availment of duty exemption in respect of procurement of Modular furniture.	1,069,418	Financial Years 1999-00 to 2000-01	Joint Commissioner of Central Excise
Central Sales Tax, 1956	Sales tax dues on ex-party assessment	2,126,829	Financial Year 2002-03	Deputy Commissioner of Sales Tax
Bombay Sales Tax, 1959	Sales tax dues on sale of software.	6,246,046	Financial Year 2004-05	Deputy Commissioner of Sales Tax

10. The Company does not have accumulated losses as at the end of the financial year, nor has it incurred cash losses in the current financial year or in the immediately preceding financial year.
11. According to the information and explanations given to us and based on the records produced before us, there has been no default in repayment of dues to banks. There are no dues to financial institutions or debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi mutual benefit fund/societies. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
14. In our opinion, the Company has maintained proper records of the transactions and contracts in respect of investments purchased and sold during the year and timely entries have been made therein. All the investments made by the Company are held in its own name.
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. Accordingly, the provisions of clause 4 (xviii)

Report of the Auditors (Contd.)

- of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
19. The Company did not issue any debentures during the year. Accordingly, the provisions of clause 4 (xix) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
 20. The Company has not raised any money through a public issue during the year. Accordingly, the provisions of clause 4 (xx) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
 21. Based upon the audit procedures performed by us, to the best of our knowledge and belief and according to the information and explanations given to us by the Management, no fraud on, or by the Company, has been noticed or reported during the year.

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
Firm Reg. No. 104607W

Viraf R. Mehta
Partner
M. No. 32083
Place: Mumbai
Date: April 25, 2011.

**Balance Sheet as at March 31, 2011**

(Amount in ₹)

	Schedule	As at March 31,	
		2011	2010
SOURCES OF FUNDS:			
1. SHAREHOLDERS' FUNDS			
a) Share Capital	1	124,851,140	124,228,700
b) Share Application Money		234,860	-
c) Reserves and Surplus	2	2,136,102,964	2,038,344,275
		2,261,188,964	2,162,572,975
2. LOAN FUNDS			
Secured Loans	3	44,619,449	77,640,800
3. DEFERRED TAX LIABILITY (NET)	4	11,386,000	10,610,000
TOTAL		2,317,194,413	2,250,823,775
APPLICATION OF FUNDS:			
4. FIXED ASSETS	5		
a) Gross Block		766,976,101	751,424,528
b) Less: Depreciation		477,099,528	490,590,251
c) Net Block		289,876,573	260,834,277
d) Capital Work-in-Progress		1,019,173	540,136
		290,895,746	261,374,413
5. INVESTMENTS	6	126,979,754	273,878,918
6. CURRENT ASSETS, LOANS AND ADVANCES			
a) Sundry Debtors	7	1,247,957,348	1,016,585,838
b) Cash and Bank Balances	8	25,549,408	65,505,611
c) Other Current Assets	9	285,104	962,100
d) Loans and Advances	10	1,042,166,506	1,083,234,200
		2,315,958,366	2,166,287,749
7. Less: CURRENT LIABILITIES AND PROVISIONS			
a) Current Liabilities	11	285,835,048	346,521,345
b) Provisions	12	130,804,405	104,195,960
		416,639,453	450,717,305
8. NET CURRENT ASSETS		1,899,318,913	1,715,570,444
TOTAL		2,317,194,413	2,250,823,775
NOTES TO ACCOUNTS	17		

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
Firm Reg. No. 104607W

Signatures to the Balance Sheet and Schedules 1 to 12 and 17.
For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Managing Director & CEO

Milind Sarwate
Director

Viraf R. Mehta
Partner
M. No.: 32083

Maria Monserrate
Company Secretary

Anil Jain
Finance Controller

Place: Mumbai
Date: April 25, 2011



Profit and Loss Account for the year ended March 31, 2011

	Schedule	(Amount in ₹)	
		Year ended March 31, 2011	2010
INCOME:			
1. Sales - Software Products & Services		2,349,923,159	2,137,393,767
2. Other Income	13	169,748,679	72,464,614
		2,519,671,838	2,209,858,381
EXPENDITURE:			
4. Operating and Other Expenses	14	2,289,400,894	1,853,543,817
5. (Gain)/Loss on Foreign Exchange Transactions (Net)		(88,877,035)	119,389,184
6. Interest and Finance Charges	15	6,140,034	6,386,987
7. Depreciation		79,909,513	80,430,085
		2,286,573,406	2,059,750,073
PROFIT BEFORE TAX AND PRIOR PERIOD ADJUSTMENTS:		233,098,432	150,108,308
8. Provision for Taxes			
(a) Current Taxes			
- Indian Income Tax		20,420,000	23,040,000
- Foreign Taxes		-	1,503,647
(b) MAT Credit Eligible for Set-off		(9,886,320)	(5,330,000)
(c) Deferred Tax		776,000	(8,601,000)
(d) Prior Year Tax Adjustment		(1,280,514)	-
		10,029,166	10,612,647
PROFIT AFTER TAX AND BEFORE PRIOR PERIOD ADJUSTMENTS:		223,069,266	139,495,661
9. Prior Period Adjustments	16	-	(3,128,078)
NET PROFIT		223,069,266	136,367,583
10. Surplus Brought Forward		1,098,032,649	1,052,957,983
AMOUNT AVAILABLE FOR APPROPRIATION:		1,321,101,915	1,189,325,566
APPROPRIATIONS:			
Proposed Dividend		74,910,684	68,325,785
Dividend Tax		10,391,966	9,317,132
Transfer to General Reserve		22,400,000	13,650,000
Surplus Carried Forward		1,213,399,265	1,098,032,649
TOTAL		1,321,101,915	1,189,325,566
EARNINGS PER EQUITY SHARE			
(Face value ₹ 2 each)	17 - (23)		
Basic		3.58	2.20
Diluted		3.55	2.20
NOTES TO ACCOUNTS			
	17		

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 13 to 17.
For and on behalf of For and on behalf of the Board

Kalyaniwalla & Mistry
Chartered Accountants
Firm Reg. No. 104607W

J. N. Godrej
Chairman

Manu Parpia
Managing Director & CEO

Milind Sarwate
Director

Viraf R. Mehta
Partner
M. No.: 32083

Maria Monserrate
Company Secretary

Anil Jain
Finance Controller

Place: Mumbai
Date: April 25, 2011



Cash Flow Statement for the year ended March 31, 2011

(Amount in ₹)

	Year ended March 31,	
	2011	2010
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	233,098,432	150,108,308
Adjustment for:		
Depreciation	79,909,513	80,430,085
(Profit)/Loss on Assets Sold/written off	5,149,304	(565,065)
(Profit)/Loss on Sale of Investments	(3,492)	(24,267)
Interest Expense	6,140,034	6,386,987
Interest Income	(38,856,125)	(39,090,730)
Dividend Income	(120,733,833)	(23,276,454)
Unrealised Foreign Exchange loss/(gains)	(13,662,139)	19,188,951
Operating Profit Before Working Capital Changes	151,041,694	193,157,815
Working Capital Changes:		
Trade and Other Receivables	(217,515,026)	39,951,581
Current Liabilities and Provisions	(48,228,072)	(139,334,558)
	(283,187,454)	(99,382,977)
Cash Generated from Operations	(132,145,760)	93,774,838
Income Taxes Paid	(47,398,380)	(36,048,170)
Net Cash from Operating Activities before Prior Period Adjustments	(179,544,140)	57,726,668
Prior Period Adjustments	-	(3,128,078)
Net Cash (used in)/from Operating Activities	(179,544,140)	54,598,590
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(115,455,992)	(36,722,884)
Proceeds from Sale of Fixed Assets	875,842	5,715,728
Purchase of Investments	(1,459,813,889)	(3,441,022,713)
Investment in Subsidiary Companies	-	(1,886,775)
Proceeds from Sale/Redemption of Investments	1,606,716,545	3,424,152,404
Loans to Subsidiaries Repaid/(Given)	51,475,930	(249,315,626)
Dividend Received	120,733,833	23,276,454
(Including ₹ 117,026,000 received from subsidiary - previous year ₹ 13,503,000)		
Interest Received	43,919,984	30,016,577
Net Cash from/(used in) Investing Activities	248,452,253	(245,786,835)
<i>Balance carried forward</i>	68,908,113	(191,188,245)



Cash Flow Statement for the year ended March 31, 2011

	(Amount in ₹)	
	Year ended March 31,	
	2011	2010
<i>Balance brought forward</i>	68,908,113	(191,188,245)
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Share application money received	234,860	-
Proceeds from Issue of Share Capital	7,923,654	-
Borrowings from Bank	152,117,977	77,640,800
Repayment of Bank Borrowings	(185,139,328)	(121,728,000)
Interest Paid	(6,140,034)	(6,386,987)
Dividend Paid	(68,008,506)	(49,691,480)
Dividend Tax Paid	(9,852,939)	(6,150,232)
Net Cash used in Financing Activities	(108,864,316)	(106,315,899)
NET (DECREASE) IN CASH AND CASH EQUIVALENTS:	(39,956,203)	(297,504,144)
CASH AND CASH EQUIVALENTS:		
AT THE BEGINNING OF THE PERIOD		
Cash and Bank Balances	65,505,611	363,009,755
CASH AND CASH EQUIVALENTS:		
AT THE END OF THE PERIOD		
Cash and Bank Balances	25,544,554	65,450,299
Effect of exchange rate changes	4,854	55,312
	25,549,408	65,505,611
NET (DECREASE) IN CASH AND CASH EQUIVALENTS:	(39,956,203)	(297,504,144)

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
Firm Reg. No. 104607W

For and on behalf of the Board

J. N. Godrej
Chairman

Manu Parpia
Managing Director & CEO

Milind Sarwate
Director

Viraf R. Mehta
Partner
M. No.: 32083
Place: Mumbai
Date: April 25, 2011

Maria Monserrate
Company Secretary

Anil Jain
Finance Controller

Schedules annexed to and forming part of the Balance Sheet

		(Amount in ₹)	
		As at March 31, 2011	As at March 31, 2010
SCHEDULE 1: SHARE CAPITAL			
1.	AUTHORISED:		
	80,000,000 Equity shares (previous year		
	80,000,000 Equity shares) of ₹ 2/- each.	160,000,000	160,000,000
2.	ISSUED, SUBSCRIBED AND PAID UP:		
	62,425,570 Equity shares of ₹ 2/- each (previous year		
	62,114,350 Equity shares of ₹ 2/- each) fully paid up.	124,851,140	124,228,700
TOTAL		124,851,140	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 ended March 31, 2011, 311,220 (previous year NIL) equity shares of ₹ 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	4,611,766
	Add: Received on shares allotted during the year	7,301,214	-
		11,912,980	4,611,766
2.	HEDGING RESERVE		
	As per last Balance Sheet	122,882,711	(105,291,062)
	Add : Fair Value (loss)/gain from forward currency contracts during the year (net)	(47,309,141)	228,173,773
		75,573,570	122,882,711
3.	GENERAL RESERVE		
	As per last Balance Sheet	56,750,000	43,100,000
	Add: Transfer from Profit and Loss Account	22,400,000	13,650,000
		79,150,000	56,750,000
4.	INVESTMENT REORGANISATION RESERVE		
	As per last Balance Sheet	756,067,149	756,067,149
5.	PROFIT AND LOSS ACCOUNT	1,213,399,265	1,098,032,649
TOTAL		2,136,102,964	2,038,344,275



Schedules annexed to and forming part of the Balance Sheet

	(Amount in ₹)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE 3: SECURED LOANS		
Short Term Loan from Banks	44,619,449	77,640,800
(Amount repayable within one year ₹ 44,619,449-previous year ₹ 77,640,800)		
(Working capital facilities are secured by a <i>pari passu</i> charge on book debts of the Company, both present and future.)		
TOTAL	44,619,449	77,640,800
SCHEDULE 4: DEFERRED TAX LIABILITY (NET)		
1. Deferred Tax Liability		
a) Depreciation on Fixed Assets	21,750,367	21,739,826
2. Deferred Tax Asset		
a) Provision for Employee Benefits	(2,939,571)	(5,624,415)
b) Provision for Doubtful Debts	(7,424,796)	(5,505,411)
	(10,364,367)	(11,129,826)
TOTAL	11,386,000	10,610,000

Schedules annexed to and forming part of the Balance Sheet

SCHEDULE 5: FIXED ASSETS

(Amount in ₹)

ASSET	GROSS BLOCK		DEPRECIATION			NET BLOCK				
	As on April 1, 2010	Additions	Deductions	As on March 31, 2011	Upto March 31, 2010	For the Period	On Deductions	Upto March 31, 2011	As on March 31, 2011	As on March 31, 2010
Leasehold Land	15,729,415	-	-	15,729,415	1,650,736	171,793	-	1,822,529	13,906,886	14,078,679
Buildings	113,703,540	-	202,909	113,500,631	36,900,649	5,571,993	40,461	42,432,181	71,068,450	76,802,891
Leasehold Improvement	-	6,659,867	-	6,659,867	-	1,124,778	-	1,124,778	5,535,089	-
Computers	118,253,269	5,913,410	64,874,136	59,292,543	113,456,670	3,388,109	64,087,748	52,757,031	6,535,512	4,796,599
Electrical Installations	94,214,589	5,783,998	1,663,466	98,335,121	74,999,836	6,080,146	1,619,380	79,460,602	18,874,519	19,214,753
Office Equipment and EPABX System	46,398,716	5,173,014	11,868,430	39,703,300	25,587,611	4,349,506	8,377,745	21,559,372	18,143,928	20,811,105
Furniture and Fixtures	131,448,409	6,301,562	2,454,679	135,295,292	82,573,447	12,184,952	2,380,380	92,378,019	42,917,273	48,874,962
Vehicles	2,033,107	-	2,032,107	1,000	596,549	109,316	704,865	1,000	-	1,436,558
Intangible Assets:										
- Computer Software	229,643,483	85,145,104	16,329,655	298,458,932	154,824,753	46,928,920	16,189,657	185,564,016	112,894,916	74,818,730
TOTAL	751,424,528	114,976,955	99,425,382	766,976,101	490,590,251	79,909,513	93,400,236	477,099,528	289,876,573	-
As at March 31, 2010	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
Capital Work-in-Progress including Capital Advances									1,019,173	540,136
TOTAL									290,895,746	261,374,413



Schedules annexed to and forming part of the Balance Sheet

As at March 31, 2010		2011		Face Value	As at March 31,	
Nos.	Nos.				2011	2010
					₹	₹
SCHEDULE 6: INVESTMENTS						
1. Long Term Investments (At Cost)						
Unquoted, Trade, Fully paid						
Subsidiary Companies						
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	
1	1	Shares of Geometric Europe GmbH, Germany	€25,000	1,886,775	1,886,775	
7,583	-	Common Stock of Geometric Technologies, Inc.- (shares extinguished on merger of Geometric Technologies Inc. with Geometric Americas Inc.) (Refer Note 3)	-	-	113,348,979	
-	1,000	Common Stock of Geometric Americas, Inc., U.S.A (shares received as merger consideration on merger of Geometric Technologies Inc.)	\$1	113,348,979	-	
				(A)	126,979,754	126,979,754
2. Other Investments						
1,410,176	1,410,176	Powerway Inc.				
		No par value shares of Series E Senior Preferred Stock, fully paid and non-assessable		30,959,151	30,959,151	
		Provision for Diminution in value of investments		(30,959,151)	(30,959,151)	
				(B)	-	-
<i>Balance carried forward</i>					126,979,754	126,979,754



Schedules annexed to and forming part of the Balance Sheet

As at March 31,		Particulars	Face Value	As at March 31,	
2010	2011			2011	2010
Nos.	Nos.			₹	₹
SCHEDULE 6: INVESTMENTS (Contd.)					
<i>Balance brought forward</i>				126,979,754	126,979,754
3. Current Investments (At lower of cost and market value)					
(Unquoted, Non trade, Fully Paid)					
Units of Mutual Fund					
4,496,942		- Birla SunLife Savings Plus Fund-Institutional-Daily Dividend- Reinvestment (12,572,573 units acquired and 17,069,515 units redeemed during the year)	₹10	-	45,000,000
2,043,754		- IDFC Money Manager Fund - Investment Plan-Institutional Plan B-DDR (13,405 units acquired and 2,057,158 units redeemed during the year)	₹10	-	20,468,193
5,028,027		- Kotak Quarterly Interval Plan Series 6 - Dividend (28,440 units acquired and 5,056,467 units redeemed during the year)	₹10	-	50,280,391
3,114,093		- Fortis Money Plus Institutional Plan Daily Dividend (10,074 units acquired and 3,124,167 units redeemed during the year)	₹10	-	31,150,580
			(C)	-	146,899,164
TOTAL BOOK VALUE OF INVESTMENTS (A+B+C)				126,979,754	273,878,918
Aggregate Book Value of Investments:					
Quoted				-	-
Unquoted				126,979,754	273,878,918
				126,979,754	273,878,918
Repurchase Price of units of Mutual Funds				-	167,015,084
(Amount in ₹)					
				As at	As at
				March 31, 2011	March 31, 2010
SCHEDULE 7: SUNDRY DEBTORS (Refer Note 8)					
(Unsecured - Considered good, unless otherwise stated)					
1.		Debts outstanding for a period exceeding six months (Including doubtful debts ₹ 22,352,061-Previous Year ₹ 24,516,805)		848,976,461	382,035,161
2.		Other Debts (Including doubtful debts ₹ Nil Previous Year ₹ 7,863,246)		421,332,948	666,930,728
				1,270,309,409	1,048,965,889
Less: Provision for Doubtful Debts				22,352,061	32,380,051
				1,247,957,348	1,016,585,838



Schedules annexed to and forming part of the Balance Sheet

	(Amount in ₹)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE 8: CASH AND BANK BALANCES		
1. Remittances in Transit	15,512,507	1,105,384
2. Balances with Scheduled Banks		
- In Current Accounts	5,256,341	7,344,475
- In Deposit Accounts	4,082,463	55,504,036
3. Balances with Non-Scheduled Banks (Refer Note No. 19)	698,097	1,551,716
	25,549,408	65,505,611
SCHEDULE 9: OTHER CURRENT ASSETS		
Accrued Interest	285,104	962,100
	285,104	962,100
SCHEDULE 10: LOANS AND ADVANCES		
(Unsecured - considered good, unless otherwise stated)		
1. Loans to Subsidiaries	538,231,292	594,094,085
(Including interest accrued ₹ 11,531,771 Previous Year ₹ 14,947,885) (Refer Note 8)		
2. Unbilled Revenue	150,142,473	92,216,655
3. Advances recoverable in cash or in kind or for value to be received (Including doubtful advances of ₹ 15,557,964 Previous Year ₹ 15,408,215)	111,162,173	90,978,509
4. Derivative Contracts receivables	75,573,570	122,882,711
5. Sundry Deposits	111,700,966	172,216,343
6. Advance Payment of Taxes (Net of Provision for Taxes)	70,913,996	26,254,112
	1,057,724,470	1,098,642,415
Less: Provision for Doubtful Advances	15,557,964	15,408,215
	1,042,166,506	1,083,234,200



Schedules annexed to and forming part of the Balance Sheet

	(Amount in ₹)	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE 11: CURRENT LIABILITIES		
1. Sundry Creditors		
- Micro, Small and Medium Enterprises	41,595	-
- Others	17,025,544	35,519,211
2. Advances and Deposits	10,113,266	3,458,792
3. Unclaimed Dividends*	3,020,113	2,702,834
4. Other Liabilities	245,821,732	295,965,839
5. Advance Billing & Deferred Revenue	9,812,798	8,874,669
	285,835,048	346,521,345

* The amount of Unclaimed Dividend reflects the position as at March 31, 2011. During the year, the Company has transferred an amount of ₹ 216,472 (previous year ₹ 215,027); to the Investor Education and Protection Fund in accordance with the provisions of Section 205C of the Companies Act, 1956.

SCHEDULE 12: PROVISIONS		
1. For Proposed Dividend	74,910,684	68,325,785
2. For Tax on Dividend	12,152,386	11,613,359
3. For Gratuity	30,126,774	13,673,945
4. For Leave Encashment	13,614,561	10,582,871
	130,804,405	104,195,960

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

	(Amount in ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
SCHEDULE 13: OTHER INCOME		
1. Dividend from Subsidiary Company	117,026,000	13,503,000
2. Other Dividends	3,707,833	9,773,454
3. Interest on Advances and Deposits (Gross) (Tax Deducted at Source ₹ 21,624; previous year ₹ 1,667,010)	38,856,125	39,090,730
4. Rent Received	5,018,659	5,106,201
5. Profit on Sale of Investments (Net)	3,492	24,267
6. Miscellaneous Income	5,136,570	4,966,962
TOTAL	169,748,679	72,464,614

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

	(Amount in ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
SCHEDULE 14: OPERATING AND OTHER EXPENSES		
1. Personnel Expenses		
Salaries, Bonus and Allowances	1,454,733,478	1,183,462,046
Contribution to Provident and Other Funds	91,625,021	59,356,012
Staff Welfare Expenses	52,438,447	26,150,462
2. Software Tools and Packages	25,810,811	12,257,164
3. Electricity Expenses	36,089,970	42,004,508
4. Rates and Taxes	1,106,082	1,505,936
5. Rent and Service Charges	192,891,949	179,231,215
6. Repairs and Maintenance		
Computers	9,870,790	11,538,122
Buildings	1,799,025	816,811
Others	6,328,219	5,909,391
	17,998,034	18,264,324
7. Insurance	2,258,988	4,629,997
8. Travelling and Conveyance Expenses	104,235,550	95,201,722
9. Computer Rental Charges	75,030,962	85,424,930
10. Communication Expenses	22,874,696	23,804,495
11. Legal and Professional Charges	137,901,647	70,418,618
12. Auditor's Remuneration	4,070,421	3,856,488
13. Advertising and Publicity	4,610,364	3,627,744
14. Staff Recruitment Expenses	39,541,587	6,163,084
15. Royalty	46,856,973	47,352,207
16. Sales and Marketing Expenses	-	32,500,622
17. Commission to Non Executive Directors	8,239,000	6,224,428
18. Loss/(Profit) on Assets sold/written off	5,149,304	(565,065)
19. Provision for Doubtful Debts and Advances	(9,878,241)	9,233,575
20. Miscellaneous Expenses	24,919,959	20,440,766
	2,338,505,002	1,930,545,278
21. Reimbursement from Customers & Subsidiaries	(49,104,108)	(77,001,461)
TOTAL	2,289,400,894	1,853,543,817
SCHEDULE 15: INTEREST AND FINANCE CHARGES		
1. Interest on Bank Loans	3,262,504	1,437,580
2. Other Interest	84,194	2,356,697
3. Bank Charges	2,793,336	2,592,710
TOTAL	6,140,034	6,386,987
SCHEDULE 16: PRIOR PERIOD ADJUSTMENTS		
1. Cenvat credit adjustments	-	(3,128,078)
TOTAL	-	(3,128,078)



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: 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/materialised.

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 or at the rates prescribed in Schedule VI to the Companies Act, 1956, whichever is higher. Depreciation is charged on a monthly pro-rata basis for assets purchased/sold during the year. Individual assets acquired for less than ₹ 5,000/- are entirely depreciated in the year of acquisition. 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
Leasehold Improvement	Period of Lease
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 recognised as operating leases. Lease rentals under operating leases are recognised 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



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

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 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 recognised 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:

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

Services:

Revenue from time and material contracts for software development is recognised on a per hour basis as per the terms and conditions agreed with the customers or on completion of contracts or when the deliverables are dispatched to customers. In case of fixed price contracts, which are generally time bound, revenue is recognised 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 recognised.

Products:

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

Others:

Interest income is recognised on time proportion basis. Dividend income is recognised 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 capitalised and written off over its useful life, which is normally three years, provided the software is regularly



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

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 ₹ 5,000 and ₹ 50,000, other than software categorised as 'Standard Software Development Tools', is written off as and when incurred. Software categorised as 'Standard Software Development Tools' is capitalised and depreciated over a period of three years.
- (iv) Software costing below ₹ 5,000 is written off as and when the cost is incurred.

m) Employee Stock Option Schemes:

Stock Options granted to employees are in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and are at market price calculated under the said Guidelines. The intrinsic value, being the difference, if any, between market price and exercise price is treated as Personnel Expenses and charged to 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) Segment Reporting:

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

Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

q) 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 recognised 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.

r) 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 ₹ 4,215,744 (previous year ended March 31, 2010 ₹ 4,055,000)
- b) Corporate Guarantee of up to ₹ NIL (USD, Nil) (previous year ended March 31, 2010 ₹ 361,120,000 (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, 2011 ₹ Nil (USD, Nil) (previous year ended March 31, 2010 ₹ 108,336,000 (USD 2,400,000)) has been drawn under the credit agreement.
- c) Claims against the Company not acknowledged as debt:
 - i) ₹ 178,109,364/- (previous year ended March 31, 2010, ₹ 59,502,103) in respect of disputed demand of income tax against which the Company has preferred an appeal.
 - ii) ₹ 5,016,619/- (previous year ended March 31, 2010, ₹ 5,013,818) in respect of disputed demand of excise and customs duty against which the Company has preferred an appeal.
 - iii) ₹ 8,372,875 (previous year ended March 31, 2010, ₹ 8,538,871) in respect of a sales tax assessment of previous years against which the Company has applied for cancellation.
 - iv) Suit filed against the Company in India claiming damages of ₹ 1,118,000,000/- (previous year ended March 31, 2010, ₹ 1,118,000,000/-) for alleged breach of a non-recruitment provision in an agreement. A similar case has already been dismissed by a Court of law in Virginia, USA.
 - v) Suit filed against the Company in India for non payment of contract fee of ₹ 171,187 as per the agreement (previous year ended March 31, 2010, ₹ Nil)

3. MERGER

Pursuant to the merger agreement dated March 30, 2010 between Geometric Technologies Inc. and Geometric

Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

Americas Inc., two wholly owned subsidiaries of the Company, the approval of the board of directors dated April 26, 2010 and the approvals of the Commissioners of the respective states of Arizona and Delaware, Geometric Technologies Inc., was merged with Geometric Americas Inc. effective end of day March 31, 2010. Consequent to the merger, the Company's investment of 7,583 shares in Geometric Technologies Inc. has been extinguished and 1,000 shares in Geometric Americas Inc. have been received as consideration on merger.

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) ₹ 8,462,473/- (previous year ended March 31, 2010 ₹ 8,139,417).

b) Intangible Assets:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) ₹ Nil (previous year ended March 31, 2010 ₹ 2,520,655).

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

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,			
		2011		2010	
		Units	Amount (₹)	Units	Amount (₹)
1	Birla Sweep Fund - Dividend Reinvestment	9,488,390.86	96,005,546	106,376,845.87	1,075,118,351
2	Reliance Money Manager Fund - Institutional Option - Daily Dividend Plan	193,566.15	193,831,621	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	2,638,115.09	45,100,952	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	4,410,979.29	44,185,221	1,009,940.99	10,115,266
11	UTI Treasury Advantage Fund - Institutional Plan - DDR	75,072.56	75,088,633	32,847.34	32,854,369
12	JM Money Manager Fund Super Plus Plan - Daily Dividend	-	-	1,003,998.04	10,045,301
13	ICICI Prudential Super Institutional Liquid Plan - 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



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

Sr. No.	Name of the Funds/Scheme	Investment purchased and sold during year ended March 31,			
		2011		2010	
		Units	Amount (₹)	Units	Amount (₹)
15	Templeton India Treasury Management Account - IP-DDR	-	-	19,988.14	20,001,595
16	Taurus Short Term Bond Fund - Institutional Daily Dividend Plan	251,125.56	251,556,226	1,007,265.55	10,075,415
17	Taurus Liquid Fund - Institutional Daily Dividend Reinvestment	86,009.92	86,011,110	1,000,121.12	10,001,211
18	Birla Sun Life Cash Plus - Institutional - DDR	2,278,550.79	24,613,589	2,853,576.69	30,825,191
19	UTI-Floating Rate Fund - Short Term Plan - Institutional - DDR	58,363.77	58,408,755	15,000.97	15,012,530
20	Kotak Liquid (Institutional Premium) - DDR	3,439,027.58	42,052,773	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 DDR	-	-	5,000,387.96	50,004,380
23	Birla Sun Life Cash Manager – Institutional -DDR	11,718,495.48	117,220,110	-	-
24	Birla Sun Life Savings Plus Fund – Institutional - DDR	12,572,572.68	125,811,220	-	-
25	Fortis Money Plus Institutional Plan Daily Dividend	10,074.08	100,772	-	-
26	IDFC Money Manager Fund – Investment Plan – Inst Plan B - DDR	13,404.60	134,247	-	-
27	JM Financial High Liquidity	1,151,941.77	12,014,983	-	-
28	Kotak Flexi Debt	13,676,367.37	137,413,301	-	-
29	Kotak Floater Long Term - Daily Dividend Reinvest	5,024,186.11	50,642,791	-	-
30	Kotak Quarterly Interval Plan 6 Dividend	28,440.35	284,404	-	-
31	Sundaram PNB Paribas Ultra STM	3,995,803.62	40,106,270	-	-
32	Tata Floater Fund	5,104,453.24	51,226,251	-	-
33	UTI Liquid IP - DDR	7,565.85	8,005,113	-	-
	Total	76,222,506.71	1,459,813,889	197,104,063.83	2,779,678,478

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 recognised 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, 2011 for hedge of future expected sales:



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

As at March 31, 2011				As at March 31, 2010			
Foreign Currency	No. of Contracts	Notional Amount in Foreign Currency	Fair Value (₹) Gain/(Loss)	Foreign Currency	No. of Contracts	Notional Amount in Foreign Currency	Fair Value (₹) Gain/(Loss)
USD	152	92,112,000	86,870,628	USD	124	41,920,000	120,120,697
EURO	36	11,400,000	(11,270,470)	EURO	14	1,000,000	2,762,014
	188		75,600,158		138		122,882,711

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

Unhedged Foreign Currency Exposure	As at March 31, 2011		As at March 31, 2010	
	USD	₹	USD	₹
Loans	11,062,557	493,611,293	11,441,145	516,453,285
Receivables (Net)	26,855,903	1,198,310,391	4,198,386	189,515,144
Bank	1,267,983	56,577,401	175,560	80,148,778
Total	39,186,443	1,748,499,085	15,851,091	786,117,207

8. AMOUNTS DUE FROM SUBSIDIARIES:

- (a) Loans given to Subsidiaries

(Amount in ₹)

Name	Closing Balance		Maximum Debit Balance	
	As at March 31, 2011	As at March 31, 2010	Year ended March 31, 2011	Year ended March 31, 2010
Geometric Americas Inc.	538,231,292	594,094,085	624,303,939	653,533,595

The above figures are including interest accrued and due thereon.

- (b) Debts due from Subsidiaries:

(Amount in ₹)

Name of the Subsidiary Company	Closing Balance		Maximum Debit Balance	
	As at March 31, 2011	As at March 31, 2010	Year ended March 31, 2011	Year ended March 31, 2010
3D PLM Software Solutions Limited	-	37,446	10,406,977	34,218,295
Geometric Americas Inc.	879,618,346	777,576,645	1,234,362,863	806,450,917
Geometric Asia Pacific Pte. Ltd.	20,452,815	4,638,869	20,461,894	71,897,276
Geometric China Inc.	542,893	624,370	629,428	2,725,322

- (c) In the opinion of the Board, the aforesaid loans to subsidiaries and debts due from the subsidiaries have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated, based on the improvements observed in the working of the subsidiaries pursuant to the cost reduction measures implemented and revamping of the business. The management is confident of restructuring the investments and repatriation of the dues within a reasonable period.

9. CURRENT LIABILITIES

The amount of dues owed to Micro, Small and Medium Enterprises as on March 31, 2011 amounted to ₹ 41,595/- (previous year ended March 31, 2010 : ₹ Nil). This amount has not been outstanding for more than 45 days at the Balance Sheet date. The information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

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

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

Particulars	(Amount in ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
A) Principal amount remaining unpaid but not due.	41,595	-
B) Interest due thereon	-	-
C) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to supplier beyond the appointed day during the period.	-	-
D) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
E) Interest accrued and remaining unpaid	-	-
F) Further Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-

10. OBLIGATIONS ON OPERATING LEASES

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

Particulars	(Amount in ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
1. Lease Rentals paid during the year	236,075,058	225,948,468
2. Future Lease Obligations		
– Due within one year	220,381,091	189,804,400
– Due between one year and five years	316,062,565	345,947,919
– Due after five years	Nil	Nil

11. EMPLOYEE STOCK OPTIONS

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

Sr. No.	Particulars	Scheme V	Scheme VII	Scheme VIII	Scheme IX	Scheme X
		ESOP Scheme 2003	ESOP Scheme 2006	ESOP Scheme 2009	ESOP Scheme 2009 - Directors	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



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: 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				
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	630,956	2,477,695	1,872,500	1,116,950	250,000	600,000
5.	Options Vested	71,135	-	115,000	158,550	50,000	97,260
6.	Options Exercised	27,336	1,012,015	-	248,700	-	62,520
7.	Options Forfeited/ Surrendered	108,081	691,950	1,642,500	229,500	-	67,400
8.	Options Unexercised	495,539	-	230,000	638,750	250,000	470,080
9.	Options Lapsed	-	773,730	-	-	-	-
10.	Total Number of Options in force	-	-	230,000	638,750	250,000	470,080
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		-	248,700	-	62,520
13.	Money realised by exercise of Options (₹ in Lakhs)	570.10		-	49.73	-	29.51

Notes:

- The number of options disclosed above has been adjusted for subdivision of the Company's shares from face value of ₹ 10 each into five equity shares of face value of ₹ 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 Schemes 2003, 2006, 2009 & 2009 - (Directors and 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.



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

12. 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 recognised.

13. RELATED PARTY TRANSACTIONS:

A. Related Parties and their Relationships

- | | | |
|----|--|--|
| a) | Subsidiary Companies: | <ol style="list-style-type: none"> 1. 3D PLM Software Solutions Ltd. 2. Geometric Asia Pacific Pte. Ltd. 3. Geometric China Inc. 4. Geometric Americas Inc. 5. Geometric SAS. 6. Geometric Romania SRL. 7. Geometric Europe GmbH. |
| b) | Associates: | <ol style="list-style-type: none"> 1. Godrej & Boyce Mfg. Co. Ltd. |
| c) | Key Management Personnel: | <ol style="list-style-type: none"> 1. Mr. Manu Parpia, Founder & Vice-Chairman 2. Mr. Ravishankar G., MD & CEO
(Resigned w.e.f. April 8, 2011) |
| d) | Directors Having Substantial Interest: | <ol style="list-style-type: none"> 1. Cerebrus Consultants Pvt. Ltd. |

B. Transactions with Related Parties for the period ended March 31, 2011:

(Amount in ₹)

Nature of Transaction	Subsidiary Companies	Associates	Key Management Personnel	Directors Having Substantial Interest
a) Sales – Software Services	964,445,794 (836,173,446)	Nil (84,931)	-	-
b) Software Development Charges - Subcontract	68,414,696 (14,803,384)	81,600 (Nil)	-	-
c) Product Development Income	Nil (3,663,100)	-	-	-
d) Rent Income	4,932,453 (5,032,617)	-	-	-
e) Royalty income	38,746,778 (34,077,840)	-	-	-
f) Interest Received on Loans	35,909,832 (29,778,565)	-	-	-
g) Dividend Received	117,026,000 (13,503,000)	-	-	-
h) Reimbursement of Expenses	103,154,141 (86,556,854)	588,644 (395,952)	-	(9,219) (Nil)



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

	Nature of Transaction	Subsidiary Companies	Associates	Key Management Personnel	Directors Having Substantial Interest
i)	Compensation for Services	Nil <i>(38,618,971)</i>	913,081 <i>(9,627,903)</i>	- -	624,141 <i>(Nil)</i>
j)	Rent Paid towards Leased Premises	451,200 <i>(451,199)</i>	34,901,999 <i>(32,507,249)</i>	- -	- -
k)	Dividends Paid	- -	20,739,409 <i>(14,180,893)</i>	- -	- -
l)	Purchase of Fixed Assets	Nil <i>(Nil)</i>	6,767,592 <i>(681,312)</i>	- -	- -
m)	Sale of Fixed Assets	Nil <i>(Nil)</i>	Nil <i>(5,500,000)</i>	- -	- -
n)	Managerial Remuneration	- -	- -	22,138,062 <i>(11,749,649)</i>	- -
o)	Management Consultancy Charges	- -	- -	3,600,000 <i>(2,100,000)</i>	- -
p)	Commission to Non-Executive Directors	- -	- -	1,946,588 <i>(1,556,107)</i>	- -
q)	Directors' sitting fees	- -	- -	120,000 <i>(170,000)</i>	- -
r)	Loan Given	23,690,000 <i>(343,190,300)</i>	- -	- -	- -
s)	Loan Repayment Recd	71,318,837 <i>(46,090,000)</i>	- -	- -	- -
t)	Deposit Given	- -	3,842,070 <i>Nil</i>	- -	- -
u)	Deposits Refunded	- -	5,193,768 <i>(6,133,771)</i>	- -	- -
v)	Receivables including loan	985,507,610 <i>(1,462,983,967)</i>	75,588 <i>(305,120)</i>	- -	- -
w)	Payables	79,949,253 <i>(86,085,892)</i>	Nil <i>(Nil)</i>	- -	- -
x)	Deposits	Nil <i>Nil</i>	39,682,983 <i>(41,034,681)</i>	- -	- -
Total		905,558,357 Dr <i>(1,376,898,075 Dr)</i>	39,758,571 Dr <i>(41,339,801 Dr)</i>	- -	- -

(Figures in italics and brackets are for the previous year ended March 31, 2010)



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

C. The material related party transactions are as under:

		(Amount in ₹)	
Nature of Transaction	Year ended March 31, 2011	Year ended March 31, 2010	
a) Sales – Software Services: Geometric Americas Inc.	890,477,552	724,409,954	
b) Software Development Charges-Subcontract: Geometric Americas Inc.	61,132,659	5,230,998	
Geometric SAS	7,282,037	9,572,387	
c) Product Development Income: Geometric Americas Inc.	Nil	3,663,100	
d) Rent Income: 3D PLM Software Solutions Ltd.	4,932,453	5,032,617	
e) Royalty income: Geometric Americas Inc. (Previous year Geometric Technologies Inc.)	38,746,778	34,077,840	
f) Interest Received on Loans: Geometric Americas Inc.	35,909,832	29,778,565	
g) Dividend Received: 3D PLM Software Solutions Ltd.	117,026,000	13,503,000	
h) Reimbursement of Expenses: 3D PLM Software Solutions Ltd.	52,052,392	53,992,747	
Geometric Americas Inc.	50,317,567	29,692,889	
i) Compensation for Services: Geometric Americas Inc.	Nil	38,618,971	
Godrej & Boyce Mfg. Co. Ltd.	913,081	9,627,903	
Cerebrus Consultants Pvt. Ltd.	624,141	Nil	
j) Rent Paid towards Leased Premises: Godrej & Boyce Mfg. Co. Ltd.	34,901,999	32,507,249	
k) Dividends Paid: Godrej & Boyce Mfg. Co. Ltd.	20,739,409	14,180,893	
l) Purchase of Fixed Assets: Godrej & Boyce Mfg. Co. Ltd.	6,767,591	681,312	
m) Sale of Fixed Assets: Godrej & Boyce Mfg. Co. Ltd.	Nil	5,500,000	
n) Managerial Remuneration: Mr. Ravishankar G.	22,138,062	11,749,649	
o) Management Consultancy Charges: Mr. Manu M Parpia	3,600,000	2,100,000	
p) Commission to Non-Executive Directors: Mr. Manu M. Parpia	1,946,588	1,556,107	
q) Directors' sitting fees: Mr. Manu M. Parpia	120,000	170,000	
r) Loan Given: Geometric Americas Inc.	23,690,000	343,190,300	
s) Loan Repayment Recd: Geometric Americas Inc.	71,318,837	46,090,000	



Schedules forming part of accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

		(Amount in ₹)	
Nature of Transaction		Year ended March 31, 2011	Year ended March 31, 2010
t)	Deposit Given: Godrej & Boyce Mfg. Co. Ltd.	3,842,070	Nil
u)	Deposits Refunded: Godrej & Boyce Mfg. Co. Ltd.	5,193,768	6,133,771
Balances as on Balance Sheet date			
v)	Receivables including loan : Geometric Americas Inc.	945,588,049	1,412,468,073
w)	Payables: Geometric Americas Inc.	74,838,512	85,171,816
x)	Deposits: Godrej & Boyce Mfg. Co. Ltd.	39,682,983	41,034,681

14. EMPLOYEE BENEFITS

a) DEFINED CONTRIBUTION PLANS

i) Provident Fund:

The Company makes contributions of a specified percentage of the 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 fifteen days final salary last drawn for each completed year of service depending on the date of joining. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service.

ii) Leave Encashment:

The 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 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 ₹ 49,317,807 (previous year ended March 31, 2010, ₹ 37,847,356) and contribution to Superannuation Fund amounting to ₹ 15,222,776 (previous year ended March 31, 2010, ₹ 13,351,767) has been included in Schedule 14 under Personnel Expenses - Contribution to Provident and Other Funds.

ii) Defined Benefit Plan

Gratuity cost amounting to ₹ 27,084,438 (previous year ended March 31, 2010, ₹ 8,156,889) has been included in Schedule 14 under Personnel Expenses - Contribution to Provident and Other Funds.

Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

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

Particulars	(Amount in ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
i) Change in Present Value of Obligation		
Present value of the obligation at the beginning of the year	51,241,162	47,276,487
Current Service Cost	18,742,460	14,321,022
Interest Cost	3,864,790	3,230,244
Past Service Cost	12,355,439	-
Actuarial (Gain)/Loss on Obligation	4,291,150	(11,326,303)
Benefits Paid	7,055,409	(2,260,288)
Present value of the obligation at the end of the year	97,550,410	51,241,162
ii) Change in Plan Assets		
Fair value of Plan Assets at the beginning of the year	37,567,217	33,848,967
Expected return on Plan Assets	3,148,425	2,904,254
Actuarial Gain/(Loss) on Plan Assets	438,676	(4,094,408)
Contributions by the Employer	10,631,609	7,168,692
Benefits Paid	(7,055,409)	(2,260,288)
Fair value of Plan Assets at the end of the year	44,730,518	37,567,217
iii) Amounts Recognised in the Balance Sheet:		
Present value of Obligation at the end of the year	74,857,292	51,241,162
Fair value of Plan Assets at the end of the year	44,730,518	37,567,217
Net Obligation at the end of the year	(30,126,774)	(13,673,945)
iv) Amounts Recognised in the statement of Profit and Loss:		
Current Service Cost	18,742,460	14,321,022
Interest Cost on Obligation	3,864,790	3,230,244
Past Service Cost	12,355,439	-
Expected return on Plan Assets	(3,148,425)	(2,904,254)
Net Actuarial (Gain)/ Loss recognised in the year	(4,729,826)	(7,231,895)
Net Cost Included in Personnel Expenses	27,084,438	7,415,117
v) Actual return on Plan Assets		
Expected return on Plan Assets	3,148,425	(2,904,254)
Actuarial Gain/ (Loss) on Plan Assets	438,676	(4,094,408)
	3,587,101	(6,998,662)
vi) Actuarial Assumptions		
i) Discount Rate	8.10% P.A.	8.10% P.A.
ii) Expected Rate of Return on Plan Assets	8.00% P.A.	8.00% P.A.
iii) Salary Escalation Rate	7.00% P.A.	7.00% P.A.
iv) Employee Turnover: 1) Employees who have not completed 5 years of service	12.50 % P.A.	12.50 % P.A.
2) Employees who have completed 5 years of service	5% P.A.	5% P.A.
v) Mortality	L.I.C 1994-96 Ultimate	L.I.C 1994-96 Ultimate
vi) Expected Average Remaining Working Lives of Employees (Years)	8.67	8.67

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.

Provision for Leave Benefit:

(Amount in ₹)

Particulars	(Amount in ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
Carrying amount at the beginning of the year	10,582,871	11,958,036
Additional provision made during the year	13,579,327	7,572,123
Amount paid/utilized during the year	10,547,637	8,947,288
Carrying amount at the end of the year	13,614,561	10,582,871

Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

	(Amount in ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
15. COMPUTATION OF PROFITS UNDER SECTION 349 OF THE COMPANIES ACT, 1956.		
Profit Before Tax as per Profit and Loss Account	233,098,432	150,108,308
Add:		
Depreciation as per Accounts	79,909,513	80,430,085
Managerial Remuneration	29,167,162	19,254,077
Profit on sale of fixed assets as per Section 349(3)	-	19,895
Loss on Sale of Assets (Net)	5,149,304	(565,065)
Provision for Doubtful Debts & Advances	(9,878,241)	9,233,575
	104,347,738	108,372,567
	337,446,170	258,480,875
Less:		
Depreciation under Section 350	55,180,700	45,647,674
Loss on sale of fixed assets as per Section 349(3)	512,365	-
Profit on Sale of Investments (Net)	3,492	24,267
Loss on assets written off as per Section 350	7,107,964	-
	62,804,522	45,671,941
Eligible Profits	274,641,648	212,808,934
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:	13,732,082	10,640,447
b) Maximum Remuneration to the Managing Director for the year in the terms of the Central Government Approval vide its letter no. A93634269/4/2010-CL.VII dated December 31, 2010 shall not exceed:	20,000,000	-
c) Remuneration to Managing Director	19,918,162	11,749,649
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.	8,239,249	6,384,268
e) Commission Payable to Non-Executive Directors	8,239,000	6,224,428
		(Amount ₹)
	Year ended March 31, 2011	Year ended March 31, 2010
16. MANAGERIAL REMUNERATION		
1) Managing Director and CEO		
a) Salary and Allowances	5,925,388	5,511,758
b) Leave Encashment & Contribution to PF & SAF	1,087,675	909,891
c) Performance Bonus	7,200,000	5,328,000
d) Ex-gratia	5,705,100	-
	19,918,162	11,749,649
Note: The above 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	8,239,000	6,224,428
b) Directors' Sitting Fees	1,010,000	1,280,000
	9,249,000	7,504,428
Total Managerial Remuneration	29,167,162	19,254,077



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

	(Amount ₹)	
	Year ended March 31, 2011	Year ended March 31, 2010
17. The Company has during the year paid consultancy fees of ₹ 3,600,000 (Previous Year ₹ 2,100,000) to the Founder & Vice Chairman, Non-Executive Director, pursuant to the approval of the shareholders at the Annual General Meeting held on September 25, 2009. The said payment of consultancy fees has been approved by the Central Government under Section 309(1) of the Companies Act, 1956		
18. BALANCES WITH NON-SCHEDULED BANKS		
Balances with Non-Scheduled Banks comprise of Balances with:		
a) Deutsche Bank, Aachen - Germany	698,097	1,551,716
Maximum balance during the year	15,880,606	16,037,370
19. AUDITOR'S REMUNERATION		
a) Statutory Audit Fees	2,550,000	2,550,000
b) Audit Under Other Statutes	400,000	400,000
c) In Other Capacity:		
Taxation Matters	1,008,000	35,000
Certification	92,000	841,501
d) Reimbursement of Expenses	20,421	29,987
TOTAL	4,070,421	3,856,488
20. VALUE OF IMPORTS ON C.I.F. BASIS		
a) Capital Goods	58,365,773	37,526,590
TOTAL	58,365,773	37,526,590
21. EARNINGS IN FOREIGN CURRENCY		
a) Income from Software Development and Sale of Software	2,048,229,183	1,948,564,088
b) Reimbursement of Expenses	15,170,306	41,362,562
c) Interest and Dividend	35,909,832	29,778,565
TOTAL	2,099,309,321	2,019,705,215
22. EXPENDITURE IN FOREIGN CURRENCY		
a) Travelling Expenses	43,875,032	31,179,387
b) Professional Fees	20,710,952	39,183,899
c) Sales and Marketing Services	1,951,390	29,550,810
d) Royalty	44,193,003	47,161,107
e) Salary - Onsite Employees	255,968,816	231,878,317
f) Exhibition Expenses	1,088,779	15,146
g) Software Packages & Tools	89,905,116	26,301,757
h) Others	18,378,953	28,186,880
TOTAL	476,072,041	433,457,303
23. EARNINGS PER SHARE		
a) Net Profit After Tax	223,069,266	136,367,583
b) Number of Equity Shares:		
As at the commencement of the Period	62,114,350	62,114,350
Issued during the Period	311,220	-
As at the end of the Period	62,425,570	62,114,350
Weighted Average Number of Equity Shares during the year:		
Basic	62,251,210	62,114,350
Diluted	62,867,372	62,114,350
c) Earning per Equity Share of ₹ 2/- each.		
Basic	3.58	2.20
Diluted	3.55	2.20



Schedules forming part of accounts for the year ended March 31, 2011

SCHEDULE 17: NOTES TO ACCOUNTS (Contd.)

24. Disclosures required by clause 32 of the Listing Agreement

Name of the company	Balance as at		Maximum outstanding balance during the year ended	
	March 31, 2011	March 31, 2010	March 31, 2011	March 31, 2010
(a) Loans and advances in the nature of loans given to subsidiaries				
Geometric Americas Inc. (including accrued interest thereon)	538,231,292	594,094,085	624,303,939	653,533,595
Total	538,231,292	594,094,085	624,303,939	653,533,595
(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. (including accrued interest thereon)	538,231,292	594,094,085	624,303,939	653,533,595
Total	538,231,292	281,222,200	624,303,939	326,362,200
(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. (including accrued interest thereon)	538,231,292	594,094,085	624,303,939	653,533,595
Total	538,231,292	594,094,085	624,303,939	653,533,595
(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 Europe, GmbH	1,886,775	1,886,775	1,886,775	1,886,775
Geometric Technologies Inc.	-	113,348,979	-	113,348,979
Geometric Americas Inc.	113,348,979	-	113,348,979	-
Total	126,979,754	126,979,754	126,979,754	125,092,979

25. 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

	As at March 31, 2011
I. Registration Details:	
Registration No.	77,342
State Code	11
Balance Sheet Date	March 31, 2011
II. Capital Raised During the Year: (Amount in ₹ Thousand)	
Public Issue	-
Rights Issue	-
Bonus Issue	-
Private Placement	-
Shares Issued on the Exercise of Stock Options	311
III. Position of Mobilisation and Deployment of Funds: (Amount in ₹ Thousand)	
Total Liabilities	2,733,834
Total Assets	2,733,834
Sources of Funds	
Paid-up Capital	124,851
Share Application Money	235
Reserves and Surplus	2,136,103
Secured Loans	44,619
Unsecured Loans	-
Deferred Tax Liability	11,386
Application of Funds	
Net Fixed Assets	290,896
Investments	126,980
Net Current Assets	1,899,319
Misc. Expenditure	-
Accumulated Losses	-
IV. Performance of the Company: (Amount in ₹ Thousand)	
Turnover	2,519,672
Total Expenditure	2,286,573
Profit / (Loss) Before Tax	233,098
Profit / (Loss) After Tax	223,069
Earning Per Share in ₹	3.58
Dividend Rate %	0%
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, 2011

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, 2011.

1. FINANCIAL RESULTS:

The Company's operating performance during the year ended March 31, 2011, as compared to the previous year is summarized below:

PARTICULARS	(Amount ₹)	
	Current Year	Previous Year
Sales and Other Income	1,549,109,717	1,376,303,792
Profit Before Interest, Depreciation and Tax	518,567,359	561,155,887
Interest	3,906	15,686,001
Depreciation	128,028,104	132,107,789
PROFIT BEFORE TAX:	390,535,349	413,362,097
Prior Period and Extraordinary Items		2,634,890
Provision for Taxes	(1,647,781)	(13,941,512)
PROFIT AFTER TAX:	392,183,130	424,668,719
Surplus Brought Forward	8 01,169,329	456,614,503
PROFIT AVAILABLE FOR APPROPRIATION:	1,193,352,459	881,283,222
APPROPRIATIONS:		
Dividend		
- Interim	154,320,000	19,290,000
- Final	—	12,860,000
Dividend Tax	25,630,623	5,463,893
Transfer to General Reserve	39,500,000	42,500,000
Surplus Carried Forward	973,901,836	801,169,329
TOTAL	1,193,352,459	881,283,222

2. Dividend:

The Board of Directors recommends that the interim dividend of ₹ 120 per share (1,200%) declared on October 12, 2010 and paid during the year be final dividend for the financial year 2010-11.

3. Business Prospects:

3D PLM has completed nine years of operation and continues to add value to Dassault Systemes. This year in the context of strengthening global R&D activities in India and creating stronger synergies between all R&D teams, Dassault Systemes and Geometric have signed an agreement to combine DS R&D labs in Bangalore and Chennai with 3D PLM as a result of which the holding company of DELMIA Solutions Pvt. Ltd (DELMIA India) will be merged with 3D PLM. 3D PLM continues to focus on substantially enhancing their productivity, promoting innovation while being lean and cost efficient.

4. Merger:

The Hon'ble Bombay High Court has sanctioned the Scheme of Amalgamation of Somero Enterprises Inc. with the Company by its Order dated April 8, 2011.

5. Directors:

During the year, Mr. Didier Gaillot was appointed as Alternate Director to Mr. Jean Philippe Grare w.e.f. October 12, 2011 consequent to the resignation of Mr. Mukul Agarwal as his Alternate Director w.e.f. October 11, 2010.

Mr. Prakash Tolani resigned as the Alternate Director to Mr. David de Muer w.e.f. November 2, 2010. Mr. Mukul Agarwal was appointed as Alternate Director to Mr. David de Muer w.e.f. November 3, 2010.

Mr. Ravishankar G., has resigned as a Director of the Company w.e.f. April 8, 2011. Mr. Basil Almeida was appointed as an Additional Director of the Company



Directors' Report to the Members (Contd.)

w.e.f. April 14, 2011 and he holds office until the forthcoming Annual General Meeting of the Company. A notice has been received from a member of the Company under Section 257 of the Companies Act, 1956 for the appointment of Mr. Basil Almeida as Director of the Company. A resolution seeking approval of the members for his appointment as director according to the principle of proportional representation by system of cumulative voting in accordance with the Section 265 of the Companies Act, 1956 for a period of three years effective from the date of forthcoming Annual General Meeting is included in the Notice.

Mr. Jean Philippe Grare resigned as Director of the Company and Mr. Didier Gaillot was appointed in the casual vacancy caused by the resignation of Mr. Grare w.e.f. from April 14, 2011. Consequent to the resignation of Mr. Grare, Mr. Didier Gaillot who was appointed as alternate director to him will automatically cease to be as director w.e.f. April 14, 2011.

At the Annual General Meeting held on April 16, 2008, six Directors of your Company were appointed for a period of 3 years. Four of the six Directors, were appointed by way of proportional representation method. As per the Articles of Association of the Company, no Director is liable to retire by rotation.

Accordingly, Mr. Manu Parpia, Mr. Milind Sarwate, Mr. Dominique Florack, Mr. David de Muer and Mr. Jean Philippe Grare were re-appointed for 3 years.

The appointment of Mr. Manu Parpia, Mr. Milind Sarwate, Mr. Dominique Florack, Mr. David de Muer and Mr. Didier Gaillot will be approved by the members at the forthcoming Annual General Meeting.

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 re-appointment.

7. Deposits:

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

8. 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 Director's Report.

9. Compliance Certificate:

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

10. Director's 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, 2011 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.

11. 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.

12. 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 PARIPIA
Chairman
April 14, 2011
Mumbai

Annexure 'A' to the Directors' Report

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

1) Conservation of Energy:

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 technology 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:

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.

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:

- Technology imported:
- Year of import:
- Has technology been fully absorbed?
- 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 ₹)

Particulars	Current year March 31, 2011	Previous year March 31, 2010
Total Foreign Exchange used	4,786,901	2,822,055
Total Foreign Exchange earned	1,443,524,548	1,366,190,831

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, 2011.

S. No.	Name	Designation	Qualification	Age	DOJ	Total Exp. Years	Gross Remuneration in ₹	Previous employment
1.	Shashank Patkar	Sr. VP & CEO	BE, MBA	49	1-Jul-94	25	9,735,261.00	Godrej & Boyce Mfg. Co. Ltd.

Notes:

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, employee is entitled to gratuity, medical benefits etc., in accordance with the Company's rules.
3. The remuneration as indicated above includes performance linked payments for employee for the previous year, which were approved by the Management during the year.
4. The above appointment is contractual.
5. The employee is not related to any Director of the Company.

Secretarial Compliance Certificate

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

To,
The Members,
3D PLM Software Solutions Ltd.,
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, 2011.

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

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, has the minimum prescribed Paid-up Share Capital.
4. The Board of Directors duly met six (6) times on April 20, 2010, July 13, 2010, October 12, 2010, October 14, 2010, November 3, 2010 and January 17, 2011, 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, 2010 was held on July 13, 2010 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. Two Extra-ordinary General Meetings were held during the Financial Year on July 13, 2010 and on January 17, 2011, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to in Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made the necessary entries in the Register maintained under Section 301 of the Act.
11. As there were no instances falling with the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government, as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year.
13. (i) 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, 2010, in its Annual General Meeting held on July 13, 2010, it also declared Interim Dividend during the Financial Year ended March 31, 2011, on October 12, 2010, 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, 2010, in its Annual General Meeting held on July 13, 2010 it also declared Interim Dividend during the Financial Year ended March 31, 2011, on October 12, 2010 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. Mukul Chandra Agarwal ceased to be Alternate Director to Mr. Jean Philippe Grare on October 11, 2010. Mr. Didier Gaillot was appointed as Alternate Director to Mr. Jean Philippe Grare on October 12, 2010. Mr. Prakash Tolani ceased to be an Alternate Director to Mr. David Claude de Muer on November 2, 2010. Mr. Mukul Chandra Agarwal was appointed in his place as an Alternate Director to Mr. David Claude de Muer.

- 15. The Company has not appointed any Managing Director or Whole-time Director during the financial year. Mr. Shashank Patkar was re-appointed as Manager of the Company on May 1, 2010.
- 16. The Company has not appointed any Sole Selling Agents during the financial year.
- 17. There was no such activity for which the Company was required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act.
- 18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
- 19. The Company has not issued any shares, debentures or other securities during the financial year.
- 20. The Company has not bought back any shares during the Financial Year.
- 21. The Company has not issued any Preference Shares or Debentures and hence there was no redemption of Preference Shares or Debentures during the financial year.
- 22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, Rights Shares and Bonus Shares pending registration of transfer of shares.
- 23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act, during the financial year.
- 24. The Company has not made any borrowings during the financial year ended March 31, 2011.
- 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 altered the provisions of the Memorandum with respect to the Incidental Objects of the Company during the year under scrutiny, at its Extra-ordinary General Meeting held on July 13, 2010 and complied with the provisions of the Act.
- 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 altered the provisions of the Memorandum with respect to the Share Capital of the Company during the year under scrutiny at its Extra-ordinary General Meeting held on July 13, 2010 and complied with the provisions of the Act.
- 30. The Company has altered its Articles of Association after obtaining the approval of members at its Extra-ordinary General Meeting held on July 13, 2010 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: April 29, 2011



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 or other prescribed authorities during the Financial Year ended March 31, 2011.

Sr. No.	Document & date	Applicable provision of Companies Act	Challan No./Service Request No. & date
1.	Form No. 66 in respect of Secretarial Compliance Certificate for the year ended March 31, 2010.	Section 383A(1)	P49137896 dated 30.07.2010.
2.	Form No. 23AC & 23ACA in respect of Annual Accounts for the year ended March 31, 2010.	Section 220	P49288376 dated 06.08.2010.
3.	Form No.20B for Annual Return (as per Schedule V) as on June 23, 2010	Section 159	P49544471 dated 13.08.2010.
4.	Form No.23 in respect of Resolutions passed for alterations in the Memorandum and Articles for increase in the Authorized Capital of the company.	Section 192	A90732876 dated 06.08.2010.
5.	Form 23B	Section 224 (1A)	S02906576 dated 06.08.2010.
6.	Form No. 32, in respect of the ceasing of Mr. Mukul Agarwal as Alternate Director.	Section 303 (2)	A97754931 dated 10.11.2010.
7.	Form No. 32, in respect of the ceasing of Mr. Prakash Tolani as Alternate Director.	Section 303 (2)	A99761066 dated 03.12.2010.
8.	Form No. 32 in respect of the appointment of Mr. Mukul Chandra Agarwal as Alternate Director.	Section 303 (2)	B03061611 dated 14.01.2011.
9.	Form No. 32 in respect of the appointment of Mr. Didier Michel Henri Gaillot as an Alternate Director.	Section 303 (2)	A99085342 dated 26.11.2010.
10.	Form No. 25C for the appointment of Mr. Shashank Patkar as Manager.	Section 269(2)	B03700978 dated 24.01.2011.
11.	Form No. 61 enclosing copy of application made to the High Court for amalgamation.	Section 621A	B04625752 dated 02.02.2011.



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, 2011 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, 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 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, 2011;
 - 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 14, 2011

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) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) The Company is in the business of providing software development services to customers and it does not have any inventory. Consequently, the provisions of clause 4 (ii) (a), (b) and (c) of the 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.
- (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) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, custom duty, income-tax, service tax, wealth tax, and other statutory dues applicable to it. The provisions relating to sales tax, excise duty, investor education and protection fund and employees' state insurance are not applicable to the Company.
- Further, since the Central Government has till date not prescribed the amount of cess payable under Section 441 A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, wealth tax, service tax, customs duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to investor education and protection fund, excise duty, employees' state insurance and sales tax are not applicable to the Company.
- (c) According to the information and explanation given to us, there are no dues of wealth tax, service tax, customs duty, excise duty and cess which have



not been deposited on account of any dispute. According to the records of the Company, details of income tax dues, which have not been deposited on account of a dispute are as under:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax deducted at source	17,641,590	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax deducted at source	4,960,480	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income tax	201,887	Assessment Year 2003-04	High Court
Income Tax Act, 1961	Income tax	1,350,703	Assessment Year 2007-08	Commissioner of Income Tax (Appeals)

- (x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- (xi) The Company has not issued any debentures or availed any loan from banks or financial institutions. Accordingly, clause 4(xi) of the Companies (Auditor’s Report) Order, 2003 (as amended) is not applicable to the Company.
- (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 14, 2011

Balance Sheet as at March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

	Schedules	As at March 31,	
		2011	2010
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	12,860,000	12,860,000
Reserves and Surplus	2	1,267,455,642	1,095,497,329
		1,280,315,642	1,108,357,329
DEFERRED TAX LIABILITY (net)	3	17,595,172	19,765,717
		1,297,910,814	1,128,123,046
APPLICATION OF FUNDS:			
FIXED ASSETS	4		
Gross Block		1,292,357,909	1,261,788,323
Less: Accumulated Depreciation & Amortisation		558,412,391	489,801,173
Net Block		733,945,518	771,987,150
Capital Work-in-Progress including Capital Advance		3,327,102	1,068,837
		737,272,620	773,055,987
INVESTMENTS	5	138,517,535	20,076,348
CURRENT ASSETS, LOANS AND ADVANCES			
Sundry Debtors	6	210,676,254	161,918,496
Cash and Bank Balances	7	30,446,955	13,152,275
Other Current Assets	8	72,567,826	111,702,785
Loans and Advances	9	293,756,928	214,682,151
		607,447,963	501,455,707
CURRENT LIABILITIES AND PROVISIONS			
Current Liabilities	10	141,420,958	123,524,396
Provisions	11	43,906,346	42,940,600
		185,327,304	166,464,996
NET CURRENT ASSETS		422,120,659	334,990,711
		1,297,910,814	1,128,123,046
NOTES TO ACCOUNTS	15		

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

Mukul Agarwal
Alternate Director to David de MUER

Shashank Patkar
CEO & Manager

Place: Mumbai
Date: April 14, 2011

Profit and Loss Account for the period ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

	Schedules	Year ended March 31,	
		2011	2010
INCOME			
Revenue from software services		1,445,388,021	1,367,210,380
Other income	12	103,721,696	9,093,412
		1,549,109,717	1,376,303,792
EXPENDITURE			
Personnel expenses	13	855,092,081	655,307,057
Operating and other expenses	14	175,450,277	162,475,738
Interest expenses		3,906	15,686,001
Depreciation and amortisation	4	128,028,104	132,107,789
		1,158,574,368	965,576,585
PROFIT BEFORE TAX		390,535,349	410,727,207
Provision for Taxes			
Current Taxes		76,922,273	69,663,329
MAT credit entitlement		(76,399,509)	(68,504,196)
Deferred tax credit		(2,170,545)	(15,100,645)
		(1,647,781)	(13,941,512)
PROFIT AFTER TAX		392,183,130	424,668,719
Balance brought forward from previous year		801,169,329	456,614,503
		1,193,352,459	881,283,222
APPROPRIATIONS:			
Interim Dividend		154,320,000	19,290,000
Final Dividend		–	12,860,000
Dividend Distribution Tax		25,630,623	5,463,893
Transfer to General Reserve		39,500,000	42,500,000
SURPLUS CARRIED TO BALANCE SHEET		973,901,836	801,169,329
EARNINGS PER EQUITY SHARE OF Rs. 10 EACH			
Basic and Diluted		304.96	330.22
Weighted average number of equity shares		1,286,000	1,286,000
NOTES TO ACCOUNTS	15		

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

Mukul Agarwal

Alternate Director to David de MUER

Shashank Patkar

CEO & Manager

Place: Mumbai

Date: April 14, 2011

Cash Flow Statement for the period ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

	Year ended March 31,	
	2011	2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit Before Tax	390,535,349	410,727,207
Adjustment for:		
Depreciation and amortisation	128,028,104	132,107,789
(Profit)/Loss on Sale of Fixed Assets	779,275	15,195
(Profit)/Loss on Sale of Investments	(202,354)	(6,105,010)
(Profit)/Loss on Hedges	(11,250)	12,500
Interest Expense	3,906	17,186,001
Interest Income	(1,095,069)	(530,438)
Dividend Income	(352,740)	(0.00)
Unrealised (gain)/loss	(1,695,707)	5,036,998
Operating Cash Flows Before Working Capital Changes	515,989,514	558,450,242
Working Capital Changes:		
Sundry Debtors	(47,123,558)	5,261,164
Loans and Advances	(237,459)	20,763,707
Other Current Assets	(764,458)	1,732,129
Current Liabilities and Provisions	33,969,372	(44,971,538)
Cash Generated from Operations	501,833,411	541,235,704
Income Taxes Paid	(79,360,082)	(91,654,137)
Net Cash Flow from Operating Activities	422,473,329	449,581,567
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets including CWIP	(94,404,376)	(171,809,517)
Sale of Fixed Assets	1,380,364	38,500
Purchase of Investments	(2,123,360,947)	(1,755,002,755)
Sale/Redemption of Investments	2,005,122,114	1,811,033,594
Dividend Received	352,740	0.00
Interest Received	731,542	363,327
Net Cash Used in Investing Activities	(210,178,563)	(115,376,851)



Cash Flow Statement for the period ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

	Year ended March 31,	
	2011	2010
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Bank Borrowings	-	(475,699,250)
Interest Paid	(3,906)	(15,686,001)
Dividend Paid	(167,180,000)	(19,290,000)
Dividend Tax Paid	(27,816,180)	(3,278,336)
Net Cash Used in Financing Activities	(195,000,086)	(390,864,337)
NET CHANGE IN CASH AND CASH EQUIVALENTS	17,294,680	(56,659,621)
CASH AND CASH EQUIVALENTS, beginning of the period	8,187,275	64,841,896
CASH AND CASH EQUIVALENTS, end of the period	25,481,955	8,182,275
Components of cash and cash equivalents		
Cash and cheques on hand	-	-
With Banks - On Current Account	25,481,955	8,182,275
- On Deposit Account	4,965,000	4,970,000
Cash and Bank Balance as per Schedule 7	30,446,955	13,152,275
Less: Fixed Deposit not considered as cash equivalents	4,965,000	4,970,000
Cash & Cash Equivalents in Cash Flow Statement	25,481,955	8,182,275

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

Mukul Agarwal

Alternate Director to David de Muer

Shashank Patkar

CEO & Manager

Place: Mumbai

Date: April 14, 2011



Schedules annexed to and forming part of the Balance Sheet

	(Amount ₹)	
	As at March 31,	
	2011	2010
SCHEDULE 1: SHARE CAPITAL		
Authorised:		
2,000,000 Equity Shares of ₹ 10 each, (March 31, 2010: 2,000,000 Equity Shares)	20,000,000	20,000,000
Issued, Subscribed and Paid Up:		
1,286,000, Equity Shares (March 31, 2010: 1,286,000 equity shares) of ₹ 10 each fully paid up.	12,860,000	12,860,000
Note: Of the above, 900,200 equity shares (March 31, 2010: 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	183,650,000	141,150,000
Add: Transfer from Profit and Loss Account	39,500,000	42,500,000
	223,150,000	183,650,000
Cash Flow Hedging Reserve		
As per last Balance Sheet	110,678,000	(87,145,858)
Add: Gain/(Loss) on Derivative contracts qualifying as cash flow hedge	(40,274,194)	197,823,858
	70,403,806	110,678,000
Profit and Loss Account	973,901,836	801,169,329
TOTAL	1,267,455,642	1,095,497,329
SCHEDULE 3: DEFERRED TAX LIABILITY (net)		
Deferred Tax Liability		
Difference in depreciation of tax books and financial books	27,352,995	22,919,357
Deferred Tax Asset		
Gratuity	(7,040,631)	(3,153,640)
Long Service Bonus	(2,717,192)	-
TOTAL	17,595,172	19,765,717

Schedules annexed to and forming part of the Balance Sheet

SCHEDULE 4: FIXED ASSETS

ASSET	GROSS BLOCK		DEPRECIATION / AMORTISATION				NET BLOCK		
	As at March 31, 2010	Additions Deductions March 31, 2011	As at March 31, 2011	Upto March 31, 2010	For the Period	On Deductions March 31, 2011	Upto March 31, 2011	As at March 31, 2011	As at March 31, 2010
Tangible Assets:									
- Leasehold Land	265,036,766	- -	265,036,766	3,155,200	2,912,492	-	6,067,692	258,969,074	261,881,566
- Buildings	191,715,441	1,684,275 -	193,399,716	7,349,224	6,969,816	-	14,319,040	179,080,676	184,366,217
- Computers	568,690,479	78,544,114	597,208,870	433,588,866	90,064,109	50,025,723	473,627,252	123,581,618	135,101,613
- Electrical Installations	95,472,420	1,819,793	92,169,712	17,124,452	11,956,731	4,376,396	24,704,787	67,464,925	78,347,968
- Office Equipment and EPBAX System	26,247,475	5,986,147	31,504,235	3,920,032	2,284,546	407,144	5,797,434	25,706,801	22,327,443
- Furniture and Fixtures	99,391,191	4,111,782	101,484,079	13,604,677	10,725,682	941,113	23,389,246	78,094,833	85,786,514
Intangible Assets:									
- Computer Software	15,234,551	-	11,554,531	11,058,722	3,114,728	3,666,510	10,506,940	1,047,591	4,175,829
Previous year	1,261,788,323	92,146,111	1,292,357,909	489,801,173	128,028,104	59,416,886	558,412,391	733,945,518	771,987,150
Capital Work in Progress	1,047,894,541	215,123,994	1,261,788,323	358,869,904	132,107,789	1,176,517	489,801,173	771,987,150	689,024,637
								3,327,102	1,068,837

Schedules annexed to and forming part of the Balance Sheet

(All amounts in Indian Rupees unless otherwise stated)

(Amount in ₹)

	Units	Face Value	As at March 31,	
			2011	2010
SCHEDULE 5: INVESTMENTS				
CURRENT, NON TRADE, QUOTED (at lower of cost or fair value)				
In Mutual Funds				
JM Financial Regular Plan-45-FMP	1,811,894	10.01	18,139,236	
Kotak Qtr.	1,999,460	10.00	20,000,000	
Reliance Fixed Horizon Fund - xviii - series	1,300,248	10.00	13,002,478	
ICICI Interval Plan B	1,500,315	10.00	15,000,000	
ICICI Blended Plan B	2,506,793	10.01	25,086,727	
Kotak Floater Long-Term	545,646	10.08	5,500,000	
IDFC Saving Advantage Fund	10,057	1,000.16	10,058,845	
Kotak Liquid Institutional Premium Plan - DDR	49,145	12.23	600,947	
Reliance Medium Term Fund - Daily Dividend Plan	1,174,364	17.10		20,076,348
			107,388,233	20,076,348
OTHER INVESTMENTS				
10% Punj Loyd Bonds 10/03/2014	230	100,000	25,055,664	
10.20% SREI Bonds 23/03/2020	5	1,000,000	5,033,500	
11.35% Tata Motors Fin Ltd. Perpetual Bonds	2	500,000	1,040,138	
			31,129,302	-
			138,517,535	20,076,348

Mutual Fund investments purchased and sold during the period	Face Value	Opening	Purchased	Units		
				Dividend Reinvested	Sold	Closing
Birla Sweep Fund - Daily Dividend Reinvestment	10.12	-	7,767,970	609	7,768,579	-
Reliance Medium Term Fund - Daily Dividend Plan	17.10	1,174,364	9,417,597	30,880	10,622,841	-
Reliance Liquid Fund	15.29	-	1,635,334	150	1,635,484	-
ICICI PRU Flexible	105.74	-	851,185	1,742	852,927	-
UTI Liquid Cash	1,057.84	-	10,402	4	10,406	-
UTI Treasury Advantage Fund	1,002.18	-	124,305	107	124,412	-
UTI Floating Rate STP	1,000.77	-	176,033	558	176,591	-
UTI FMP	10.00	-	9,116,720	40,902	9,157,622	-
Birla Savings Fund - Daily Dividend Reinvestment	10.01	-	15,393,693	50,614	15,444,307	-
Birla Cash Fund - Daily Dividend Reinvestment	10.49	-	6,485,724	1,744	6,487,468	-
Birla Cash Manager - Daily Dividend Reinvestment	10.00	-	20,183,878	29,683	20,213,561	-
IDFC Monthly Plan Series - 25	10.00	-	2,701,145	14,937	2,716,082	-
JM Financial High Liquidity	10.02	-	9,783,994	8,872	9,792,866	-
IDFC Money Manager Fund Treasury Plan-B	10.07	-	2,681,152	1,137	2,682,289	-
ICICI Liquid Super IP	10.00	-	81,823	221	82,044	-
Sundaram Ultra Short Term SIP	10.04	-	8,369,035	24,390	8,393,425	-
IDFC Money Manager	10.07	-	2,681,152	1,137	2,682,289	-
JM Financial Regular Plan-45-FMP	10.01	-	1,797,986	13,908	-	1,811,894



Schedules annexed to and forming part of the Balance Sheet

(All amounts in Indian Rupees unless otherwise stated)

Mutual Fund investments purchased and sold during the period	Face Value	Opening	Purchased	Units		Closing
				Dividend Reinvested	Sold	
SCHEDULE 5: INVESTMENTS (Contd.)						
Kotak Flexi Debt	10.05	-	1,094,800	6,913	1,101,713	-
Kotak Qtr.	10.00	-	1,999,460	-	-	1,999,460
Tata Floater Fund - IP - DDR	10.04	-	14,099,805	61,070	14,160,875	-
Reliance Fixed Horizon Fund - xviii - series	10.00	-	1,300,248	-	-	1,300,248
Reliance Money Manager Fund	1,001.37	-	12,982	2	12,984	-
ICICI Interval Plan B	10.00	-	1,500,000	315	-	1,500,315
ICICI Blended Plan B	10.01	-	2,498,126	8,667	-	2,506,793
Kotak Floater Long-Term	10.08	-	4,216,353	5,790	3,676,497	545,646
IDFC Saving Advantage Fund	1,000.16	-	9,998	59	-	10,057
Kotak Liquid Institutional Premium Plan - DDR	12.23	-	19,896,372	4,184	19,851,411	49,145
Bonds purchased and sold during the period	Face Value	Opening	Purchased	Units		Closing
0% NHB Bonds 24/12/2018	55,000,000	-	55	55	-	-
8.70% Exim Bank Bonds 25/08/2020	22,000,000	-	22	22	-	-
7.55% NHB Bonds 12/07/2013	7,000,000	-	7	7	-	-
8.89% IDFC Ltd. Bonds 15/09/2025	7,000,000	-	7	7	-	-
8.83% IRFC Bonds 14/05/2035	22,000,000	-	22	22	-	-
9.70% IFCI Bonds 04/05/2030	1,000,000	-	1	1	-	-
OBC CD 21/12/2011	14,000,000	-	140	140	-	-
9.70% IFCI Bonds 18/05/2030	7,000,000	-	7	7	-	-
9.70% IFCI Bonds 18/05/2030	9,000,000	-	9	9	-	-
10.20% SREI Bonds 23/03/2020	1,000,000	-	5	-	5	-
11.35% Tata Motors Fin. Ltd. Perpetual Bonds	500,000	-	2	-	2	-
10% Punj Lloyd Ltd. Bonds 10/03/2014	100,000	-	230	-	230	-

	As at March 31,	
	2011	2010
SCHEDULE 6: SUNDRY DEBTORS (unsecured, considered good)		
Debts outstanding for a period exceeding six months	-	-
Other Debts	210,676,254	161,918,496
[Dues from companies under the same management : Geometric Limited ₹ 15,262 (March 31, 2010 : ₹ NIL)]		
	210,676,254	161,918,496
SCHEDULE 7: CASH AND BANK BALANCES		
Balances with Scheduled Banks		
In Current Accounts	25,481,955	8,182,275
In Deposit Accounts	4,965,000	4,970,000
[Pledged with bankers for obtaining bank guarantees ₹ 4,965,000 (March 31, 2010: ₹ 4,970,000)]		
	30,446,955	13,152,275

Schedules annexed to and forming part of the Balance Sheet

(All amounts in Indian Rupees unless otherwise stated)

	As at March 31,	
	2011	2010
SCHEDULE 8: OTHER CURRENT ASSETS		
Accrued Interest	1,381,057	1,017,530
Unbilled Revenue	784,213	19,755
Gain on Cash flow Hedges	70,402,556	110,665,500
	72,567,826	111,702,785
SCHEDULE 9: LOANS AND ADVANCES (unsecured, considered good)		
Advances Recoverable in cash or kind or for value to be received	29,654,820	25,982,451
[Dues from companies under the same management : Geometric Americas Inc. ₹ 1,579,125 (March 31, 2010 : ₹ 128,295)]		
Balances with Excise Authorities	19,533,160	23,971,786
Income Tax [Net of Provision for tax as on March 31, 2011 : ₹ 230,033,766 (March 31, 2010: ₹ 153,111,493)]	7,188,007	4,750,198
Sundry Deposits	17,000,611	15,572,537
MAT credit entitlement	221,868,988	145,469,479
Less : Provision for Doubtful Advances	1,488,658	1,064,300
	293,756,928	214,682,151
SCHEDULE 10: CURRENT LIABILITIES		
Sundry Creditors (Refer Schedule 15, Note No. 12)	1,976,145	317,572
Retention Money	690,042	3,195,704
Deferred Revenue	40,407,779	59,115,904
Other Liabilities	98,346,992	60,895,216
	141,420,958	123,524,396
SCHEDULE 11: PROVISIONS		
Fringe Benefit Tax	1,259,580	1,259,580
[Net of Advance Tax as on March 31, 2011 : ₹ 7,778,923 (March 31, 2010: ₹ 7,778,923)]		
Proposed Dividend	-	12,860,000
Tax on Dividend	-	2,185,557
Gratuity	21,195,549	9,278,140
Compensated Absences	21,451,217	17,357,323
	43,906,346	42,940,600



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

(All amounts in Indian Rupees unless otherwise stated)

	Year ended March 31,	
	2011	2010
SCHEDULE 12: OTHER INCOME		
Dividends	4,582,800	822,363
Gain on Exchange Fluctuation (Net)	89,890,895	585,679
Interest on Deposits [Tax deducted at source for the year ended March 31, 2011: ₹103,523 (March 31, 2010: ₹ 52,912)]	1,095,069	530,438
Profit on Sale of Investments	205,075	6,105,010
Profit on Sale of Assets (Net)	1,380,364	-
Provision written back	5,911,494	-
Miscellaneous Income	655,999	1,049,922
	103,721,696	9,093,412
SCHEDULE 13: PERSONNEL EXPENSES		
Salaries, Bonus and Allowances	781,868,786	602,547,861
Gratuity Expenses	19,127,063	6,174,138
Contribution to Provident and Other Funds	37,992,032	28,653,686
Staff Welfare Expenses	16,104,200	17,931,373
	855,092,081	655,307,057
SCHEDULE 14: OPERATING AND OTHER EXPENSES		
Electricity Expenses	31,451,061	29,176,860
Facility Charges	17,277,946	19,487,657
Rates and Taxes	1,281,453	596,701
Rent	19,005,541	18,610,482
Lease Rent - Computers	3,973,933	7,398,640
Repairs and Maintenance:		
Computers	12,390,383	10,641,977
Buildings	1,304,783	1,546,006
Others	3,898,544	3,043,755
Insurance	12,928,165	6,502,043
Travelling and Conveyance Expenses	5,542,479	4,372,473
Advertising and Publicity	486,840	25,000
Communication Expenses	2,371,352	2,788,136
Legal and Professional Charges	9,650,490	9,392,451
Staff Recruitment Expenses	4,410,043	478,142
Loss on Sale of Assets (Net)	-	15,195
Loss on Sale of Investments	2,721	-
Assets written off	2,159,639	-
Management Charges	37,312,728	37,583,077
Miscellaneous Expenses	10,002,176	10,817,143
	175,450,277	162,475,738

Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: 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 with the accounting standards notified 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. Individual assets acquired for less than ₹ 5,000 are entirely depreciated in the year of acquisition.

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

Asset	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 which is 91 years.

Intangible assets are mainly computer software and are amortized over 3 to 5 year period.

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) Leases

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

f) Investments

Investments that are readily realizable 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 recognize a decline other than temporary in the value of the investments.



Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

g) 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.

h) 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.

i) 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 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



Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

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.

j) 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.

k) 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.

l) Business Segment

The Company is exclusively engaged in the business of Software Development for Dassault Systemes. Accordingly, in terms of AS 17 on Segment 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 ₹ 12,762,302 (March 31, 2010: ₹ 3,512,868).

Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

4. CONTINGENT LIABILITIES

Claims against the Company not acknowledged as debt in respect of:

Particulars	As at March 31,	
	2011	2010
Income Tax Assessment which have been disputed by the company		
Assessment Year 2005-06	-	704,523
Assessment Year 2006-07	-	1,143,874
Assessment Year 2007-08	1,350,703	-
Assessment Year 2008-09 (TDS 24Q)	17,641,590	-
Assessment Year 2008-09 (TDS 26Q)	4,960,480	-
Total	23,952,773	1,848,397

Pending the settlement of the dispute, the Company has not paid the amount to the tax authorities.

5. ACCOUNTING FOR LEASES

The Company has taken equipment, cars and various office premises, under operating lease arrangements for terms ranging from 1 to 5 years. These are generally renewable by mutual consent. There are no specific restrictions imposed by the lease arrangements except that the leased premises cannot be sub leased any further in case of certain premises. There are escalation clauses in agreements with some parties. There are no sub leases. The rentals stated in the lease agreement are given below in accordance with the Accounting Standard (AS-19) on "Leases".

Operating Lease	Year ended 31,	
	2011	2010
Lease payments	24,165,082	26,417,838
Minimum Lease Payments		
Not later than one year	25,521,239	12,273,542
Later than one year but not later than five years	32,823,378	13,098,142

6. DERIVATIVE INSTRUMENT AND UNHEDGED FOREIGN CURRENCY EXPOSURE

Purpose	As at March 31, 2011		As at March 31, 2010	
	Foreign Currency	INR Amount	Foreign Currency	INR Amount
Forward Contracts Outstanding				
For hedge of expected future sales	USD	70,000,008	43,950,000	2,136,148,750
Unhedged Foreign Currency Exposure				
Bank Balance	USD	443,387	11,300	510,100

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.

8. RELATED PARTY TRANSACTIONS

A. Related parties and their Relationships

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

Holding Company Geometric Limited

Parties having substantial interest Dassault Systemes

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

Fellow Subsidiaries Geometric Americas Inc.

Parties exercising significant influence
 Dassault Data Services
 Dassault Systemes Deutschland GmbH
 Dassault Systemes Delmia Corp.

Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

Dassault Systemes Enovia (formerly Matrixone Inc.)
 Dassault Systemes India Pvt. Ltd.
 Dassault Systemes Italia
 Dassault Systemes K.K.
 Abaqus Inc.
 Dassault Systemes UK Ltd.
 Dassault Systemes Canada Innov
 Dassault Systemes of America Corp.
 Dassault Systemes Service
 Dassault Systemes Simulia
 Dassault Systemes Innovation Tech.
 Godrej and Boyce Manufacturing Company Limited
 Godrej Industries Ltd.
 SmarTeam Corp Ltd.
 Solid works Corporation
 Spatial Corporation
 Delmia Solutions Pvt. Ltd.
 Shashank Patkar (C.E.O. & Manager)

Key Management Personnel

Nature of Transaction	Year ended March 31, 2011			
	Holding Company	Fellow Subsidiaries	Parties Having Substantial Interest	Parties Exercising Significant Influence
Revenue	- (-)	- (-)	805,210,874 (501,158,049)	640,177,147 (866,052,331)
Purchase of Fixed Assets	- (-)	- (-)	- (-)	2,647,868 (12,646,900)
Dividend Paid	117,026,000 (13,503,000)	- (-)	50,154,000 (5,787,000)	- (-)
Dividend Proposed	- (9,002,000)	- (-)	- (3,858,000)	- (-)
Rent & Expenses towards Leased Premises	4,932,452 (5,032,618)	- (-)	- (-)	9,104,731 (8,450,864)
Rent Income	451,200 (451,200)	- (-)	- (-)	- (-)
Reimbursement of Expenses	52,478,274 (54,747,691)	- (887,055)	- (-)	- (-)
Recovery of Expenses	425,881 (-)	4,623,402 (1,002,694)	43,217,558 (32,289,094)	35,189,187 (32,990,049)
Other Expenses	- (-)	- (-)	- (-)	163,719 (444,335)
Software Development Charges Sub-Contract	- (95,000)	- (-)	- (-)	- (-)

Note: Corresponding previous period figures are given in brackets.



Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

Nature of transaction	Year Ended March 31,	
	2011	2010
Managerial Remuneration : Key Management Personnel		
Shashank Patkar	8,330,937	7,485,853

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

Transactions and Related Parties	Year Ended March 31,	
	2011	2010
Revenue		
Dassault Systemes	805,210,874	501,158,049
Dassault Systemes of America	-	341,022,502
Dassault Systemes Enovia	241,187,277	252,181,498
Purchase of Fixed Assets		
Godrej & Boyce Mfg. Co. Ltd.	2,647,868	12,646,900
Dividend Paid		
Geometric Limited	117,026,000	13,503,000
Dassault Systemes	50,154,000	5,787,000
Dividend Proposed		
Geometric Limited	-	9,002,000
Dassault Systemes	-	3,858,000
Rent & Expenses		
Geometric Limited	4,932,452	5,032,619
Godrej & Boyce Mfg. Co. Ltd.	9,104,731	8,450,863
Rent Income		
Geometric Limited	451,200	451,200
Recovery of Expenses		
Dassault Systemes	43,217,558	32,289,094
Solidworks Corporation	15,199,504	11,683,848
Dassault Systemes of Enovia	9,172,055	8,171,836
Reimbursement of Expenses		
Geometric Limited	52,478,274	54,747,691
Other Expenses		
Godrej & Boyce Mfg. Co. Ltd.	145,890	444,336
Godrej Industries	17,820	-
Sub-contract Charges for Software Development		
Geometric Limited	-	95,000



Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

Outstanding Balances	As at March 31,	
	2011	2010
1. Holding Company :		
a. Creditors		
Geometric Limited	-	37,442
b. Debtors		
Geometric Limited	15,262	-
2. Fellow Subsidiaries :		
a. Advances Receivable		
Geometric Americas Inc.	1,579,125	128,295
b. Advances Payable		
Geometric Americas Inc.	-	826,197
3. Parties having substantial interest :		
a. Debtors		
Dassault Systemes	137,035,541	104,183,848
4. Parties exercising significant influence :		
a. Debtors		
Abaqus Inc.	6,442,749	2,856,008
Dassault Data Services	7,865,621	1,920,370
Dassault Systemes Delmia	220,869	108,336
Dassault Systemes Deutsch	276,086	568,764
Dassault Systemes Enovia	20,551,077	(24,295,463)
Dassault Systemes Italia	-	541,159
Dassault Systemes India P.	-	292,022
Dassault Systemes K.K.	662,607	1,797,895
Dassault Systemes of America	12,181	55,132,822
Dassault Systemes Service	13,968,465	4,269,453
Dassault Systemes Simulia	162,412	164,305
Dassault Systemes UK Ltd.	1,104,345	-
Dassault Systemes Canada Innov	294,492	-
Dassault Systemes Innovation	155,969	-
Delmia Solutions Pvt. Ltd.	2,055,410	-
Smarteam Corp. Ltd.	4,536,292	4,441,776
Solidworks Corporation	11,521,831	6,079,706
Spatial Corporation	3,587,993	3,754,249
b. Deposits		
Godrej & Boyce Mfg. Co. Ltd.	12,579,725	14,269,661
c. Advance Given		
Godrej & Boyce Mfg. Co. Ltd.	313,635	72,785
Godrej Industries	-	8,273



Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

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:

Particulars	Year Ended March 31,	
	2011	2010
Contribution to Provident Fund	27,650,288	21,024,765
Contribution to Superannuation Fund	7,430,896	5,401,577

b. Defined Benefit Plan

Particulars	As at March 31,	
	2011	2010

Gratuity

I. Reconciliation of opening and closing balances of Defined Benefit obligation

Present Value of Defined Benefit obligation as at the beginning of the year	34,753,744	28,553,635
Interest Cost	2,560,535	2,019,275
Past Service Cost	6,457,869	-
Current Service Cost	10,797,308	8,409,663
Benefits paid	(7,055,409)	(1,016,308)
Net Actuarial Loss/(Gain)	6,072,566	(3,212,521)
Present Value of Defined Benefit obligation as at the end of the year	53,586,613	34,753,744

II. Reconciliation of fair value of plan assets

Fair value of plan assets as at the beginning of the year	25,475,604	20,439,673
Expected return on plan assets	2,044,218	1,789,005
Net Actuarial Gain/(Loss)	4,716,996	(598,851)
Employer's contribution	7,209,655	4,862,085
Benefits paid	(7,055,409)	(1,016,308)
Fair value of plan assets as at the end of the year	32,391,064	25,475,604

III. Net Liability recognised in Balance Sheet

Present Value of Defined Benefit obligation	53,586,613	34,753,744
Fair value of plan assets	32,391,064	25,475,604
Net liability recognised in Balance Sheet (unfunded)	21,195,549	9,278,140

IV. Component of employer's expenses

Current Service Cost	10,797,308	8,409,663
Past Service Cost	6,457,869	-
Interest Cost	2,560,535	2,019,275
Expected Return on Plan Asset	(2,044,218)	(1,789,005)
Net Actuarial Loss/(Gain)	1,355,570	(2,613,670)
Total expenses recognised in the Profit and Loss Account in Schedule N, under Employee cost	19,127,064	6,026,263



Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

Particulars	As at March 31,	
	2011	2010
V. Actual return on plan assets	6,761,214	1,190,154
VI. Actuarial assumptions		
Mortality Table:	L.I.C 1994-96	L.I.C 1994-96
	ULTIMATE	ULTIMATE
Discount rate	8.00% P.A.	8.20% P.A.
Expected rate of return on Plan Assets	8% P.A.	8% P.A.
Salary escalation	7% P.A.	7% P.A.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Plan Assets:

Particulars	As at March 31,	
	2011	2010
Gratuity		
Investments with L.I.C.	32,391,064	25,475,604

10. AUDITORS' REMUNERATION

Particulars	Year ended March 31,	
	2011	2010
Audit fees	1,550,000	1,300,000
Other services	73,333	109,636
Reimbursement of expenses	87,002	206,400
	1,710,335	1,616,036

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

Particulars	Year ended March 31,	
	2011	2010
Expenditure in foreign currency (Accrual basis)		
Onsite Salary	4,033,186	2,482,304
Others	753,714	339,751
	4,786,901	2,822,055
Value of imports (C.I.F basis)		
Capital goods	34,485,273	49,146,579
	34,485,273	49,146,579
Earnings in foreign exchange (Accrual basis)		
Income from Software Development and Sale of Software	1,443,524,548	1,366,190,831
	1,443,524,548	1,366,190,831



Schedules forming part of the accounts for the year ended March 31, 2011

(All amounts in Indian Rupees unless otherwise stated)

SCHEDULE 15: NOTES TO ACCOUNTS (Contd.)

Particulars	Year ended March 31,	
	2011	2010
	Amounts in USD	Amounts in USD
Dividend Remitted in foreign currency		
Number of non-resident Shareholders	1	1
Number of equity shares held on which dividend was due	385,800	385,800
Amount remitted	1,123,716	123,998

12. 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”.

13. PROPOSED SCHEME OF AMALGAMATION

As per the resolution dated November 3, 2010 the Board of Directors approved the proposal for amalgamation of Somero Enterprises Inc. (a group company of the joint venture partner, Dassault Systemes) with the Company. The proposed merger is envisaged under the provisions of Sections 391 to 394 and other applicable provisions of the Companies Act, 1956, and is subject to requisite approvals of the concerned persons and other regulatory and statutory approvals including approvals required under applicable law relating to Somero Enterprises Inc.

The Honourable High Court at Judicature at Bombay has by its Order dated April 8, 2011, sanctioned the Scheme of Amalgamation of Somero Enterprises, Inc., with the Company. The proposed merger will take effect from the first day of the calendar quarter immediately following the last of the dates on which all necessary regulatory and statutory approvals and clearances to the scheme of amalgamation have been received or such other date as may be advised (‘the appointed date’). The order for the amalgamation is expected to be received.

14. PREVIOUS YEAR COMPARATIVES

Previous year/period’s figures have been regrouped wherever necessary to conform to this period’s classification.

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

Place: Mumbai

Date: April 14, 2011

Manu Parpia

Chairman

Mukul Agarwal

Alternate Director to David de MUER

Shashank Patkar

CEO & Manager



Geometric Americas Inc.
Consolidated Financial Statements
for the year ended March 31, 2011

Regd. Office :
50 Kirts Blvd, Suite A,
Troy, MI 48084, USA.



Directors' Report

To The Members

The Directors hereby present their Report of the Company for the year ended March 31, 2011.

1. OPERATIONS

During the year, 1000 Common Stock of the Company was issued to Geometric Limited in consideration of the merger of Geometric Technologies Inc. with the Company

The Company has achieved a turn-around in FY11. On a consolidated basis the Company has registered a total revenue of USD 72,924,452 and a Net Profit of USD 4,102,931.

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 continues to see strong demand from its customer base and plans to remain profitable in the year ahead.

By Order of the Board

April 20, 2011

Manu Parpia

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GEOMETRIC AMERICAS INC.

1. We have audited the attached Consolidated Balance Sheet of Geometric AMERICAS Inc. (the Company) and its subsidiaries (collectively referred to as the "Group") as at March 31, 2011, 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 the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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 SAS, France and Geometric SRL, Romania, the subsidiaries of the Company, whose financial statements reflect the Group's share of total assets of USD 3,103,040 as at March 31, 2011, and the Group's share of total revenue of USD 2,102,366 and net cash flows amounting to USD 60,487 for the year then ended. We have been informed that these financial statements have been neither audited nor reviewed by other auditors.
4. Without qualifying we draw attention to :
 - a) The balances of account receivables are subject to confirmations, reconciliations and consequential adjustments, if any.
 - b) Balance confirmations for bank balances were not provided to us for verification except for Bank of Americas. We have relied on the bank statements generated using net banking facility in such cases.
5. Based on our audit and on the other financial information of Geometric Americas 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 Americas Inc. and its subsidiaries as at March 31, 2011;
 - (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 & MISTRY

Chartered Accountants
(Firm Registration No.: 104607W)

Anil A. Kulkarni
Partner

M. No.: 47576
Pune: April 20, 2011

Consolidated Balance Sheet as at March 31, 2011

	SCHEDULE	Current Year US Dollars	Current Year Equivalent INR	Previous Year US Dollars	Previous Year Equivalent INR
SOURCES OF FUNDS:					
1. SHAREHOLDERS' FUNDS					
a) Share Capital	1	2,062,771	92,040,842	14,050,000	634,217,000
b) Foreign Currency Translation Reserve		61,466	2,742,613	108,515	4,898,367
		2,124,237	94,783,455	14,158,515	639,115,367
2. LOAN FUNDS					
a) Secured Loans	2	-	-	2,447,475	110,479,022
b) Unsecured Loans	3	12,062,557	538,231,293	13,161,145	594,094,085
		12,062,557	538,231,293	15,608,620	704,573,107
TOTAL		14,186,794	633,014,748	29,767,135	1,343,688,474
APPLICATION OF FUNDS:					
3. FIXED ASSETS	4				
a) Gross Block		7,727,800	344,814,436	1,699,202	76,701,978
b) Less: Depreciation		5,801,786	258,875,691	1,263,277	57,024,324
c) Net Block		1,926,014	85,938,745	435,925	19,677,655
4. CURRENT ASSETS, LOANS AND ADVANCES	5				
a) Sundry Debtors		11,780,931	525,665,141	8,795,620	397,034,287
b) Cash And Bank Balances		664,626	29,655,612	1,211,471	54,685,801
c) Other Current Assets		5,156	230,061	-	-
d) Loans And Advances		7,965,855	355,436,450	5,949,598	268,564,854
		20,416,568	910,987,264	15,956,689	720,284,941
5. Less: CURRENT LIABILITIES AND PROVISIONS	6				
a) Current Liabilities		23,479,093	1,047,637,130	18,759,271	846,793,493
b) Provisions		608,703	27,160,328	37,390	1,687,785
		24,087,796	1,074,797,458	18,796,661	848,481,278
6. NET CURRENT ASSETS		(3,671,228)	(163,810,194)	(2,839,972)	(128,196,336)
7. DEFERRED TAX ASSET (NET)		612	27,307	344,425	15,547,345
8. PROFIT AND LOSS ACCOUNT		15,931,396	710,858,890	31,826,757	1,436,659,811
TOTAL		14,186,794	633,014,748	29,767,135	1,343,688,474
NOTES TO ACCOUNTS	10				

Exchange rate used for translation 1 USD = ₹

44.62

45.14

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 6 and 10.

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
(Firm Reg. No. 104607W)

For and on behalf of the Board

Anil A. Kulkarni
Partner
April 20, 2011

Manu Parpia
Director

Dr. Richard Riff
Director

Consolidated Profit and Loss Account for the year ended March 31, 2011

	SCHEDULE	Current Year US Dollars	Current Year Equivalent INR	Previous Year US Dollars	Previous Year Equivalent INR
INCOME:					
1. Sales - Projects and Products					
Sales - Projects		66,230,760	2,955,216,511	44,031,435	1,987,578,976
Sales - Products		4,988,364	222,580,802		-
		71,219,124	3,177,797,313		1,987,578,976
2. Service Income		1,293,489	57,715,479	679,729	30,682,967
3. Other Income	7	411,839	18,376,256	506,938	22,883,181
		72,924,452	3,253,889,048	45,218,102	2,041,145,124
EXPENDITURE:					
4. Operating And Other Expenses	8	67,205,608	2,998,714,229	45,130,542	2,037,192,666
5. Interest And Finance Charges	9	817,344	36,469,889	896,160	40,452,662
6. Depreciation		588,670	26,266,455	355,139	16,030,974
		68,611,622	3,061,450,573	46,381,841	2,093,676,302
PROFIT BEFORE TAX AND PRIOR PERIOD		4,312,830	192,438,475	(1,163,739)	(52,531,178)
ADJUSTMENTS					
7. Provision For Taxes					
(a) Current Taxes		95,509	4,261,612	9,176	414,205
(b) Deferred Tax		58,262	2,599,650	33,500	1,512,190
		153,771		42,676	
NET PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEMS AND PRIOR PERIOD ADJUSTMENTS		4,159,059	185,577,213	(1,206,415)	(54,457,573)
8. Prior Period Adjustments		(56,128)	(2,504,431)	-	-
NET PROFIT / (NET LOSS)		4,102,931	183,072,782	(1,206,415)	(54,457,573)
9. Deficit Brought Forward		(31,826,757)	(1,420,109,897)	(30,620,342)	(1,382,202,238)
10. Net activity in Reserves and surplus on merger		11,792,430	526,178,227	-	-
PROFIT AVAILABLE FOR APPROPRIATION:		(15,931,396)	(710,858,888)	(31,826,757)	(1,436,659,811)
APPROPRIATIONS:					
Deficit Carried Forward		(15,931,396)	(710,858,890)	(31,826,757)	(1,436,659,811)
TOTAL		(15,931,396)	(710,858,890)	(31,826,757)	(1,436,659,811)
EARNINGS PER EQUITY SHARE	10 (10)				
Basic and diluted		4,103		(1,206)	
Number of equity shares		1,000		1,000	
NOTES TO ACCOUNTS	10				
Exchange rate used for translation 1 USD = ₹			44.62		45.14

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
Schedules 7 to 10.

For and on behalf of

Kalyaniwalla & Mistry

Chartered Accountants

(Firm Reg. No. 104607W)

Anil A. Kulkarni

Partner

April 20, 2011

For and on behalf of the Board

Manu Parpia

Director

Dr. Richard Riff

Director



Consolidated Cash Flow Statement for the year ended March 31, 2011

	Current Year US Dollars	Current Year Equivalent INR	Previous US Dollars	Previous Year Equivalent INR
A. CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit Before Tax	4,312,830	192,438,475	(1,163,739)	(52,531,178)
Adjustment for:				
Depreciation	588,670	26,266,455	355,139	16,030,974
Interest Expense	817,344	36,469,889	893,479	40,331,642
Interest Income	(5,780)	(257,904)	-	-
Allowance for doubtful debts	-	-	(538,060)	(24,288,028)
Prior period items	(56,128)	(2,504,431)	-	-
Foreign exchange gain/ loss	(47,049)	(2,099,326)	-	-
	1,297,057	57,874,683	710,558	32,074,588
Operating Cash Flows Before Working Capital Changes	5,609,887	250,313,158	(453,181)	(20,456,590)
Working Capital Changes:				
Accounts receivable	(2,985,311)	(133,204,577)	(394,595)	(17,812,018)
Loans and Advances	(2,016,257)	(89,965,387)	970,323	43,800,380
Current liabilities and provisions	5,291,135	236,090,444	-	-
Other current assets	(5,156)	(230,061)	-	-
	284,411	12,690,419	575,728	25,988,362
Cash Generated from Operations	5,894,298	263,003,577	122,547	5,531,772
Income Taxes Paid	(153,771)	(6,861,262)	(9,175)	(414,160)
Decrease in deferred tax asset	343,813	15,340,936	-	-
Net Cash Flow from Operating Activities before Prior Period Items	6,084,340	271,483,251	113,372	5,117,612
Net Cash Flow from Operating Activities	6,084,340	271,483,251	113,371	5,117,567
B. CASH FLOW FROM INVESTING ACTIVITIES:				
(Purchase)/ Sale of Fixed Assets	(2,078,759)	(92,754,227)	(17,979)	(811,572)
Net activity from related party note receivable	-	-	869,481	39,248,372
Interest Received	5,780	257,904	-	-
Net Cash Used in Investing Activities	(2,072,979)	(92,496,323)	851,502	38,436,800



Consolidated Cash Flow Statement for the year ended March 31, 2011

	Current Year US Dollars	Current Year Equivalent INR	Previous US Dollars	Previous Year Equivalent INR
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Extinguishment of original shares of Geometric Americas, Inc.	(14,050,000)	(626,911,000)	-	-
Substitution of share capital of erstwhile Geometric Technologies Inc.	2,062,771	92,040,842	-	-
Repayment of secured loans	(2,447,475)	(109,206,335)	(3,201,961)	(144,536,520)
Repayment of unsecured loans	(1,098,588)	(49,018,997)	-	-
Net activity in retained earnings on merger	11,792,430	526,178,227	-	-
Net activity under note payable to bank	-	-	(8,137,151)	(367,310,996)
Repayment of loan from related parties	-	-	6,531,987	294,853,893
Interest Paid	(817,344)	(36,469,889)	(893,478)	(40,331,597)
Net Cash (Used) / Raised in Financing Activities	(4,558,206)	(203,387,152)	(5,700,603)	(257,325,220)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(546,845)	(24,400,224)	(548,663)	(213,770,853)
CASH AND CASH EQUIVALENTS:				
AS AT THE BEGINNING				
Cash and Bank Balances	1,211,471	54,055,836	1,760,134	79,452,449
AS AT THE ENDING				
Cash and Bank Balances	664,626	29,655,612	1,211,471	54,685,801
	664,626	29,655,612	1,211,471	54,685,801
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(546,845)	(24,400,224)	(548,663)	(24,766,648)
Exchange rate used for translation 1 USD = ₹		44.62		45.14

Notes :

1. Amounts in brackets represent outflows.
2. Purchase of Fixed Assets includes payments for items in Capital Work in Progress and Advances of Capital nature. Adjustment for increase or decrease in Current Liabilities related to acquisition of Fixed Assets has not been made as these figures are not readily ascertainable and therefore would form part of change in working capital.

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
(Firm Reg. No. 104607W)

Anil A. Kulkarni
Partner
April 20, 2011

For and on behalf of the Board

Manu Parpia
Director

Dr. Richard Riff
Director



Schedules forming Part of the Consolidated Balance Sheet as at March 31, 2011

	Current Year US Dollars	Previous Year US Dollars
SCHEDULE 1: SHARE CAPITAL		
Share Capital	2,062,771	14,050,000
TOTAL	2,062,771	14,050,000

Notes:

Issued, Subscribed and Paid Up Capital includes 1,000 (Previous Year: 1,000) Shares held by Geometric Limited India , the Holding Company. Existing shares of GTI ceased to exist and in lieu of those 1,000 shares have been issued as per merger scheme.

SCHEDULE 2: SECURED LOANS

1. BORROWINGS FROM BANKS		
a) Long-Term Loan	-	2,400,000
(Secured by hypothecation of book debts)		
previous year \$ Nil)		
2. INTEREST ACCRUED AND DUE ON SECURED LOANS	-	47,475
TOTAL	-	2,447,475

SCHEDULE 3: UNSECURED LOANS

1. LOAN FROM INTER-COMPANY	11,804,113	13,161,145
(Due to Holding Company)		
2. INTEREST ACCRUED AND DUE ON UNSECURED LOANS	258,444	-
TOTAL	12,062,557	13,161,145

Schedules forming part of the Consolidated Balance Sheet as at March 31, 2011

SCHEDULE 4: FIXED ASSETS

US Dollars

ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As on 1-Apr-10	Additions	Deductions	As on 31-Mar-11	Upto 31-Mar-10	For the Year	On Deductions	Upto 31-Mar-11	As on 31-Mar-10	As on 31-Mar-11
Leasehold Improvement	107,333	58,308	-	165,641	106,899	7,600	-	114,500	51,141	434
Computers	1,094,533	492,871	64,813	1,522,591	1,050,455	102,401	64,813	1,088,043	434,548	44,078
Office Equipment and EPABX System	262,644	967	-	263,611	198,444	13,046	-	211,490	52,122	64,200
Furniture and Fixtures	438,767	6,453	-	445,220	319,380	19,685	-	339,064	106,156	119,387
Intangible Assets:										
- Computer Software	2,492,840	9,807	-	2,502,647	2,188,657	163,177	-	2,351,835	150,812	304,183
- Goodwill	2,828,090	-	-	2,828,090	1,414,045	282,809	-	1,696,854	1,131,236	1,414,045
TOTAL	7,224,207	568,406	64,813	7,727,800	5,277,880	588,718	64,813	5,801,785	1,926,015	1,946,326



Schedules forming part of the Consolidated Balance Sheet as at March 31, 2011

	US Dollars	Current Year US Dollars	Previous Year US Dollars
SCHEDULE 5: CURRENT ASSETS, LOANS AND ADVANCES			
1. SUNDRY DEBTORS			
(Unsecured - Considered good, unless otherwise stated)			
a) Debts outstanding for a period more than 6 months (Including doubtful debts \$ 607,523) - previous year \$ 635,176	607,523		635,176
b) Other Debts	11,780,931		8,795,620
	12,388,454		9,430,796
c) Less: Provision for Doubtful Debts	607,523		635,176
		11,780,931	8,795,620
2. CASH AND BANK BALANCES			
a) Cash in Hand	1,340		-
b) Balances with Scheduled Banks - In Current Accounts	663,286		1,211,471
		664,626	1,211,471
3. OTHER CURRENT ASSETS			
a) Accrued Interest	5,156		-
		5,156	-
4. LOANS AND ADVANCES			
(Unsecured - considered good, unless otherwise stated)			
a) Loans to Inter-Company	-		1,586,010
b) Advances recoverable in cash or in kind or for value to be received	8,001,112		4,283,083
c) Sundry Deposits	58,491		80,505
	8,059,603		5,949,598
Less: Provision for Doubtful Loans & Advances	93,748		-
		7,965,855	5,949,598
TOTAL		20,416,568	15,956,689

SCHEDULE 6: CURRENT LIABILITIES AND PROVISIONS

1. CURRENT LIABILITIES			
a) Sundry Creditors - Trade Payables	495,933		1,075,279
b) Inter-Company	19,402,187		16,576,747
c) Advances and Deposits	913,848		566,334
d) Other Liabilities	2,667,125		540,911
		23,479,093	18,759,271
2. PROVISIONS			
a) For Taxation (Net of Advance Payment of Taxes)	431,216		(48,650)
b) For Leave Encashment	177,487		86,040
		608,703	37,390
TOTAL		24,087,796	18,796,661



Schedules forming part of the Consolidated Profit and Loss Account for the year ended March 31, 2011

	US Dollars	Current Year US Dollars	Previous Year US Dollars
SCHEDULE 7: OTHER INCOME			
1. Interest on Advances and Deposits (Gross) (Tax Deducted at Source \$ Nil; previous year \$ Nil)		5,780	66,653
2. Excess provision written back		265,359	440,285
3. Royalty Income		69,750	-
4. Miscellaneous Income		70,950	-
TOTAL		411,839	506,938

SCHEDULE 8: OPERATING AND OTHER EXPENSES

1. Personnel Expenses			
Salaries, Bonus and Allowances		31,619,521	22,393,508
Staff Welfare Expenses		85,498	27,714
2. Software Tools and Packages		517,343	77,000
3. Electricity Expenses		200,351	151,051
4. Software Development Charges		23,534,256	14,930,692
5. Royalty		1,504,594	-
6. Rates and Taxes		188,021	(1,889)
7. Rent and Service Charges		759,651	2,093,562
8. Repairs and Maintenance			
a) Computers	35,062		1,094,704
b) Others	120,162		115,529
		155,224	1,210,233
9. Insurance		1,964,924	1,507,423
10. Travelling and Conveyance Expenses		2,741,861	1,117,758
11. Computer Rental Charges		61,736	-
12. Communication Expenses		539,935	272,941
13. Legal and Professional Charges		774,650	837,619
14. Advertising and Publicity		257,622	66,636
15. Staff Recruitment Expenses		35,738	-
16. Miscellaneous Expenses		504,543	527,457
17. Commission on sales		1,043,821	-
18. Loss/(Gain) on Exchange Difference (Net)		4,588	(81,163)
19. Bad Debts Written Off		617,983	-
20. Provision for Doubtful Debts		-	-
21. Advances Written off		-	-
22. Provision for Doubtful Advances		93,748	-
TOTAL		67,205,608	45,130,542

SCHEDULE 9: INTEREST AND FINANCE CHARGES

1. Other Interest		774,636	893,479
2. Bank Charges		42,708	2,681
TOTAL		817,344	896,160



Schedules forming part of the Consolidated accounts for the year ended March 31, 2011

SCHEDULE 10: NOTES TO ACCOUNTS

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 Limited (the "Parent"). The Company provides marketing assistance and promotes software products and provides software consulting services for customers. The primary operations are in the 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.

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, the numbers appearing in the previous year column are not comparable with current year's numbers.

2. 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 India.

a) 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.

b) 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.

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, 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.

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, 2011 and for the year ended March 31, 2010, sales pertaining to major automotive manufacturer's amount to \$ 35,567,825 and \$ 20,129,365 respectively, of total sales. Total billed and unbilled accounts receivable as of March 31, 2011 and 2010 was \$ 20,560,710 and \$ 5,173,657 respectively. The Company does not require collateral from its customers.

e) 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, 2011 and 2010 for both accounts receivable and unbilled work in process was \$ 607,523 and \$ 635,176 respectively.

f) 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.



Schedules forming part of the Consolidated accounts for the year ended March 31, 2011

SCHEDULE 10: NOTES TO ACCOUNTS (Contd.)

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

g) 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.

h) 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.

i) Software Expenditure:

In accordance with Accounting Standard 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.

j) 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.

k) Income Taxes:

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 recognized 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 recognized in the statement of income in the period of change. Deferred tax



Schedules forming part of the Consolidated accounts for the year ended March 31, 2011

SCHEDULE 10: NOTES TO ACCOUNTS (Contd.)

assets are recognized 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.

l) Advertising Expense:

The Company expenses advertising costs as incurred. Advertising expenses during the year ended March 31, 2011 and during the year ended March 31, 2010 were insignificant.

m) 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 –

- i) 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
- ii) Any present obligation that arises from past events but is not recognized because -
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - 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.

The details of provision and movement in Provision for Leave Encashment are as follows:

(US Dollars)

Particulars	Year ended March 31,2011	Year ended March 31,2010
Carrying amount as at the beginning of the year	36,838	44,271
Additional provision made during the year	8,637	-
Amount paid/utilized during the year	21,594	7,434
Carrying amount as at the end of the year	23,881	36,837

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

n) Subsequent Events

The Company has performed a review of events subsequent to the balance sheet date through the date (April 20, 2011); the financial statements were available to be issued.

3. NOTE RECEIVABLE

The note receivable consisted of the following: March 31,

Particulars	2011	2010
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.	\$ 825,810	\$ 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.	\$ 543,152	\$ 732,360

4. DEFERRED REVENUE

Revenue under fixed fee contracts is deferred and recognized over the term of the contract. At March 31, 2011 and 2010, deferred revenue totalled \$ 1,204,961 and \$ 1,376,381 respectively.

5. OPERATING LEASES

Lease expenditure for operating leases is recognized on a straight line basis over the period of lease. Rental



Schedules forming part of the Consolidated accounts for the year ended March 31, 2011

SCHEDULE 10: NOTES TO ACCOUNTS (Contd.)

expenses for the year ended March 31, 2011 was \$ 527,386 and for March 31, 2010 was \$ 1,913,471.

Sr. No.	Particulars	Amount
1	Lease rentals during the year	527,386
2	Future lease obligations:	
	a) Due within one year	187,974
	b) Due between one year and five years	214,848
	c) Due after five years	-

6. MERGER OF GEOMETRIC TECHNOLOGIES INC.

With effect from April 1, 2010, Geometric Technologies, Inc. has merged with Geometric Americas, Inc. Geometric Technologies, Inc. was engaged in the business of developing software products catering to machining and engineering industry. Geometric Americas, Inc. was engaged in the business of engineering services and software development services mainly catering to automobile, aerospace and engineering industry. The merger has been accounted on the pooling of interest method.

During the merger, the entire pre-merger share capital of the merging companies has been extinguished. New shares of the merged company have been issued to the shareholder.

7. 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.

8. FOREIGN CURRENCY TRANSLATION

The 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 losses included in income statement totaled \$ 4,588 and \$ 81,163 for the year ended March 31, 2011 and March 31, 2010, respectively.

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.



Schedules forming part of the Consolidated accounts for the year ended March 31, 2011

SCHEDULE 10: NOTES TO ACCOUNTS (Contd.)

10. EARNINGS PER SHARE

	US Dollars	Current Year US Dollars
a) Net Profit/(Loss) After Tax (Including Extraordinary Items)		4,102,931
b) Weighted Average Number of Equity Shares during the year:		
Basic		1,000
Diluted		1,000
c) Earning per Equity Share of ₹ /- each.		
Basic & Diluted		4,103

11. 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		4,999,604
Projects		66,243,397
		71,243,001
Less: Inter Segment Revenue		23,877
Net Sale / Income from Operations		71,219,124
B. Segment Results		
Profit / Loss Before Tax and Interest From Each Segment		
Products		881,146
Projects		2,856,464
		3,737,610
Less : (i) Interest		774,636
(ii) Other Unallocable Expenditure net of unallocable income		355,472
		2,607,502
Add : Other Income		1,705,328
Total Profit Before Tax		4,312,830
C. Segment Capital employed		
	Products	Projects
Segment Assets	1,775,257	13,125,769
Segment Liabilities	627,362	2,854,657
Segment Capital employed	1,147,895	10,271,112
SECONDARY GEOGRAPHICAL SEGMENTS - REVENUE		
Region		
US		67,839,226
Europe		2,814,181
Asia Pacific		565,717
TOTAL		71,219,124

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



Directors' Report

To The Members

The Directors hereby present their Report of the Company for the year ended March 31, 2011.

1. OPERATIONS

During the year, 1000 Common Stock of the Company was issued to Geometric Limited in consideration of the merger of Geometric Technologies Inc. with the Company. The Company has achieved a turn-around in FY11. On a consolidated basis the Company has registered a total revenue of USD 72,045,172 and a Net Profit of USD 4,143,956.

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 continues to see strong demand from its customer base and plans to remain profitable in the year ahead.

By Order of the Board

April 20, 2011

Manu Parpia

Report of the Auditors to the Board of Directors of Geometric Americas Inc.

1. We have audited the attached Balance Sheet of **GEOMETRIC AMERICAS INC.** as at March 31, 2011 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 and have been approved by the Board of Directors at its meeting held on April 20th, 2011. Our responsibility is to express an opinion on these financial statements based on our audit.
 - b) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account.
 - c) 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 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, 2011;
 - 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.
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 the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. Without qualifying we draw attention to :
 - a) The balances of account receivables are subject to confirmations, reconciliations and consequential adjustments, if any.
 - b) Balance confirmations for bank balances were not provided to us for verification except for Bank of Americas. We have relied on the bank statements generated using net banking facility in such cases.
4. The previous year's financial statements for the year ended March 31, 2010 have been audited by another firm of auditors.
5. We further report that:
 - a) We have obtained all the information and

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
(Firm Registration No.: 104607W)

Anil A. Kulkarni
Partner
M. No: 47576
Date: April 20, 2011
Place: Pune

Balance Sheet as at March 31, 2011

	SCHEDULE	Current Year US Dollars	Current Year Equivalent INR	Previous Year US Dollars	Previous Year Equivalent INR
SOURCES OF FUNDS:					
1. SHAREHOLDERS' FUNDS					
Share Capital	1	2,062,771	92,040,842	14,050,000	634,217,000
		2,062,771	92,040,842	14,050,000	634,217,000
2. LOAN FUNDS					
a) Secured Loans	2	-	-	2,447,475	110,479,023
b) Unsecured Loans	3	12,062,557	538,231,293	13,161,145	594,094,085
		12,062,557	538,231,293	15,608,620	704,573,108
TOTAL		14,125,328	630,272,135	29,658,620	1,338,790,108
APPLICATION OF FUNDS:					
3. FIXED ASSETS	4				
a) Gross Block		7,524,671	335,750,820	1,435,032	64,777,344
b) Less: Depreciation		5,612,423	250,426,314	1,019,608	46,025,105
c) Net Block		1,912,248	85,324,506	415,424	18,752,239
4. INVESTMENTS		54,734	2,442,231	54,734	2,470,693
5. CURRENT ASSETS, LOANS AND ADVANCES	5				
a) Sundry Debtors		11,727,430	523,277,927	8,647,546	390,350,226
b) Cash And Bank Balances		415,182	18,525,421	1,041,974	47,034,706
c) Other Current Assets		5,156	230,061	-	-
d) Loans And Advances		7,487,619	334,097,560	8,085,903	364,997,661
		19,635,387	876,130,969	17,775,423	802,382,593
6. Less: CURRENT LIABILITIES AND PROVISIONS	6				
a) Current Liabilities		20,689,538	923,167,186	18,534,657	836,654,417
b) Provisions		573,541	25,591,399	37,390	1,687,785
		21,263,079	948,758,585	18,572,047	838,342,202
NET CURRENT ASSETS		(1,627,692)	(72,627,617)	(796,624)	(35,959,607)
7. DEFERRED TAX ASSET (NET)		612	27,307	344,425	15,547,345
8. PROFIT AND LOSS ACCOUNT		13,785,426	615,105,708	29,640,661	1,337,979,438
TOTAL		14,125,328	630,272,135	29,658,620	1,338,790,108
NOTES TO ACCOUNTS	10				
Exchange rate used for translation 1 USD = ₹			44.62		45.14

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
(Firm Reg. No. 104607W)

Signatures to the Balance Sheet and
Schedules 1 to 6 and 10.

For and on behalf of the Board

Anil A. Kulkarni
Partner
April 20, 2011

Manu Parpia
Director

Dr. Richard Riff
Director



Profit and Loss Account for the year ended March 31, 2011

	SCHEDULE	Current Year US Dollars	Current Year Equivalent INR	Previous Year US Dollars	Previous Year Equivalent INR
INCOME:					
1.	Sales - Projects and Products				
	Sales - Projects	65,348,004	2,915,827,938	42,663,054	1,925,810,258
	Sales - Products	4,988,364	222,580,802	-	-
		70,336,368	3,138,408,740	42,663,054	1,925,810,258
2.	Service Income	1,297,583	57,898,153	679,729	30,682,967
3.	Other Income	7	411,221	18,348,681	520,587
		72,045,172	3,214,655,574	43,863,370	1,979,992,522
EXPENDITURE:					
4.	Operating And Other Expenses	8	66,297,751	2,958,205,650	43,427,595
5.	Interest And Finance Charges	9	817,344	36,469,889	895,979
6.	Depreciation		578,213	25,799,864	303,596
			67,693,308	3,020,475,403	44,627,170
			4,351,864	194,180,171	(763,800)
PROFIT BEFORE TAX AND PRIOR PERIOD ADJUSTMENTS					
7.	Provision For Taxes				
	(a) Current Taxes		94,780	4,229,084	7,211
	(b) Deferred Tax		57,000	2,543,340	33,500
			151,780	6,772,424	40,711
			4,200,084	187,407,747	(804,511)
NET PROFIT AFTER TAX AND BEFORE EXTRAORDINARY ITEMS AND PRIOR PERIOD ADJUSTMENTS					
8.	Prior Period Adjustments		(56,128)	(2,504,431)	-
			4,143,956	184,903,317	(804,511)
NET PROFIT / (NET LOSS)					
9.	Deficit Brought Forward		(29,640,661)	(1,322,566,294)	(28,836,150)
10.	Net activity in Reserves and surplus on merger		11,711,279	522,557,269	-
			(13,785,426)	(615,105,708)	(29,640,661)
PROFIT AVAILABLE FOR APPROPRIATION:					
APPROPRIATIONS:					
11.	Deficit Carried Forward		(13,785,426)	(615,105,708)	(29,640,661)
	TOTAL		(13,785,426)	(615,105,708)	(29,640,661)
EARNINGS PER EQUITY SHARE					
		10 (10)			
	Basic and diluted		4,144	(805)	
	Number of equity shares		1,000	1,000	
NOTES TO ACCOUNTS					
		10			
	Exchange rate used for translation 1 USD = ₹		44.62		45.14

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
(Firm Reg. No. 104607W)

Anil A. Kulkarni
Partner
April 20, 2011

Signatures to the Profit and Loss Account &
Schedules 7 to 10.

For and on behalf of the Board

Manu Parpia
Director

Dr. Richard Riff
Director



Cash Flow Statement for the year ended March 31, 2011

	Current Year US Dollars	Current Year Equivalent INR
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	4,351,864	194,180,172
Adjustment for:		
Depreciation	578,213	25,799,864
Interest Expense	817,344	36,469,889
Interest Income	(5,162)	(230,328)
Prior period items	(56,128)	(2,504,431)
	1,334,267	59,534,994
Operating Cash Flows Before Working Capital Changes	5,686,131	253,715,165
Working Capital Changes:		
Accounts receivable	(3,079,884)	(137,424,424)
Loans and Advances	598,284	26,695,432
Current liabilities and provisions	2,691,032	120,073,848
Other current assets	(5,156)	(230,061)
	204,276	9,114,795
Cash Generated from Operations	5,890,407	262,829,960
Income Taxes Paid	(151,780)	(6,772,424)
Decrease in deferred tax asset	343,813	15,340,936
Net Cash Flow from Operating Activities	6,082,440	271,398,473
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(Purchase)/ Sale of Fixed Assets	(2,075,037)	(92,588,151)
Interest Received	5,162	230,328
Net Cash Used in Investing Activities	(2,069,875)	(92,357,823)



Cash Flow Statement for the year ended March 31, 2011

	Current Year US Dollars	Current Year Equivalent INR
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Extinguishment of original shares of Geometric Americas, Inc.	(14,050,000)	(626,911,000)
Substitution of share capital of erstwhile Geometric Technologies Inc.	2,062,771	92,040,842
Repayment of secured loans	(2,447,475)	(109,206,335)
Repayment of unsecured loans	(1,098,588)	(49,018,997)
Net activity in retained earnings on merger	11,711,279	522,557,269
Interest Paid	(817,344)	(36,469,889)
Net Cash (Used) / Raised in Financing Activities	(4,639,357)	(207,008,109)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(626,792)	(27,967,459)
CASH AND CASH EQUIVALENTS:		
AS AT THE BEGINNING		
Cash and Bank Balances	1,041,974	46,492,880
	1,041,974	46,492,880
AS AT THE ENDING		
Cash and Bank Balances	415,182	18,525,421
	415,182	18,525,421
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS:	(626,792)	(27,967,459)

Notes :

1. Amounts in brackets represent outflows.
2. Purchase of Fixed Assets includes payments for items in Capital Work in Progress and Advances of Capital nature. Adjustment for increase or decrease in Current Liabilities related to acquisition of Fixed Assets has not been made as these figures are not readily ascertainable and therefore would form part of change in working capital.
3. Comparatives for the Previous year have not been reported in the absence of availability of information.

Exchange rate used for translation 1 USD = ₹ 44.62

For and on behalf of
Kalyaniwalla & Mistry
Chartered Accountants
(Firm Reg. No. 104607W)

For and on behalf of the Board

Anil A. Kulkarni
Partner

Manu Parpia
Director

Dr. Richard Riff
Director

April 20, 2011



Schedules forming Part of the Balance Sheet as at March 31, 2011

	Current Year US Dollars	Previous Year US Dollars
SCHEDULE 1: SHARE CAPITAL		
Share Capital	2,062,771	14,050,000
TOTAL	2,062,771	14,050,000

Notes:

Issued, Subscribed and Paid Up Capital includes 1,000 (Previous Year: 1,000) Shares held by Geometric Limited India, the Holding Company. Existing shares of GTI ceased to exist and in lieu of those 1,000 shares have been issued as per merger scheme.

SCHEDULE 2: SECURED LOANS

1. BORROWINGS FROM BANKS		
a) Long-Term Loan	-	2,400,000
(Secured by hypothecation of book debts)		
previous year ₹ Nil)		
2. INTEREST ACCRUED AND DUE ON SECURED LOANS	-	47,475
TOTAL	-	2,447,475

SCHEDULE 3: UNSECURED LOANS

1. LOAN FROM INTER-COMPANY	11,804,113	13,161,145
(Due to Holding Company)		
2. INTEREST ACCRUED AND DUE ON UNSECURED LOANS	258,444	-
TOTAL	12,062,557	13,161,145

Schedules forming part of the Balance Sheet as at March 31, 2011

SCHEDULE 4: FIXED ASSETS

US Dollars

ASSET	GROSS BLOCK		DEPRECIATION		NET BLOCK	
	As on 1-Apr-10	Additions Deductions	Upto 31-Mar-10	For the Year	Upto 31-Mar-11	As on 31-Mar-10
Leasehold Improvement	107,333	58,308	106,899	7,600	114,500	434
Computers	852,541	489,101	824,540	94,063	918,603	28,001
Office Equipment and EPABX System	262,644	967	198,444	13,046	211,499	64,200
Furniture and Fixtures	430,362	6,453	313,518	19,395	332,914	116,843
Intangible Assets:						
- Computer Software	2,479,066	9,807	2,176,764	161,296	2,338,061	302,302
- Goodwill	2,828,090	-	1,414,045	282,809	1,696,854	1,414,045
TOTAL	6,960,036	568,406	5,034,211	578,210	5,612,421	1,925,825



Schedules forming part of the Balance Sheet as at March 31, 2011

	US Dollars	Current Year US Dollars	Previous Year US Dollars
SCHEDULE 5: CURRENT ASSETS, LOANS AND ADVANCES			
1. SUNDRY DEBTORS			
(Unsecured - Considered good, unless otherwise stated)			
a) Debts outstanding for a period more than 6 months (Including doubtful debts \$ 607,523 - previous year \$ 635,176)	607,523		635,176
b) Other Debts	11,727,430		8,647,546
	12,334,953		9,282,722
c) Less: Provision for Doubtful Debts	607,523		635,176
		11,727,430	8,647,546
2. CASH AND BANK BALANCES			
a) Cash in Hand	800		-
b) Balances with Scheduled Banks - In Current Accounts	414,382		1,041,974
		415,182	1,041,974
3. OTHER CURRENT ASSETS			
a) Accrued Interest	5,156		-
		5,156	-
4. LOANS AND ADVANCES			
(Unsecured - considered good, unless otherwise stated)			
a) Advances recoverable in cash or in kind or for value to be received	7,122,875		4,380,193
b) Sundry Deposits	58,492		80,505
	7,581,367		8,085,903
Less: Provision for Doubtful Loans & Advances	93,748		-
		7,487,619	8,085,903
TOTAL		19,635,387	17,775,423
SCHEDULE 6: CURRENT LIABILITIES AND PROVISIONS			
1. CURRENT LIABILITIES			
a) Sundry Creditors - Trade Payables	212,761		1,063,913
b) Inter-Company	17,560,815		16,538,978
c) Advances and Deposits	913,848		566,334
d) Other Liabilities	2,002,114		365,432
		20,689,538	18,534,657
2. PROVISIONS			
a) For Taxation (Net of Advance Payment of Taxes)	396,054		(48,650)
b) For Leave Encashment	177,483		86,040
		573,537	37,390
TOTAL		21,263,075	18,572,047

Schedules forming part of the Profit and Loss Account for the year ended March 31, 2011

	US Dollars	Current Year US Dollars	Previous Year US Dollars
SCHEDULE 7: OTHER INCOME			
1. Interest on Advances and Deposits (Gross)		5,162	66,399
2. Excess provision written back		265,359	454,188
3. Royalty Income		69,750	-
4. Miscellaneous Income		70,950	-
TOTAL		145,862	520,587

SCHEDULE 8: OPERATING AND OTHER EXPENSES

1. Personnel Expenses			
Salaries, Bonus and Allowances		31,409,522	21,173,527
Staff Welfare Expenses		85,432	27,714
2. Software Tools and Packages		518,907	77,000
3. Electricity Expenses		200,246	150,224
4. Software Development Charges		23,154,315	14,930,692
5. Royalty		1,504,594	-
6. Rates and Taxes		188,021	(1,889)
7. Rent and Service Charges		688,387	1,979,135
8. Repairs and Maintenance			
a) Computers	36,887		769,477
b) Others	120,162		110,006
		157,049	879,483
9. Insurance		1,955,908	1,507,329
10. Travelling and Conveyance Expenses		2,583,964	1,070,563
11. Computer Rental Charges		63,731	-
12. Communication Expenses		528,427	264,943
13. Legal and Professional Charges		685,142	782,324
14. Advertising and Publicity		257,622	66,636
15. Staff Recruitment Expenses		35,738	-
16. Miscellaneous Expenses		504,226	518,266
17. Commission on sales		1,043,821	-
18. Loss on Exchange Difference (Net)		20,964	1,648
19. Bad Debts Written Off		112,421	-
20. Provision for Doubtful Debts		240,203	-
21. Provision for Doubtful Advances		93,748	-
TOTAL		66,032,388	43,427,595

SCHEDULE 9: INTEREST AND FINANCE CHARGES

1. Other Interest		774,636	893,298
2. Bank Charges		42,708	2,681
TOTAL		817,344	895,979



Schedules forming part of the accounts for the year ended March 31, 2011

SCHEDULE 10: NOTES TO ACCOUNTS

10. EARNINGS PER SHARE

	US Dollars	Current Year US Dollars
a) Net Profit/(Loss) After Tax (Including Extraordinary Items)		4,143,956
b) Weighted Average Number of Equity Shares during the year:		
Basic		1,000
Diluted		1,000
c) Earning per Equity Share of ₹/- each.		
Basic & Diluted		4,144

11. 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		4,999,604
Projects		65,360,641
		70,360,245
Less: Inter Segment Revenue		(23,877)
Net Sale / Income from Operations		70,336,368
B. Segment Results		
Profit / Loss Before Tax and Interest From Each Segment		
Products		881,146
Projects		2,892,028
		3,773,174
Less : (i) Interest		774,636
(ii) Other Unallocable Expenditure net of unallocable income		355,478
		2,643,060
Add : Other Income		1,708,804
Total Profit Before Tax		4,351,864
C. Segment Capital employed		
	Products	Projects
Segment Assets	1,775,257	12,472,898
Segment Liabilities	627,362	1,962,071
Segment Capital employed	1,147,895	10,510,827
SECONDARY GEOGRAPHICAL SEGMENTS - REVENUE		
Region		
US		67,835,132
Europe		1,935,519
Asia Pacific		565,717
TOTAL		70,336,368

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



Geometric S. R. L.
Annual Report and Financial Statements
for the year ended March 31, 2011

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, 2011

1. OPERATIONS

Total revenue of the company during the year was USD 1,222,317 and net loss for the year was USD 14,760.

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.

By Order of the Board

April 20, 2011

Manu Parpia

Balance Sheet as at March 31, 2011

	March 31			
	2011		2010	
	US Dollar	Equivalent ₹	US Dollar	Equivalent ₹
ASSETS AND LIABILITIES				
Non Current Assets				
Plant And Equipment	3,532	157,597	8,054	363,558
Current Assets				
Trade and Other Receivables	172,287	7,687,434	4,880	220,283
Cash and bank balance	34,912	1,557,794	53,212	2,401,990
Total Current Assets	207,199	9,245,228	58,092	2,622,273
Current Liabilities				
Trade and Other Payable	148,224	6,613,737	148,028	6,681,984
Notes Payable	400,000	17,848,000	240,000	10,833,600
Total Current Liabilities	548,224	24,461,737	388,028	17,515,584
Net Current Assets	(341,024)	(15,216,510)	(329,936)	(14,893,311)
Net Assets	(337,492)	(15,058,912)	(321,882)	(14,529,753)
EQUITY				
Total Equity	(337,492)	(15,058,905)	(321,882)	(14,529,753)
Exchange rate used for translation : 1USD =		44.62		45.14



Profit and Loss Account for the period ended March 31, 2011

	March 31			
	2011		2010	
	US Dollar	Equivalent ₹	US Dollar	Equivalent ₹
Sales	1,222,317	54,539,806	584,164	26,369,163
Other Income	618	27,575	254	11,466
Total Income	1,222,935	54,567,382	584,418	26,380,629
Cost of Expenses				
Cost of Sales	1,000,938	44,661,844	757,127	34,176,713
Depreciation	6,728	300,190	13,348	602,529
Other Operating Expenses	228,039	10,175,112	118,814	5,363,264
Total Expenses	1,235,705	55,137,146	889,289	40,142,505
Profit/(Loss) from operations	(12,769)	(569,764)	(304,871)	(13,761,877)
Finance costs	-	-	181	8,170
Profit/(Loss) before Taxation	(12,769)	(569,764)	(305,052)	(13,770,047)
Taxation	1,991	88,838	1,965	88,700
Net Profit / (Loss) for the year	(14,760)	(658,603)	(307,017)	(13,858,747)

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, 2011

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, 2011.

1. OPERATIONS

The total revenue of the Company during the year was USD 878,662 and net loss for the year was USD 26,274.

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.

By order of the Board
Manu Parpia

April 20, 2011

Balance Sheet as at March 31, 2011

	March 31			
	2011		2010	
	US Dollar	Equivalent ₹	US Dollar	Equivalent ₹
Assets and Liabilities				
Non-current Assets				
Plant And Equipment	10,233	456,589	12,447	561,858
Current Assets				
Trade And Other Receivables	319,948	14,276,077	172,823	7,801,230
Cash And bank balance	195,072	8,704,100	116,285	5,249,105
Total Current Assets	515,020	22,980,177	289,108	13,050,335
Current Liabilities				
Trade and Other Payable	2,216,948	98,920,205	2,002,520	90,393,753
Provision for Taxation		-		-
Total Current Liabilities	2,216,948	98,920,205	2,002,520	90,393,753
Net Current Assets	(1,701,928)	(75,940,028)	(1,713,412)	(77,343,418)
Net Assets	(1,691,695)	(75,483,439)	(1,700,965)	(76,781,560)
EQUITY				
Share Capital	54,734	2,442,231	54,734	2,470,693
Reserves & Surplus	(1,746,429)	(77,925,674)	(1,755,699)	(79,252,253)
Total Equity	(1,691,695)	(75,483,443)	(1,700,965)	(76,781,560)
Exchange rate used for translation : 1USD =		44.62		45.14



Profit and Loss Account for the period ended March 31, 2011

	March 31			
	2011		2010	
	US Dollar	Equivalent ₹	US Dollar	Equivalent ₹
Sales	878,662	39,205,893	767,988	34,666,978
Other Income	-	-	-	-
Total Income	878,662	39,205,893	767,988	34,666,978
Cost of Expenses				
Cost of Sales	777,475	34,690,938	470,947	21,258,548
Staff cost	-	-	316,657	14,293,897
Depreciation	3,729	166,393	38,195	1,724,122
Other Operating Expenses	123,732	5,520,921	139,767	6,309,082
Total Expenses	904,936	40,378,251	965,566	43,585,649
Profit/(Loss) from operations	(26,274)	(1,172,358)	(197,578)	(8,918,671)
Finance costs	-	-	-	-
Profit/(Loss) before Taxation	(26,274)	(1,172,358)	(197,578)	(8,918,671)
Taxation	-	-	-	-
Net Profit/(Loss) for the year	(26,274)	(1,172,358)	(197,578)	(8,918,671)

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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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 associated 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 recognised 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 Asia-Pacific Pte. Ltd.
Annual Report and Financial Statements
for the year ended March 31, 2011

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, 2011.

1. DIRECTORS

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

Parpia Manu Mahmud
Low Tiak Huan

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end nor at any time during the financial year was the Company a party to any arrangement whose object is to enable the Directors of the Company to acquire benefits through the acquisition of shares in or debentures of the Company or any other body corporate.

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The Directors holding office at the end of the financial year and their interests in the shares of the Company and related corporations as recorded in the register kept by the Company for the purposes of Section 164 of the Companies Act, Cap. 50 were as follows:

Name of Directors	Holding in the name of the Directors		Other holdings in which Directors are deemed to have an interest	
	At 01.04.10	At 31.03.11	At 01.04.10	At 31.03.11
Ordinary shares @ INR 2				
Name of Directors	At 01.04.10	At 31.03.11	At 01.04.10	At 31.03.11
Holding Company				
Geometric Limited				
Parpia Manu Mahmud	4,665,405	4,242,925	210,000	210,000
Low Tiak Huan	27,110	27,110	-	-
Ravishankar Gopalakrishnan	-	-	-	-
Share Options				
Parpia Manu Mahmud	-	-	-	-
Low Tiak Huan	-	-	-	-
Ravishankar Gopalakrishnan	350,000	350,000	-	-

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.

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.



Report of the Directors (Contd.)

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

Low Tiak Huan
Director

Singapore,
April 21, 2011

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, 2011 and of the results of the business, changes in equity and statement of 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

Low Tiak Huan
Director

Singapore,
April 21, 2011



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, 2011, and the statement of comprehensive income, statement of changes in equity and statement of 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 statement of comprehensive income 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.

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 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, 2011 and the results, changes in equity and statement of 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 Accountants and
Certified Public Accountants

Singapore, April 21, 2011
(RK/AJ//hj)

Consolidated Balance Sheet as at March 31, 2011

	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	22,613	801,405	39,176	1,265,777	8,340	295,570	10,798	348,883
Goodwill on acquisition	5	–	–	–	–	–	–	–	–
Investment in subsidiary	6	–	–	–	–	–	–	–	–
		22,613	801,405	39,176	1,265,777	8,340	295,570	10,798	348,883
Current Assets									
Trade receivables	7	2,459,858	87,177,368	1,714,010	55,379,663	1,807,806	64,068,645	1,274,757	41,187,399
Other receivables, deposits and prepayments	8	252,590	8,951,790	236,838	7,652,236	1,132,994	40,153,307	1,348,806	43,579,922
Cash and cash equivalents	9	597,367	21,170,686	565,707	18,277,993	366,194	12,977,915	467,912	15,118,237
		3,309,815	117,299,844	2,516,555	81,309,892	3,306,994	117,199,867	3,091,475	99,885,557
Current Liabilities									
Trade and other payables	10	2,417,091	85,661,705	2,004,644	64,770,048	1,068,536	37,868,916	628,366	20,302,505
Provision for taxation		14,237	504,559	14,490	468,172	9,202	326,119	14,490	468,172
		2,431,328	86,166,264	2,019,134	65,238,220	1,077,738	38,195,035	642,856	20,770,677
Net Current Assets		878,487	31,133,579	497,421	16,071,673	2,229,256	79,004,833	2,448,619	79,114,880
Net Assets		901,100	31,934,984	536,597	17,337,449	2,237,596	79,300,402	2,459,417	79,463,763
EQUITY									
Capital and reserve attributable to equity holders of the company									
Share capital	11	100,000	3,544,000	100,000	3,231,000	100,000	3,544,000	100,000	3,231,000
Retained earnings		339,190	12,020,894	74,841	2,418,113	2,137,596	75,756,402	2,359,417	76,232,763
Translation exchange reserve		461,910	16,370,090	361,756	11,688,336	–	–	–	–
Total Equity		901,100	31,934,984	536,597	17,337,449	2,237,596	79,300,402	2,459,417	79,463,763
Exchange rate used for translation 1 SGD = ₹			35.44		32.30		35.44		32.30



Profit & Loss Account for the year March 31, 2011

	Note	The Group				The Company			
		Current Year		Previous Year		Current Year		Previous Year	
		S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR
Continuing operations									
Revenue	12	8,206,184	290,827,161	6,488,862	209,655,131	5,732,080	203,144,915	5,680,263	183,529,298
Cost of services	13	(4,152,202)	(147,154,039)	(4,471,339)	(144,468,963)	(4,088,397)	(144,892,790)	(4,430,361)	(143,144,964)
Gross profit		4,053,982	143,673,122	2,017,523	65,186,168	1,643,683	58,252,126	1,249,902	40,384,334
Other income	14	410,191	14,537,169	251,739	8,133,687	324,977	11,517,185	249,501	8,061,377
Administration expenses	16	(4,131,178)	(146,408,948)	(2,642,936)	(85,393,262)	(2,136,195)	(75,706,751)	(1,587,717)	(51,299,136)
Other operating expenses	17	(18,932)	(670,950)	(257,286)	(8,312,911)	(4,572)	(162,032)	(248,141)	(8,017,436)
Profit/(Loss) before taxation		314,063	11,130,393	(630,960)	(20,386,318)	(172,107)	(6,099,472)	(336,455)	(10,870,861)
Taxation	18	(49,714)	(1,761,864)	(89,971)	(2,906,963)	(49,714)	(1,761,864)	(89,971)	(2,906,963)
Profit/(Loss) from operations		264,349	9,368,529	(720,931)	(23,293,281)	(221,821)	(7,861,336)	(426,426)	(13,777,824)
Profit/ (Loss) for the year		264,349	9,368,529	(720,931)	(23,293,281)	(221,821)	(7,861,336)	(426,426)	(13,777,824)
Other comprehensive income									
Currency translation differences arising from consolidation		100,154	3,549,458	131,241	4,240,397	-	-	-	-
Other comprehensive income, net tax		100,154	3,549,458	131,241	4,240,397	-	-	-	-
Total comprehensive income/(loss)		364,503	12,917,986	(589,690)	(19,052,884)	(221,821)	(7,861,336)	-	-
Profit/(loss) attributable to:		364,503	12,917,986	(720,931)	(23,293,281)	(221,821)	(7,861,336)	(426,426)	(13,777,824)
Equity holders of the Company									
Total comprehensive income/(loss) attributable to:									
Equity holders of the Company		364,503	12,917,986	(589,690)	(19,052,884)	(221,821)	(7,861,336)	(426,426)	(13,777,824)
Exchange rate used for translation 1									
SGD = ₹			35.44		32.30		35.44		32.30

Changes in Equity for the year ended March 31, 2011

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 2009	100,000	3,544,000	230,515	8,169,452	795,772	28,202,160	1,126,287	39,915,611
Total comprehensive income for the year	-	-	131,241	4,651,181	(720,931)	(25,549,795)	(589,690)	(20,898,614)
As at 31 March 2010	100,000	3,544,000	361,756	12,820,633	74,841	2,652,365	536,597	19,016,998
Total comprehensive income for the year	-	-	100,154	3,549,458	264,349	9,368,529	364,503	12,917,986
As at 31 March 2011	100,000	3,544,000	461,910	16,370,090	339,190	12,020,894	901,100	31,934,984

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 2009	100,000	3,544,000	-	-	2,785,843	98,730,276	2,885,843	102,274,276
Total comprehensive income for the year	-	-	-	-	(426,426)	(15,112,537)	(426,426)	(15,112,537)
As at 31 March 2010	100,000	3,544,000	-	-	2,359,417	83,617,738	2,459,417	87,161,738
Total comprehensive loss for the year	-	-	-	-	(221,821)	(7,861,336)	(221,821)	(7,861,336)
As at 31 March 2011	100,000	3,544,000	-	-	2,137,596	75,756,402	2,237,596	79,300,402

Exchange rate used for translation 1 SGD = ₹

35.44



Cash Flows for the year ended March 31, 2011

	The Group				The Company			
	Current Year		Previous Year		Current Year		Previous Year	
	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR	S\$	Equivalent INR
CASH FLOWS FROM OPERATING ACTIVITIES								
(Loss)/Profit before tax	314,063	11,130,393	(630,960)	(20,386,318)	(172,107)	(6,099,472)	(336,455)	(10,870,861)
Adjustments for:								
Depreciation of plant and equipment	17,451	618,463	22,422	724,455	4,572	162,032	8,847	285,847
Exchange difference on plant and equipment	2,907	103,024	6,091	196,800	(114)	(4,040)	534	17,254
Impairment of investment in subsidiary	-	-	-	-	-	-	-	-
Allowance for doubtful debts	24,740	876,786	24,740	799,349	24,740	876,786	24,740	799,349
Foreign currency translation	(95,207)	(3,374,136)	-	-	-	-	-	-
Interest income	(686)	(24,312)	(383)	(12,375)	(131)	(4,643)	(195)	(6,300)
Operating (loss)/profit before working capital changes	263,268	9,330,218	(578,090)	(18,678,088)	(143,040)	(5,069,338)	(302,529)	(9,774,712)
Trade and other receivables	(757,461)	(26,844,418)	2,056,915	66,458,924	(341,977)	(12,119,665)	1,595,464	51,549,442
Trade and other payables	570,545	20,220,115	(1,983,675)	(64,092,539)	440,170	15,599,625	(1,801,590)	(58,209,373)
Cash generated from operations	76,352	2,705,915	(504,850)	(16,311,704)	(44,847)	(1,589,378)	(508,655)	(16,434,643)
Interest received	686	24,312	383	12,375	131	4,643	195	6,300
Taxation paid	(49,565)	(1,756,584)	(192,430)	(6,217,413)	(55,002)	(1,949,271)	(192,430)	(6,217,413)
Net cash (used in)/generated from operating activities	27,473	973,643	(696,897)	(22,516,742)	(99,718)	(3,534,006)	(700,890)	(22,645,756)
CASH FLOWS FROM INVESTING ACTIVITY								
Acquisition of plant and equipment	(2,000)	(70,880)	(10,653)	(344,198)	(2,000)	(70,880)	(2,700)	(87,237)
Net cash (used in)/generated from investing activities	(2,000)	(70,880)	(10,653)	(344,198)	(2,000)	(70,880)	(2,700)	(87,237)
Net (decrease)/increase in cash and cash equivalents	25,473	902,763	(707,550)	(22,860,941)	(101,718)	(3,604,886)	(703,590)	(22,732,993)
Cash and cash equivalents at beginning of year	565,707	20,048,656	1,266,144	40,909,113	467,912	16,582,801	1,171,502	37,851,230
Effect of exchange rate on cash held	6,187	219,267	7,113	229,821	-	-	-	-
Cash and cash equivalents at end of year (Note 9)	597,367	21,170,686	565,707	18,277,993	366,194	12,977,915	467,912	15,118,237
Cash and cash equivalents comprise:								
Cash and bank balances	597,367	21,170,686	565,707	18,277,993	366,194	12,977,915	467,912	15,118,237
Exchange rate used for translation 1 SGD = ₹		35.44		32.31		35.44		32.31

Notes to the Financial Statements - March 31, 2011

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, 2011 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 activities of the subsidiary are developing, designing, marketing and selling of engineering solutions, services and technologies for vehicle and heavy-duty equipment and supplying related after sales service and technical consultation.

The Company is a wholly-owned subsidiary of Geometric Limited, a company incorporated in India, which is also the Company's ultimate holding corporation.

The financial statements of the Group for the year ended March 31, 2011 were authorised for issue in accordance with a resolution of the Directors on April 21, 2011.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements, expressed in Singapore Dollar ("SGD or S\$") are prepared based on the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the recognition of applying the Group's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reporting amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

There are no critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement or complexity except as disclosed in Note 3.

In the current financial year, the Group has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual years beginning on or after April 1, 2010. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's accounting policies except as disclosed in Note 3 and has no material effect on the amounts reported for the current or prior years.

The Group has not applied any new standard or interpretation that has been issued but is not yet effective. The new standards that have been issued and not yet effective do not have any impact on the result of current or prior years.

2.2 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



Notes to the Financial Statements - March 31, 2011

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 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 Group, 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 Group until the minority's share of losses previously absorbed by the equity holders of the Group has been recovered.

Please refer to Note 2.3 for the Group'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:

Particulars	Years
Computer	3 – 5
Building fixtures	10
Furniture and fittings	3 – 5
Office equipments	3 – 5

The useful lives of plant and equipment are reviewed and adjusted as appropriate at each balance sheet date.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2.5.4 Subsequent Expenditure

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Other subsequent expenditure is recognised as repair and maintenance expense in the statement of comprehensive income during the financial year in which it is incurred.



Notes to the Financial Statements - March 31, 2011

2.5.5 Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the statement of comprehensive income. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2.6 Revenue Recognition

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the statement of comprehensive income as follows:

2.6.1 Time and Material Contracts

Revenue from time and material contracts for software development is recognised on completion of contracts or at stages as per the applicable terms and conditions agreed with the customers and when the deliverables are dispatched to customers.

2.6.2 Fixed Price Contracts

In case of fixed price contracts, revenue is recognised on milestones achieved as specified in the contracts on the proportionate completion method on the basis of work completed.

2.6.3 Other Revenue

Revenue from sale of traded software products and software upgrading fee is recognised when the sale has been completed with the passing of the title. Revenue from software upgrading fees on software developed by the Group is recognised over the period for which it is received.

2.6.4 Interest Income

Interest income is measured using the effective interest method.

2.7 Foreign Currency

2.7.1 Functional and Presentation Currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (the "functional currency"). The financial statements are

presented in Singapore Dollar, which is the Group's functional and presentation currency.

2.7.2 Foreign Currencies Transactions

Foreign currency transactions during the year are translated into recording currencies at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Singapore Dollar at the exchange rates ruling at the balance sheet date. Exchange gains and losses are dealt with in the statement of comprehensive income.

2.7.3 Translation of Group entities' financial statements

The results and financial position of group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses for each statement of comprehensive incomes are translated at average exchange rates (unless this average is not reasonable approximation of the cumulative effect of the rates prevailing on the translation dates, in which case income and expenses are translated at the dates of the transactions); and commitment all resulting exchange differences are taken to the foreign currency translation reserve within equity.

Goodwill and fair value adjustments arising on acquisition of a foreign entity on or after 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



Notes to the Financial Statements - March 31, 2011

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.

2.10 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank deposits and short-term, highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand and which form an integral part of the Group's cash management.

2.11 Impairment Of Non-Financial Assets

2.11.1 Goodwill

Goodwill is tested annually for impairment, as well as when there is any indication that the goodwill may be impaired.

For the purpose of impairment testing of goodwill, goodwill is allocated to each of

the Group's cash-generating-units (CGU) expected to benefit from synergies of the business combination.

An impairment loss is recognised in the income statement when the carrying amount of CGU, including the goodwill, exceeds the recoverable amount of the CGU. Recoverable amount of the CGU is the higher of the CGU's fair value less cost to sell and value in use.

The total impairment loss is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU pro-rata on the basis of the carrying amount of each asset in the CGU.

Impairment loss on goodwill is not reversed in a subsequent period.

2.11.2 Plant And Equipment

Plant and equipment are reviewed for impairment whenever there is any indication that these assets may be impaired. If any such indication exists, the recoverable amount (i.e. the higher of the fair value less cost to sell and value in use) of the asset is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the CGU to which the asset belongs to.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The impairment loss is recognised in the income statement unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable

Notes to the Financial Statements - March 31, 2011

amount since the last impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset is recognised in the income statement, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase.

2.12 Financial Assets

2.12.1 Initial Recognition and Measurement

Financial assets are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured as fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The subsequent measurement of financial assets depends on their classification as follows:

- (i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by FRS 39. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

The Group has not designated any financial assets upon initial recognition at fair value through profit or loss.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

- (ii) Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

- (iii) Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity. Subsequent to initial recognition, held-to-maturity



Notes to the Financial Statements - March 31, 2011

investments are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

(iv) Available-for-sale financial assets

Available for-sale financial assets include equity and debts securities. Equity investments classified as available-for-sale are those, which are neither classified as held for trading nor designated at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in the market conditions.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

2.12.3 Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been

recognised in other comprehensive income is recognised in profit or loss.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

2.13 Impairment of Financial Assets

The Group assesses at each end of the reporting period whether there is any objective evidence that a financial asset is impaired.

2.13.1 Financial Assets Carried at Amortised Cost

For financial assets carried at amortised cost, the Group first assesses individually whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible,

Notes to the Financial Statements - March 31, 2011

the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.13.2 Financial Assets Carried at Cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.13.3 Available-For-Sale Financial Assets

In the case of equity investments classified as available-for-sale, objective evidence of impairment include -

- (i) significant financial difficulty of the issuer or obligor,
- (ii) information about significant changes with an adverse effect that have taken place in the technological, market, economic or legal environment in which

the issuer operates, and indicates that the cost of the investment in equity instrument may not be recovered; and

- (iii) a significant or prolonged decline in the fair value of the investment below its costs. 'Significant' is to be evaluated against the original cost of the investment and 'prolonged' against the period in which the fair value has been below its original cost.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its acquisition cost (net of any principal repayment and amortisation) and its current fair value, less any impairment loss previously recognised in profit or loss, is transferred from other comprehensive income and recognised in profit or loss. Reversals of impairment losses in respect of equity instruments are not recognised in profit or loss; increase in their fair value after impairment are recognised directly in other comprehensive income.

In the case of debt instruments classified as available-for-sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of finance income. If, in a subsequent year, the fair value of a debt instrument increases and the increases can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed in profit or loss.

2.14 Financial Liabilities

2.14.1 Initial Recognition and Measurement

Financial liabilities are recognised on the balance sheet when, and only when, the



Notes to the Financial Statements - March 31, 2011

Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of other financial liabilities, plus directly attributable transaction costs.

2.14.2 Subsequent Measurement

The measurement of financial liabilities depends on their classification as follows:

- (i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value. Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial liabilities are recognised in profit or loss.

The Group has not designated any financial liabilities upon initial recognition at fair value through profit or loss.

- (ii) Other financial liabilities

After initial recognition, other financial liabilities are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortization process.

2.14.3 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.15 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance costs.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

2.17 Operating Leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained



Notes to the Financial Statements - March 31, 2011

by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to the statement of comprehensive income on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

2.18 Finance Costs

Interest expense and similar charges are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are recognised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognised in the statement of comprehensive income using the effective interest rate method.

2.19 Employee Benefits

2.19.1 Defined Contribution Pension Costs

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. The Group's contribution to defined contribution plans are recognised in the financial year to which they relate.

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.

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,



Notes to the Financial Statements - March 31, 2011

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 judgment is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group 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 judgment. The Group exercises its judgment using historical and industry trends, general market conditions, forecasts and other available information. An error in the judgment may impact the amount of advance cost to be carried in the balance sheet.

(iv) Impairment of trade and receivables

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired. To determine whether there is objective evidence of impairment, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

(v) Revenue

Included in revenue is estimated revenue amounting to \$302,120 (2010: \$142,232) for the Company.

In making its judgment, the management considered the detailed criteria for the recognition of revenue from the rendering of services set out in FRS 18: Revenue and in particular, whether the Group has measured reliably the amount of revenue and it is probable that the economic benefits associated with the transaction will flow to the entity.

The Group reviews and when necessary, revises the estimates of revenue as the service is performed. The need for such revisions does not necessarily indicate that the outcome of the transactions cannot be estimated reliably.

Notes to the Financial Statements - March 31, 2011

4. PLANT AND EQUIPMENT

The Group

2011	Building Fixtures S\$	Computer S\$	Furniture and Fittings S\$	Total S\$
Cost				
At 01.04.010	13,089	86,268	28,143	127,500
Additions	-	2,000	-	2,000
Translation adjustment	9	(4,822)	19	(4,797)
At 31.03.11	13,098	83,447	28,162	124,706
Accumulated Depreciation				
At 01.04.10	6,142	57,890	24,292	88,324
Depreciation for the year	1,791	13,212	2,448	17,451
Translation adjustment	(15)	(3,596)	(71)	(3,682)
At 31.03.11	7,918	67,506	26,669	102,093
Carrying Amount				
At 31.03.11	5,180	15,940	1,493	22,613

2010	Building Fixtures S\$	Computer S\$	Furniture and 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	13,156	5,494	31,635
Translation adjustment	(250)	3,444	(824)	5,279
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



Notes to the Financial Statements - March 31, 2011

4. PLANT AND EQUIPMENT - Cont'd

The Group

2011	Building Fixtures	Computer	Furniture and Fittings	Total
	S\$	S\$	S\$	S\$
At 01.04.10	13,089	10,048	28,143	51,280
Additions	-	2,000	-	2,000
Exchange difference	9	-	19	27
At 31.03.11	13,098	12,048	28,162	53,308
Accumulated Depreciation				
At 01.04.10	6,142	10,048	24,292	40,482
Depreciation for the year	1,791	333	2,448	4,572
Exchange difference	(15)	-	(71)	(86)
At 31.03.11	7,918	10,381	26,669	44,968
Carrying Amount				
At 31.03.11	5,180	1,667	1,492	8,340

2010	Building Fixtures	Computer	Furniture and Fittings	Total
	S\$	S\$	S\$	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

Notes to the Financial Statements - March 31, 2011

5. GOODWILL ON ACQUISITION

The Group	2011	2010
	S\$	S\$
Cost		
At 31 March 2011 and 31 March 2010	953,123	953,123
Impairment losses		
At beginning of the year	953,123	953,123
Impairment loss for the year	-	-
At end of the year	953,123	953,123
Carrying amount		
At 31 March 2011 and 31 March 2010		

6. INVESTMENT IN SUBSIDIARY

	2011	2010
	S\$	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		Cost of investment	
		by the Group		2011	2010
		2011	2010		
		%	%	S\$	S\$
You Hua Engineering Machinery Design Corporation*	China	100		10,948	

The principal activity of its subsidiary is the designing of automobiles and their spare parts.

On 18 January 2008, the Company had entered into an agreement with Mr Michael McConnell, CEO of Geometric Engineering Inc. in USA to acquire the entire equity of USD140,000 free of charge. The effective date of the share transfer is on 1 February 2008. The cost of investment of S\$10,948 relate to the professional fees for the share transfer.

* Audited by My Whole Way Certified Public Accountants, Shanghai, the People's Republic of China



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7. TRADE RECEIVABLES

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Trade receivables	1,898,014	1,738,750	1,820,849	1,299,497
Less: impairment				
Balance at beginning of year	24,740	-	24,740	-
Allowance made during the year	-	24,740	-	24,740
Allowance no longer required	-	-	-	-
Balance at end of year	24,740	24,740	24,740	24,740
Amount due from related party - trade	586,584	-	11,697	-
	2,459,858	1,714,010	1,807,806	1,274,757

The aging of trade receivables at the reporting date is:

The Group	Gross	Impairment losses	Gross	Impairment losses
	2011	2011	2010	2010
	S\$	S\$	S\$	S\$
Not past due	1,955,936	-	720,660	-
Past due 31 - 60 days	150,197	-	137,484	-
Past due 61 - 90 days	11,962	-	30,672	-
More than 90 days	366,503	24,740	849,934	24,740
	2,484,598	24,740	1,714,010	24,740

The Company	Gross	Impairment losses	Gross	Impairment losses
	2011	2011	2010	2010
	S\$	S\$	S\$	S\$
Not past due	1,490,980	-	670,579	-
Past due 31 - 60 days	150,197	-	129,265	-
Past due 61 - 90 days	11,962	-	30,672	-
More than 90 days	179,407	24,740	468,981	24,740
	1,832,546	24,740	1,274,757	24,740

Based on historical default rates, the Company believes that no impairment allowance is necessary in respect of trade receivables not past due and past due up to 30 days. These receivables are mainly arising by customers that have good record with the Company.



Notes to the Financial Statements - March 31, 2011

7. TRADE RECEIVABLES - cont'd

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	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Japanese Yen	452,230	820,326	452,230	820,326
Singapore Dollar	181,091	61,108	181,091	61,108
United States Dollar	1,774,113	771,810	1,199,225	393,323
China Renminbi	77,164	60,766	-	-
	2,484,598	1,714,010	1,832,546	1,274,757

8. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Amount due from subsidiary	-	-	964,662	1,144,030
Deposits	69,902	83,671	61,234	66,401
Prepayment	46,084	47,085	46,084	47,085
Amount due from staff	36,012	30,570	36,012	30,570
Other receivables	91,022	16,889	15,432	2,097
Tax refundable	9,570	58,623	9,570	58,623
	252,590	236,838	1,132,994	1,348,806

The carrying amounts of other receivables approximate their fair values.

Amount due from subsidiary, staff and directors are unsecured, non-interest bearing and no fixed term of repayment.

Other receivables are denominated in the following currencies:

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Japanese Yen	117,175	166,684	293,423	342,816
Singapore Dollar	36,203	30,700	82,553	62,257
United States Dollar	-	17,027	742,064	938,575
Korean Won	14,954	1,230	14,954	1,230
China Renminbi	84,258	21,197	-	3,928
	252,590	236,838	1,132,994	1,348,806



Notes to the Financial Statements - March 31, 2011

9. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Cash and bank balances	597,367	565,707	366,194	467,912

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	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Japanese Yen	280,479	393,176	280,479	393,176
Singapore Dollar	12,853	27,204	12,853	27,204
United States Dollar	66,424	115,580	66,402	34,272
Korean Won	6,460	13,260	6,460	13,260
China RMB	231,151	16,487	-	-
	597,367	565,707	366,194	467,912

10. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Trade payables	2,078	2,715	2,078	2,715
Advance from customers	183,537	-	183,537	-
Advance billings	59,725	177,516	59,725	161,645
Amount due to holding corporation - trade	463,980	151,663	463,980	134,521
Amount due to related companies	1,193,063	1,343,265	-	-
Accrued operating expenses	287,650	294,547	287,650	294,547
Other payables	227,058	34,938	71,566	34,938
	2,417,091	2,004,644	1,068,536	628,366

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	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Japanese Yen	235,361	-	235,361	-
Singapore Dollar	498,405	204,245	498,405	204,245
United States Dollar	1,518,738	1,778,805	330,654	418,398
Korean Won	4,116	2,706	4,116	2,706
China Renminbi	160,471	18,888	-	3,017
	2,417,091	2,004,644	1,068,536	628,366



Notes to the Financial Statements - March 31, 2011

11. SHARE CAPITAL

	2011		2010	
	No of shares	S\$	No of shares	S\$
Ordinary shares Issued and fully paid				
At beginning and end of the year	100,000	100,000	100,000	100,000

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction and have no par value.

12. REVENUE

Revenue represents the software development services and sale of software products.

13. COST OF SERVICES

Cost of services include the following:	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Staff costs				
Wages, salaries and related costs	1,773,859	1,151,676	1,773,859	1,151,676
Defined contribution pension costs	444,929	249,158	444,929	249,158
(Note 15)	2,218,788	1,400,834	2,218,788	1,400,834

14. OTHER INCOME

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Interest income	686	383	131	195
Gain on foreign exchange	360,709	86,815	276,050	84,765
Other	48,796	164,541	48,796	164,541
	410,191	251,739	324,977	249,501

15. STAFF COSTS

Staff costs (including executive directors)

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Salaries, bonus and other related costs	4,276,484	2,651,765	2,764,490	2,010,350
Defined contribution pension costs	691,603	280,682	505,451	280,682
	4,968,087	2,932,447	3,269,941	2,291,032
Less: included in cost of services (Note 13)	(2,218,788)	(1,400,834)	(2,218,788)	(1,400,834)
	2,749,299	1,531,613	1,051,153	890,198

16. ADMINISTRATION EXPENSES

Administration expenses include:

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Professional fees	137,331	121,276	137,331	121,276
Sales commission	214,860	189,393	214,860	189,393
Staff cost (Note 15)	2,749,299	1,531,613	1,051,153	890,198
Travelling expenses	208,956	166,323	176,690	100,238



Notes to the Financial Statements - March 31, 2011

17. OTHER OPERATING EXPENSES

Other operating expenses include:

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Depreciation	17,451	22,422	4,572	8,847
Loss on foreign exchange	-	248,462	-	239,234
Impairment of goodwill	-	953,123	-	-

18 TAXATION

Major components of income tax expense for the year ended 31 March 2011 were:

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Based on results for the year:				
Current Taxation				
- Singapore	8,137	-	8,137	-
- Foreign	1,066	1,065	1,066	1,065
(Over)/Under provision in prior year				
- Singapore	(10,301)	1,404	(10,301)	1,404
- Foreign	-	-	-	-
Foreign tax	50,812	87,502	50,812	87,502
	49,714	89,971	49,714	89,971

A reconciliation between the tax expense and the product of accounting result multiplied by the applicable tax rate for the year ended 31 March 2011 was as follows:

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Loss before taxation	(314,063)	(630,960)	(172,107)	(336,455)
Tax expense on profit/ (loss) before tax at 17%	53,391	(107,263)	(29,258)	(57,197)
Non-deduction expenses	73	996	73	996
Utilisation of recognised tax losses	(159,655)	-	-	-
Unutilised tax losses	-	15,873	15,873	-
Under/(Over) provision in prior years	(10,301)	1,404	(10,301)	1,404
Tax exemption	(11,021)	-	(11,021)	-
Non-taxable items	(115)	(612)	(115)	(612)
Utilisation of capital allowances	(1,360)	-	(1,360)	-
Tax rebate	(2,034)	-	(2,034)	-
Foreign tax suffered	180,736	179,573	103,730	129,507
Tax expense	49,714	89,971	49,714	89,971
Unrecognised deferred tax assets:				
Deferred tax assets have not been recognised in respect of the following items:				
Differences in TWDV and NBV of qualifying expenditure	-	1,435	-	1,435
Tax losses	244,562	413,025	-	15,873
	244,562	414,470	-	14,437

Deferred tax assets in respect of the above items had not been recognised in the financial statements as the probability of future taxable profits being available to utilise such benefits cannot be reliably established.



Notes to the Financial Statements - March 31, 2011

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	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Holding company				
- services rendered from	1,869,609	2,136,475	1,885,935	2,136,475

Director's remuneration

The Company director's remuneration amounts to S\$ 286,519 (2010: S\$251,530).

Rental Paid to a Director

Rental paid to a director amount to S\$ 20,067 (2010: S\$11,298).

20. OPERATING LEASE COMMITMENT

Rental expenses for offices for the Company and the Group were S\$81,194 (2010: S\$86,647) and S\$121,277 (2010: S\$167,097). The leases have varying terms, escalation clauses and renewal rights. Future minimum rental under non-cancellable leases contracted for at balance sheet date but not recognised as liabilities are as follow as at 31 March:

	The Group		The Company	
	2011	2010	2011	2010
	S\$	S\$	S\$	S\$
Payable within 1 year	68,297	87,206	48,256	50,216
Payable within 2 - 5 years	-	18,495	-	-
	68,297	105,701	48,256	50,216

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	USD	CNY	KRW
	S\$	S\$	S\$	S\$
2011				
Trade and other receivables	569,406	1,774,113	161,422	14,954
Cash and cash equivalents	280,479	66,424	231,151	6,460
Trade and other payables	(235,361)	(1,518,738)	(160,471)	(4,116)
	614,524	321,799	232,102	17,298



Notes to the Financial Statements - March 31, 2011

21. FINANCIAL INSTRUMENTS - cont'd

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	-	(1,778,805)	(18,888)	(2,706)
	1,380,186	(874,388)	79,562	11,784

Sensitivity analysis

A 5% strengthening of Singapore 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 31 March 2011	Statement of comprehensive income S\$
Japanese Yen	30,726
United States Dollar	16,090
Chinese Renminbi	11,605
Korean Won	865
	59,286
As at 31 March 2010	
Japanese Yen	(69,009)
United States Dollar	43,719
Chinese Renminbi	(3,978)
Korean Won	(589)
	(29,857)

A 5% weakening of Singapore Dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest Rate Risk

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 Non-derivative financial liabilities	Carrying amount S\$	Contractual cash flows S\$	Cash flows		
			Within 1 year S\$	Within 1 to 5 years S\$	More than 5 years S\$
2011					
Trade and other payables	2,417,091	2,417,091	2,417,091	-	-
2010					
Trade and other payables	2,004,664	2,004,664	2,004,664	-	-

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, 2011

22. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to maximize shareholder's value.

The Group manages its capital structure and make adjustments to it, in light of changes in the working capital requirements, business performance and economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2011 and 31 March 2010.

23. COMPARATIVE FIGURES

Certain comparative figures have been reclassified so as to conform to the current financial year presentation.

Statement of Comprehensive Income for the year ended 31 March 2011	Balance as previously stated		Current year reclassification S\$	Balance restated	
	The Group S\$	The Company S\$		The Group S\$	The Company S\$
Other operating expenses	(344,788)	(335,643)	87,502	(257,286)	(248,141)
Taxation	(2,469)	(2,469)	(87,502)	(89,971)	(89,971)

Detailed Income Statement for the year ended 31 March 2011

	2011 S\$
The Company	
Revenue	5,732,080
COST OF SALES	
COS - CPF/House Funds	269,410
COS - Insurance	175,519
COS - Salaries	1,658,265
COS - Software services	1,869,609
COS - Staff accommodation	115,594
	4,088,397
Gross profit	1,643,683
Other Incomes	
Interest income	131
Other income	1,552
Gain on foreign exchange	276,050
Reimbursement of expenses	47,244
	324,977
	1,968,660
Less:	
Administration expenses	2,136,195
Other operating expenses	4,572
	2,140,767
Loss before taxation	(172,107)



Schedule of Operating Expenditure for the year ended 31 March 2011

	2011 S\$
Administration expenses	
Accountancy fees	111,254
Advertisement	31,957
Audit fee – current year	31,000
overprovision in prior year	(11,968)
Bank charges	15,425
CPF contributions	60,522
Director sales commission	184,218
Directors’ emoluments	123,489
Entertainment	27,639
General expenses	8,636
Insurance	41,420
Late payment charges	95
Office rental	81,195
Office supplies	70
Postage and courier	6,907
Printing and stationery	7,841
Professional fees	137,331
Recruitment expenses	43,715
Repair and maintenance of office equipment	2,812
Salaries, allowances and bonus	682,124
Sales commission	214,860
Secretarial and filing fees	2,573
Staff accomodation	800
Staff welfare	18,404
Tax fee	2,812
Telephone charges	39,368
Training expense	10,960
Transport charges	77,942
Travelling expenses	176,690
Utilities	6,104
	2,136,195
Other operating expenses	
Depreciation of plant and equipment	4,572
	4,572
Total operating expenses	2,140,767



Geometric China Inc.
Annual Report and Financial Statements
for the year ended March 31, 2011

Regd. Office :
23B, 855 South Pudong Rd
Pudong New Area, Shanghai, PRC.



Statement by Director

In the opinion of the director, the accompanying financial statements are drawn up so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011 and the results, changes in equity and cash flows of the Company for the year then ended and at the date of this statement

there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Manu Parpia

Executive Director/Legal Representative

Date: April 20, 2011

Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SHANGHAI YOU HUA ENGINEERING MACHINERY DESIGN CO. LTD.

We have audited the accompanying financial statements of Shanghai You Hua Engineering Machinery Design Co. Ltd., which comprise the balance sheet as at 31 March 2011 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 31 March 2011 and the results, changes in equity and cash flows of the company for the year then ended.

This report has been prepared for the purpose of preparation of consolidated financial statements of Geometric Asia Pacific Pte. Ltd. for the year ended 31 March 2011.

My Whole Way CPAs

Shanghai, The People's Republic of China

April 20, 2011



Balance Sheet as At March 31, 2011

	Note	Current Year		Previous Year	
		RMB	Equivalent INR	RMB	Equivalent INR
Assets					
Property, plant and equipment	4	74,147	505,683	138,094	912,801
Total non-current assets		74,147	505,683	138,094	912,801
Trade receivables	5	3,387,283	23,101,270	2,137,484	14,128,769
Other receivables, deposits & prepayments	6	249,314	1,700,321	84,034	555,465
Cash and bank balances	7	1,200,899	8,190,131	475,889	3,145,626
Total current assets		4,837,495	32,991,716	2,697,407	17,829,860
Total assets		4,911,642	33,497,398	2,835,501	18,742,662
Liabilities					
Trade and other payable	8	11,828,322	80,669,156	12,161,357	80,386,570
Tax payable		26,154	178,370	30,935	204,480
Total current liabilities		11,854,476	80,847,526	12,192,292	80,591,050
Owners' equity					
Paid-up capital	9	1,125,552	7,676,265	1,125,552	7,439,899
Accumulated losses		(8,068,386)	(55,026,393)	(10,482,343)	(69,288,287)
Total owners' equity		(6,942,834)	(47,350,128)	(9,356,791)	(61,848,389)
Total liabilities and owners' equity		4,911,642	33,497,398	2,835,501	18,742,662
Exchange rate used for translation 1 RMB = Rs.			6.82		6.61

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



Profit & Loss Account for the year ended March 31, 2011

	Note	Current Year		Previous Year	
		RMB	Equivalent INR	RMB	Equivalent INR
Revenue	10	12,284,527	83,780,474	3,942,462	26,059,674
Cost of sales		(84,897)		-	-
Business tax		(231,910)	(1,581,626)	(199,795)	(1,320,645)
Gross profit		11,967,721	82,198,848	3,742,667	24,739,029
Administrative and general expenses		(9,911,922)	(67,599,308)	(5,211,086)	(34,445,278)
Marketing and Distribution Expenses		(57,600)		-	-
Operating income/(Loss)	11	1,998,199	14,599,540	(1,468,419)	(9,706,249)
Finance (expenses)/income	12	415,757	2,835,463	5,382	35,575
Profit/(Loss) before taxation		2,413,956	17,435,003	(1,463,037)	(9,670,674)
Income tax	13	-	-	-	-
Net income/(Loss)		2,413,956	17,435,003	(1,463,037)	(9,670,674)
Exchange rate used for translation 1 RMB = Rs.			6.82		6.61

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

Change In Owner's Equity For The Year Ended March 31, 2011

	Paid-in capital		Accumulated losses		Total	
	RMB	Equivalent INR	RMB	Equivalent INR	RMB	Equivalent INR
Balance at 1 April 2009	1,125,552	7,676,265	(9,019,306)	(61,511,667)	(7,893,754)	(53,835,402)
Net profit/(Loss) for the year 2010	-	-	(1,463,037)	(9,977,912)	(1,463,037)	(9,977,912)
Balance at 31 March 2010	1,125,552	7,676,265	(10,482,343)	(71,489,579)	(9,356,791)	(63,813,314)
Net profit/(Loss) for the year 2011	-	-	2,413,956	16,463,180	2,413,956	16,463,180
Balance at 31 March 2011	1,125,552	7,676,265	(8,068,386)	(55,026,399)	(6,942,834)	(47,350,134)
Exchange rate used for translation 1 RMB = Rs.		6.82				

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



Cashflow for the year ended March 31, 2011

	Current Year		Previous Year	
	RMB	Equivalent INR	RMB	Equivalent INR
Cash flows from operating activities:				
Net profit/ (Loss) for the year	2,413,956	16,463,180	(1,463,037)	(9,670,675)
Adjustments to reconcile net profit to net cash generated from operating activities:				
Depreciation of fixed assets	63,948	436,125	66,187	437,496
Finance costs	7,573	51,648	-	-
Interest income	(2,756)	(18,796)	(917)	(6,061)
Operating income/(Loss) before working capital changes	2,482,721	16,932,157	(1,397,767)	(9,239,240)
Net increase in trade and other receivables	(1,415,078)	(9,650,832)	(232,130)	(1,534,379)
Net (Decrease)/ increased in trade and other payables	(337,816)	(2,303,906)	1,717,637	11,353,580
Cash generated from operations	729,826	4,977,419	87,740	579,961
Interest income (net)	(4,817)	(32,852)	917	6,061
Net cash generated from operating activities	725,010	4,944,567	88,657	586,022
Cash flows from investing activities:				
Purchase equipment	-	-	(38,700)	(255,807)
Net cash used in investing activities	-	-	(38,700)	(255,807)
Net Increased in cash and cash equivalents	725,010	4,944,567	49,957	330,215
Cash and cash equivalents at the beginning of the year	475,889	3,245,563	425,932	2,815,411
Cash and cash equivalents at the end of the year	1,200,899	8,190,131	475,889	3,145,626
Exchange rate used for translation 1 RMB = Rs.		6.82		6.61

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

Shanghai You Hua Engineering Machinery Design Co. Ltd. (the “Company”) is a wholly foreign owned enterprise registered in Shanghai Pudong New Area Municipal People’s Government on 12 December 2005. The registered capital of the Company is USD 140,000. On 25 February 2008, the ownership of the USD 140,000 of paid up capital was transferred from Michael Mc Connell to Geometric Asia Pacific Pte. Ltd.

The principal activities of the Company are developing, designing, marketing and selling of engineering solutions, services and technologies for vehicle and heavy-duty equipment; supplying related after sales service and technical consultation. The address is 23AB, 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’s Republic of China (the “MOF”), which differ in certain respects from International Financial Reporting Standards (“IFRS”). These financial statements have incorporated adjustments made to the management accounts in order to conform with IFRS.

The amounts shown in these financial statements are presented in Renminbi (“RMB”).

2.2 Accounting year

The accounting year of the Company is from 1 April 2010 to 31 March 2011.

2.3 Plant and Equipment

2.3.1 Plant and Equipment

All other items of property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

2.3.2 Components of Costs

The cost of an item of plant and equipment includes its purchase price and any cost that

is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

2.3.3 Depreciation

Depreciation is provided on the straight-line basis so as to write off the cost of plant and equipment less residual value over their estimated useful lives as follows:

	Years
Computer	5
Office equipments	5

The useful lives of plant and equipment are reviewed and adjusted as appropriate at each balance sheet date.

2.3.4 Subsequent Expenditure

Subsequent expenditure relating to plant and equipment that has already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Other subsequent expenditure is recognized as repair and maintenance expense in the income statement during the financial year in which it is incurred.

2.3.5 Disposal

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to the income statement. Any amount in revaluation reserve relating to that asset is transferred to retained earnings directly.

2.4 Revenue Recognition

Provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, revenue is recognized in the income statement as follows:

2.4.1 Time and Material Contracts

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.



Notes to Financial Statements (Contd.)

2.4.2 Fixed Price Contracts

In case of fixed price contracts, revenue is recognized 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 products and software upgrading fee is recognized when the sale has been completed with the passing of the title. Revenue from software upgrading fees on software developed by the Group is recognized 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 realized and unrealized exchange adjustment gains and losses are dealt with in the income statement except when deferred in equity as qualifying cash flow hedges. The presentation is in the functional currency.

2.6 Fair Value Estimation

The fair values of financial instruments traded in active markets are based on quoted market prices at the balance sheet date. The quoted market prices

used for financial assets held by the Company are the current bid prices; the appropriate quoted market prices for financial liabilities are the current ask prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for similar instruments are used where appropriate. Other techniques, such as estimated discounted cash flows, are also used to determine the fair values of the financial instruments.

The carrying amounts of current receivables and payables are assumed to approximate their fair values. The fair values of non-current receivables for disclosure purposes are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments.

2.7 Related Parties

A related party is an entity or person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under common or joint control with, the entity in governing the financial and operating policies, or that has an interest in the entity that gives it significant influence over the entity in financial and operating decisions. It also includes members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual. This includes parents, subsidiaries, fellow subsidiaries, associates, joint ventures and post-employment benefit plans, if any.

The Company is a subsidiary of Geometric Asia Pacific Pte. Ltd., incorporated in Singapore.

There are transactions and arrangements between the Company and members of the group and the effects of these on the basis determined between the parties are reflected in these financial statements. The current inter-company balances are unsecured without fixed repayment terms and interest unless stated otherwise.

2.8 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in



Notes to Financial Statements (Contd.)

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 carrying amount of other non-financial assets is reviewed at each reporting date for indications of impairment and where an asset is impaired, it is written down through the income statement to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognized in the income statement. The recoverable amount of an asset or a cash-generating unit ("CGU") is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each reporting date non-financial assets other than goodwill with impairment loss recognized in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

2.10 Impairment of Financial Assets

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset is impaired. If there is objective evidence that an impairment loss on loans and receivables has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit

losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognized in the income statement.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the income statement, to the extent that the carrying value of the asset does not exceed its amortized cost at the reversal date.

2.11 Trade and Other Receivables

Trade and other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The amount of the allowance is recognized in the income statement.

Other receivable are stated at fair value and subsequently measured at amortized cost, using effective interest method.

Liabilities for trade and other payables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Interest-bearing liabilities are recognized initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing liabilities are stated at amortized cost with any difference between cost and redemption value being recognized in the income statement over the period of the borrowing on an effective interest basis.

Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the amortization process.



Notes to Financial Statements (Contd.)

2.12 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.13 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is more likely than not that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is 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.

2.14 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 recognized as an expense in the period in which termination takes place.

2.15 Finance Costs

Interest expense and similar charges are expensed in the profit and loss account in the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an

asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the income statement using the effective interest rate method.

2.16 Employee Benefits

Pursuant to the relevant regulations of the PRC government, the Company has participated in a local municipal government retirement benefit and housing schemes (the "Schemes"), whereby the Company is required to contribute a certain percentage of the basic salaries of its employees to the Schemes to fund their retirement and housing benefits. The local municipal government undertakes to assume the retirement and housing benefits obligations of all existing and future employees of the Company. The only obligation of the Company with respect to the Schemes is to pay the ongoing required contributions under the Schemes mentioned above. Contributions under the Schemes are charged to the income statement as and when they are incurred.

For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognized in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognized where the entity is contractually obliged or where there is constructive obligation based on past practice.

2.17 Income Taxes

Current income tax liabilities (and assets) for the current and prior periods are recognized at the amounts expected to be paid to (or recovered from) the tax authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax assets/liabilities are recognized for all deductible/taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax assets/liabilities arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time



Notes to Financial Statements (Contd.)

of the transaction, affects neither accounting nor taxable profit or loss.

Deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are measured at:

- (i) the tax rates that are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date; and
- (ii) the tax consequence that would follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognized as income or expenses in the income statement for the period, except to the extent that the tax arises from a business combination or a transaction which is recognized directly in equity. Deferred tax on temporary differences arising from the revaluation gains and losses on land and buildings, fair value gains and losses on available-for-sale financial assets and cash flow hedges, and the liability component of convertible debts are charged or credited directly to equity in the same period the temporary differences arise. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

3 Critical Judgements, Assumption and Estimation Uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognized in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed 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.



Notes to Financial Statements (Contd.)

4 Plant and Equipment

	Computer and office equipment RMB	Total RMB
Cost:		
As at 1 April 2010	370,900	370,900
Additions	-	-
As at 31 March 2011	370,900	370,900
Accumulated depreciation:		
As at 1 April 2010	(232,806)	(232,806)
Additions	(63,948)	(63,948)
As at 31 March 2011	(296,753)	(296,753)
Net book value:		
As at 31 March 2011	74,147	74,147

	Computer and office equipment RMB	Total RMB
Cost:		
As at 1 April 2009	332,000	332,000
Additions	38,700	38,700
As at 31 March 2010	370,900	370,900
Accumulated depreciation:		
As at 1 April 2009	(166,619)	(166,619)
Additions	(66,187)	(66,187)
As at 31 March 2010	(232,806)	(232,806)
Net book value:		
As at 31 March 2010	138,094	138,094

5 Trade Receivables

	2011 RMB	2010 RMB
Trade receivables		
Third parties	400,856	684,948
Amount due from related company	2,986,427	1,452,536
	3,387,283	2,137,484
Less: impairment		
Balance at beginning of year	-	-
Allowance made during the year	-	-
Allowance no longer required	-	-
Balance at end of year	-	-
	3,387,283	2,137,484

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:

	2011 RMB	2010 RMB
Renminbi	400,856	295,696
United States Dollar	2,986,427	1,841,788
	3,387,283	2,137,484

Aging of trade receivables at the reporting date is:

	2011 RMB	2010 RMB
Past due 0 - 60 days	2,415,356	-
Past due 61 - 90 days	-	283,696
More than 90 days	971,927	1,853,788
	3,387,283	2,137,484

6 Other Receivables, deposits and prepayments

	2011 RMB	2010 RMB
Other receivables	204,285	-
Deposits	45,029	84,034
	249,314	84,034

The carrying amounts of other receivables approximate their fair values and dominated by Renminbi currency.

7 Cash and Cash Equivalents

	2011 RMB	2010 RMB
Cash and bank balances	1,200,899	475,889

The carrying amounts of cash and cash equivalents approximate their fair values.

Cash and cash equivalents are denominated in the following currencies:

	2011 RMB	2010 RMB
Renminbi	1,200,785	80,230
United States Dollar	114	395,659
	1,200,899	475,889



Notes to Financial Statements (Contd.)

8 Trade and Other Payables

	2011 RMB	2010 RMB
Trade and other payables		
Amount due to holding company	4,822,842	5,495,076
Amount due to related companies	6,197,730	6,619,985
Other payables	807,750	46,296
	11,828,322	12,161,357

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:

	2011 RMB	2010 RMB
Renminbi	883,618	46,296
United States Dollar	10,944,704	12,115,061
	11,828,322	12,161,357

9 Share Capital

	2011 USD	2010 USD
Registered capital and paid-in capital:		
Balance at end of year	140,000	140,000

The Company's paid-in capital is RMB 1,125,552 (USD 140,000) and is certified by an independent Certified Public Accountants. The report is dated as 9 June 2006.

10 Revenue

	2011 RMB	2010 RMB
Revenue:		
Contract Revenue	12,284,527	3,942,462

11 Operating profit/loss

	2011 RMB	2010 RMB
Profit/Loss from operations is after charging:		
Depreciation and amortization	63,948	66,187
Director's remuneration	-	-
Rental of premises & equipment	199,020	376,054
Staff cost	8,431,707	3,130,507
Travelling expenses	160,210	401,093

Director's remuneration

There is no director remuneration offer to the directors during the financial year.

12 Finance (expenses)/income

	2011 RMB	2010 RMB
Finance costs	(7,353)	(4,613)
Interest income	2,756	-
Profit/(Loss) on foreign exchange	420,354	9,995

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 31 March 2011 was as follows:

	2011 RMB	2010 RMB
Profit/(Loss) before taxation	2,413,956	(1,463,037)
Add non deductible as per China tax regulation	-	-
Expenses paid by Geometric India	-	83,398
Unrealized foreign exchange loss	-	(9,995)
Employees benefit not utilized	750,000	46,296
Entertainment expenses	6,950	-
Taxable income	3,170,906	(1,343,338)
Less: Utilized tax losses bought forward	(8,252,712)	(6,909,374)
Tax losses carried forward	(5,081,806)	(8,252,712)
Tax rate @ 25%	25%	25%
Tax for the financial year	-	-

The tax losses carried forward for financial years 2011 have yet to confirm by China tax authorities.



Notes to Financial Statements (Contd.)

14 Significant Related Company/Parties Transactions

Significant related companies/parties transactions on terms agreed between the Company and its related parties are as follows:

	2011 RMB	2010 RMB
Related companies transaction:		
Contract Revenue	8,607,295	521,618
Cost of sales	84,897	-

Director's remuneration

There is no director remuneration offer to the directors during the financial year.

15 Operating Lease Commitment

Rental expenses for offices and equipment for the Company were RMB 199,020 (2010: RMB 376,054). The leases have varying terms, escalation clauses and renewal rights. Future minimum rental under non-cancelable leases contracted for at balance sheet date but not recognized as liabilities are as follows as at 31 March:

	2011 RMB	2010 RMB
Payable within 1 year	99,510	180,000
Payable within 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 risk on cash balances with banks is limited because the counterparties 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 counterparties 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 aging analysis:

	31-03-2011 RMB	31-03-2010 RMB
Trade receivables:		
Less than 90 days	2,415,356	283,696
Over 90 days	971,927	1,853,788
Total	3,387,283	2,137,484

Foreign Currency Risk

Analysis of amounts denominated in non-functional currencies:

Financial assets:

	Trade and other Receivables RMB	Cash and cash equivalents RMB
At 31 March 2011:		
United States Dollar	2,986,427	114
At 31 March 2010:		
United States Dollar	1,841,788	395,659



Notes to Financial Statements (Contd.)

Financial liabilities:

	Trade and other Payables RMB
At 31 March 2011 :	
United States Dollar	10,944,704
At 31 March 2010:	
United States Dollar	12,115,061

Sensitivity analysis

A 5% strengthening of RMB against the US dollar would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest Rate Risk

The interest rate risk exposure is mainly from changes in interest rates. The interest rate risk on financial assets is not significant.

Liquidity Risk

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities.

The following table analyses financial liabilities by remaining contractual maturity:

	31-03-2011 RMB	31-03-2010 RMB
Trade and other payables:		
Within 1 year	11,828,322	12,161,357

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 11 April 2011.



Geometric Europe GmbH
Annual Report and Financial Statements
for the year ended March 31, 2011

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, 2011

Germany-based company was acquired by Geometric Ltd & later renamed it as Geometric Europe GmbH. This wholly-owned subsidiary has not yet commenced business.

April 25, 2011

By Order of the Board

Manu Parpia

Balance Sheet as on March 31, 2011

	As at March 31, 2011		As at March 31, 2010	
	€	₹	€	₹
SOURCES OF FUNDS:				
1. SHAREHOLDERS' FUNDS				
a) Share Capital	25,000	1,576,250	25,000	1,511,500
TOTAL	25,000	1,576,250	25,000	1,511,500
APPLICATION OF FUNDS:				
2. CURRENT ASSETS, LOANS AND ADVANCES				
a) Cash And Bank Balances	25,000	1,576,250	25,000	1,511,500
TOTAL	25,000	1,576,250	25,000	1,511,500
Exchange rate used for translation : 1 Euro =		63.05		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 SAS, France	Geometric Asia Pacific Pte Ltd.	Geometric China Inc.	3D PLM Software Solutions Ltd	Geometric Europe GmbH
B. Financial year of the subsidiary ended on	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11	31-Mar-11
C. The Company's interest in the subsidiary on the aforesaid date							
a) Numbers of shares held	Geometric Ltd. held the entire stock of aggregate value of US \$ 2,062,771	Geometric Americas Inc held the entire stock	Geometric Americas Inc. held the entire stock of aggregate value of US \$ 54,734	Geometric Ltd. held the entire stock of aggregate value of Singapore \$100,000	Geometric Asia Pacific Pte Ltd. held the entire stock of aggregate value of RMB 1,125,552	Geometric Limited held 900,200 Equity Shares	Geometric Ltd. held the entire stock of aggregate value of Euros 27,500
b) Face Value per share	Common stock - No face value	Common stock - No face value	Common stock - No face value	S \$ 1	Common stock - No face value	₹ 10	Common Stock - No Face Value
c) Extent of Holdings	100%	100%	100%	100%	100%	70%	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\$ 4,143,956	US \$ (14760)	US\$ (26,274)	S\$ (221,821)	S\$ 464,222	₹ 392,183,130	-
Equivalent INR*	184,903,317	(658,603)	(1,172,358)	(7,861,336)	16,452,028	-	-
2. For the previous financial years of the subsidiary since it became the company's subsidiary	US\$ (29,640,661)	US\$ (730,277)	US\$ (1,755,699)	S\$ 2,359,417	S\$ (2,015,835)	801,169,329	-
Equivalent INR*	(1,322,566,294)	(32,964,704)	(79,252,253)	83,617,738	(71,441,192)	801,169,329	-
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 = ₹ 44.62, 1 SGD = ₹ 35.44

Disclaimer:

We have translated the foreign currency amounts in the financial data derived from our subsidiaries' financial statements at the closing rate as on 31st March, 2011. The translations should not be considered as a representation that such foreign currency amounts have been, could have been or could be converted into Rupees at any particular rate, the rate stated above, or at all.

For and behalf of the Board

J. N. Godrej

Chairman

Manu Parpia

Managing Director & CEO

Milind Sarwate

Director



Ratio Analysis for the year ended March 31, 2011

	FY 2011	FY 2010*
Ratio - Growth compared to previous year		
Growth in Operating revenue	21.32%	-14.47%
Growth in Total revenue	25.40%	-14.75%
Growth in PBT	16.82%	751.41%
Growth in PAT	23.28%	577.87%
Ratio - Financial Performance		
Export revenue/Total Revenue	92.07%	94.09%
Domestic(India) Revenue/ Total Revenue	4.52%	5.74%
Other Income/Total Revenue	0.36%	0.55%
Manpower cost/Total Revenue	64.81%	61.54%
Other Operating Expenses/Total Revenue	17.40%	21.97%
Operating and Other Expenses/Total Revenue	82.22%	83.50%
Interest Costs/Total Revenue	0.15%	0.65%
Depreciation/Total Revenue	3.66%	4.52%
PBT/Total Revenue	10.91%	11.71%
PBT/Average Net Worth	36.44%	44.76%
ROCE (PBIT/Average Capital Employed)	30.49%	28.90%
Capital Output Ratio (Total Revenue/Average Capital Employed)	2.75	2.34
Payout Ratio (Dividend paid/PAT)	13.02%	14.64%
Ratio - Balance Sheet		
Debt/Equity Ratio	0.02	0.10
Current Ratio	2.94	2.61
Cash and Bank Balances/Total Assets	4.12%	7.45%
Cash and Bank Balances/Total Revenue	1.69%	3.39%
Sundry Debtors/Total Revenue	18.42%	18.05%
Depreciation for the year/Average gross block of assets	11.53%	12.25%
Per Share Data		
Earning per share (Basic) (₹)	9.24	7.51
Cash Earnings per share(Basic) (₹)	13.02	11.24
Dividend %	60%	55%
Dividend per share	1.20	1.10
Book Value per share	34.22	27.66

* Previous year figures reinstated wherever classification changes to make it comparable.



Values

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

Unyielding Integrity

Unyielding integrity has been Geometric's core ideology since its inception in 1984, and has been at the heart of each of our business relationships with our customers and partners. It translates into a simple mandate to conduct all activities with honesty and transparency. Integrity is the fundamental value that we look for in every individual, because it cannot be derived from education, qualification, or culture.

Passion for Excellence

Passion for excellence is a force that has catapulted Geometric into an enviable league, with its own patented technologies and world class solutions. Devising innovative ways that make our solutions technologically more advanced, more effective and dependable for our customers is what this value is about. It comes from paying attention to every minute detail and a promise to excel in not just our work, but in everything we do.

Customer Focus

Customers are at the center of Geometric's organization model, emphasizing the value that each part of the organization derives from and delivers to our customers. Driven by our corporate philosophy 'People building partnerships', we have, over the years, successfully built enduring relationships, which have given direction to our competency growth and business models.

Valuing the Individual

Geometric fosters an environment of trust and transparency, where people can freely express themselves through their talent and ideas, thus ensuring a constant sense of self-actualization. With 'empowerment', a key ingredient that drives motivation; and 'mutual respect' that promotes learning and sharing, employees are able to create innovative solutions, which deliver on customer expectation, as well as drive the goals and aspirations of the organization and the individual.

Global Mindset

Geometric has always operated in markets around the world, and our inorganic growth has introduced significant diversity in our workforce. Indeed, the fabric of our organization today is truly global, and this is a value we will increasingly emphasize, as we grow in the global markets. At Geometric, 'global' stands for the assimilation of differences to create 'one' organization, that understands the unique needs of users across the world and also positively leverages them to meet our global vision.

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