

## Board's 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, 2016.

### I. FINANCIAL STATEMENTS AND RESULTS:

#### a. Financial Results:(Standalone)

The Company's operating performance during the year ended March 31, 2016 as compared to the previous year is summarized below:

	(₹ in Millions)	
	Current Year	Previous Year
Revenue from Operations and Other Income	4,767	4,168
Profit before Interest, Depreciation and Tax	1,348	1002
Less : Finance Costs	(14)	(8)
Less : Depreciation and Amortization Expense	(86)	(120)
<b>Profit before Exceptional Items and Taxes</b>	<b>1,248</b>	<b>874</b>
Add: Exceptional Items	-	-
Less : Tax adjustment in respect of earlier years	(8)	(6)
Less : Tax Expense	(263)	(124)
<b>Net Profit before Extraordinary Items</b>	<b>977</b>	<b>744</b>
Add: Extraordinary Items and Prior Period Items	-	-
<b>Net Profit</b>	<b>977</b>	<b>744</b>
Surplus brought forward	2,545	2,051
<b>Profit available for Appropriation</b>	<b>3,522</b>	<b>2,795</b>
<b>APPROPRIATIONS</b>		
Interim Dividend	195	-
Proposed Final Dividend	-	162
Dividend Distribution Tax	-	33
Depreciation on assets whose remaining useful life is Nil, recognized in retained earning	-	1
Transfer to General Reserve	-	75.00
Reversal of excess provision for Dividend Distribution Tax of previous year	(33)	(21)
Surplus carried forward	3,360	2,545
<b>TOTAL</b>	<b>3,522</b>	<b>2,795</b>

#### b. Financial Results: (Consolidated)

The Company's operating performance during the year ended March 31, 2016 as compared to the previous year is summarized below:

	(₹ in Millions)	
	Current Year	Previous Year
Revenue from Operations and Other Income	12,826	11,213
Profit before Interest, Depreciation and Tax	2,258	1,496
Less : Finance Costs	(42)	(33)
Less : Depreciation and Amortization Expense	(318)	(303)
<b>Profit before tax</b>	<b>1,898</b>	<b>1,160</b>
Less : Provision for tax	(592)	(392)
Net Profit before Extraordinary Items and Minority Interest	1,306	768
<b>Net Profit before Minority Interest</b>	<b>1,306</b>	<b>768</b>
Less: Minority Interest	(252)	(216)
<b>Net Profit</b>	<b>1,054</b>	<b>552</b>
Surplus brought forward	2,827	2,602
<b>Profit available for Appropriation</b>	<b>3,881</b>	<b>3,154</b>
<b>APPROPRIATIONS</b>		
Interim Dividend	196	-
Proposed Final Dividend	-	162
Dividend Distribution Tax	73	33
Transfer to General Reserve	33	105
Dividend Tax Paid by Subsidiary	-	47
Depreciation on assets whose remaining useful life is Nil, recognized in retained earning	-	1
Translation of reserves of non-integral foreign operations	-	-
Reversal of excess provision for Dividend Distribution Tax of previous year	(33)	(21)
Surplus carried forward	3,612	2,827
<b>TOTAL</b>	<b>3,881</b>	<b>3,154</b>

During the year under review, the Board of Directors of the Company were not required to revise the Company's financial statements or the Board's Report.

## Board's Report to the Members (Contd.)

### c. Business Review / Operations:

Geometric serves the manufacturing industries – especially automotive, aerospace and industrial equipment sectors. Our services, solutions and technologies cover product realization services and solutions, such as Product Lifecycle Management, Software Product Development, Embedded Systems and Global Engineering services. These services help our customers to improve their design efficiencies and time to build their products.

The economic uncertainties and slower global business activity in core industries like mining continued to hamper growth in the equipment thereby resulting in continued sluggish growth. The oil and gas sector suffered the effects of low crude prices and thereby impacting the investments in tools and technologies. The agricultural sector in the US, under the pressure of low commodity and food prices was very conservative for new investments. However, this was offset by stronger growth in other opportunities in other industries such as automotive and aerospace. The trend for increased outsourcing for global engineering in Europe and Asia continue to provide increased demand for our key offerings going into the new Financial Year. Another noticeable trend in FY16 was the investment in new technologies such as the Internet of Things (IoT).

During the year under review there was no change in nature of business.

Operating revenues in rupee terms for the consolidated financials increased from INR 11,053.01 Mn in FY15 to INR 12,334.72 Mn in FY16, a growth of 11.59%. For the same period, profit-after-tax increased from INR 551.69 Mn in FY15 to INR 1,053.47 in FY16, a growth of 90.98%.

The business segments of the Company - software services, engineering services and products recorded the following trends in the year FY16:

- Software services contribution to the top line increased from 62% in FY15 to 64% in FY16.
- Engineering services contribution to the top line decreased from 31% in FY15 to 30% in FY16.
- Products business contribution to the top line decreased from 7% in FY15 to 6% in FY16.

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

- USA's share remains same from 59% in FY15 to 59% in FY16; a growth of ₹ 789.59 Millions in absolute terms.
- Europe's share of revenue decreased from 30% in FY15 to 29% in FY16; a growth of ₹ 251.45 Millions in absolute terms which includes revenue of Geometric GmbH for the full year.
- APAC's share remains same from 6% in FY15 to 6% in FY16.

- India's share is flat at 6%

Europe continues to be our focus growth market with a positive demand environment particularly for our software services. The business environment in China continues to be very promising and we have made good inroads resulting in the gradual increase of revenue contribution from the region.

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

- Direct Industrial: Segment share of business decreased from 63.7% in FY15 to 63.2% in FY16. In absolute terms, this segment recorded growth of 3.5% over the previous year. (USD 119.15 Mn in FY16 Vs USD 115.10 Mn in FY15)
- Strategic Partners: Segment share of business increased from 2.2% in FY15 to 2.4% in FY16; showing an increase of 15.0% in absolute terms. (USD 4.6 Mn in FY16 Vs USD 4 Mn in FY15)
- Software ISVs: Segment share of business increased from 34.1% in FY15 to 34.3% in FY16. In absolute terms, this segment recorded growth of 5.3% over the previous year. (USD 64.74 Mn in FY16 Vs USD 61.50 Mn in FY15)

### d. Dividend:

The Directors declared payment of Interim dividend to the shareholders at the rate of ₹ 3 per Equity Share which is (150%) of ₹ 2 each on March 15, 2016.

The Board of Directors declared that the interim dividend of ₹ 3 per share (150%) as on March 15, 2016 as the Final dividend for the Financial Year 2015-16.

### e. Subsidiaries:

The Company has the following wholly-owned Subsidiary Companies:

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

The Company has the following other Subsidiary Companies:

- a) 3D PLM Software Solutions Ltd., in which the Company holds 58% stake.
- b) 3D PLM Global Services Pvt. Ltd. (A WOS of 3D PLM Software Solutions Ltd., India w.e.f. November 19, 2014)
- c) Geometric China Inc. (A WOS of Geometric Asia Pacific Pte. Ltd., Singapore)
- d) Geometric Japan K. K. (A WOS of Geometric Asia Pacific Pte. Ltd., Singapore)\*

## Board's Report to the Members (Contd.)

- e) Geometric S.R.L., Romania (A WOS of Geometric Europe GmbH)
- f) Geometric SAS, France (A WOS of Geometric Europe GmbH)
- g) Geometric GmbH (A WOS of Geometric Europe GmbH, Germany)

\* Geometric Japan K. K. was dissolved on August 31, 2015 by passing a resolution in a general meeting of stockholders and registered on September 2, 2015.

During the year under review, your Company did not have any associate or joint venture company.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, the Board has availed exemption from printing the complete financials of the subsidiary companies in the Annual Report.

A statement containing salient features, performance and financial position of each of the subsidiaries for the year ended March 31, 2016 is attached and marked as **Annexure I** (Form AOC-1) and forms part of this Report.

The entire set of subsidiaries' financials will be kept ready for inspection at the registered office and the same will be displayed on the Company's website, in accordance with the requirements of the Act.

The policy for determining material subsidiaries as approved by the Board, may be accessed on the Company's website at the link:

[http://geometricglobal.com/wp-content/uploads/2014/11/Policy\\_on\\_Material\\_Subsiidiaries.pdf](http://geometricglobal.com/wp-content/uploads/2014/11/Policy_on_Material_Subsiidiaries.pdf)

### f. **Transfer to Reserves:**

There was no transfer to the General Reserve out of the amount available for appropriation. An amount of ₹ 3,613 Mn is proposed to be carried forward to the Statement of Profit and Loss.

### g. **Revision of Financial Statement:**

There was no revision of the financial statements for the year under review.

### h. **Public Deposits:**

The Company has not accepted or renewed any deposit falling within the purview of provisions of Sections 73 and 74 of the Companies Act 2013 ("the Act"), read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

### i. **Disclosures under Section 134(3)(I) of the Companies Act, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end of the Financial Year of the Company and date of this report.

### j. **Disclosure of Internal Financial Controls:**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for ineffectiveness or inadequacy of such controls.

### k. **Disclosure of Orders passed by Regulators or Courts or Tribunal:**

No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

### **Submissions to statutory authorities by the Company:**

An Order was passed by Provident Fund Commissioner on April 24, 2015 demanding payment of ₹ 34,163,673 towards penal damages and interest, for delay in transfer of past accumulations from the Private Trust to Government Provident Fund.

The matter is currently under appeal with the Provident Fund Tribunal, Delhi.

### l. **Particular of Contracts or Arrangement with Related Parties:**

Particulars of Contracts or Arrangement with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, have been furnished in **Annexure II** which forms part of this Report.

The policy on dealing with Related Party Transactions is available on [http://geometricglobal.com/wp-content/uploads/2014/11/Policy\\_on\\_RPT.pdf](http://geometricglobal.com/wp-content/uploads/2014/11/Policy_on_RPT.pdf)

### m. **Particulars of Loans, Guarantees and Investments:**

Particulars of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013, are given in the notes to the financial statements provided in this Annual Report.

### n. **Disclosure under Section 43(a)(ii) of the Companies Act, 2013:**

The Company has not issued any shares with differential rights and hence no information as per provisions of

## Board's Report to the Members (Contd.)

Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.

**o. Disclosure under Section 54(1)(d) of the Companies Act, 2013:**

The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1)(d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is required to be furnished.

**p. Disclosure under Section 62(1)(b) of the Companies Act, 2013:**

As per provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 and Clause 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, details of equity shares issued under Employees Stock Option Scheme during the Financial Year under review, is furnished in **Annexure III** attached herewith which forms part of this Report.

**q. Disclosure under Section 67(3) of the Companies Act, 2013:**

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 and hence no information in respect thereof is required to be furnished.

## II. SCHEME OF ARRANGEMENT AND AMALGAMATION

On April 1, 2016, the Board of Directors of Geometric Limited approved the Composite Scheme of Arrangement and Amalgamation between Geometric Limited ('GL' or "the Company"), HCL Technologies Limited ('HCL') and 3D PLM Software Solutions Limited ('3D PLM') and their respective shareholders and creditors pursuant to the provisions of Sections 391 to 394 read with Section 100 of the Companies Act, 1956 or under Section 230 to 234 of the Companies Act, 2013 and other applicable provisions if any, of the Companies Act, 1956 and/or Companies Act, 2013 and the relevant provisions made thereunder ('the Scheme').

Pursuant to the Scheme, the business related to IT-enabled engineering services, PLM services and engineering design productivity software tools of the Company, including its overseas subsidiaries (excluding the shares held by the Company in 3D PLM) ("Demerged Business Undertaking"), will be transferred to HCL.

In consideration for the transfer and vesting of the Demerged Business Undertaking, HCL shall issue and allot 10 equity shares of ₹ 2 each fully paid-up of HCL Technologies Ltd for every

43 equity shares of the face value of ₹ 2 each held by equity shareholders of the Company on the record date.

Thereafter, the Company, comprising the shares held by it in 3D PLM ("Remaining Undertaking") shall be merged and amalgamated with 3D PLM. In consideration of the amalgamation, 3D PLM shall issue and allot to each resident shareholder of the Company and, subject to approval by the Reserve Bank of India ('RBI'), to all non-resident shareholders of the Company, 1 (one) fully paid up Redeemable Preference share of ₹ 68 each ("Redeemable Preference Share") in 3D PLM for every 1 (one) fully paid up equity share each of the Company. In case, the approval of the RBI is not received, such shareholders shall be issued and allotted 24 fully paid up unlisted equity shares of ₹ 10 each of 3D PLM for every 1,793 fully paid up equity shares of ₹ 2 each of the Company held by such shareholders which shall be compulsorily purchased by Dassault Systemes and/or its nominees immediately on issuance at a price of ₹ 5,080.30 per equity share.

The Redeemable Preference shares issued by 3D PLM pursuant to the Amalgamation are proposed to be listed on the BSE.

The Scheme shall be subject to the approval of the shareholders and such other persons as may be required under applicable law, the stock exchanges where the shares of GL and HCL are listed, Securities and Exchange Board of India, the Hon'ble High Court of Judicature at Bombay, Hon'ble High Court of Judicature at New Delhi and / or such other competent statutory /regulatory authorities as may be required under applicable law.

The Appointed Date for the Scheme is March 31, 2016.

### Rationale of the Composite Scheme of Arrangement and Amalgamation:

#### A. Demerger

HCL Technologies Limited has a rapidly growing engineering services business and is a leader in embedded systems and software engineering services with strengths in the aerospace, hi-tech and telecom markets. The Company is a leader in PLM software services combined with capability in mechanical engineering and some unique technologies. The Company's market strength lies in automotive and industrial arenas.

The consolidation will widen the markets and expertise and the combined entity will be able to offer its customers a unique blend of services and solutions around PLM, engineering software, embedded software, mechanical engineering and geometry related technologies.

#### B. Amalgamation

The Company and Dassault Systemes recognize that the changes in technology and the consequent evolution of software development would require a very tight and close integration between the research and development centers of Dassault Systemes.

## Board's Report to the Members (Contd.)

The proposed integration of 3D PLM Software Solutions Limited into Dassault Systemes as a result of the Amalgamation will mark the strategic next phase in the contribution of 3D PLM Software Solutions Limited in Dassault Systemes' strategic research and development operations.

While the Amalgamation will result in transfer of ownership and control of 3D PLM to Dassault Systemes, it will also provide the shareholders of the Company an opportunity to directly participate and receive listed Redeemable Preference Shares of 3D PLM Software Solutions Limited as consideration.

### III. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### a. Directors and Key Managerial Personnel:

In terms of Section 152 of the Companies Act, 2013, Mr. Jamshyd Godrej retires by rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting. Your Directors recommend his appointment. In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

Mr. Manu Parpia has been re-appointed as Managing Director and CEO of the Company with effect from April 8, 2015, and approval of the Members of the Company has been taken at the Annual General Meeting held on July 27, 2015 pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013.

None of the Directors of the Company have resigned as Director of the Company.

#### b. Declaration by Independent Directors:

The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### IV. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

#### a. Board Meetings:

The Board of Directors met five times during the Financial Year ended March 31, 2016 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder.

Board meetings were held on April 27, 2015, July 27, 2015, November 2, 2015, February 8, 2016, and March 15, 2016 with necessary quorum present at all the meetings.

#### b. Directors' Responsibility Statement:

The Board of Directors of the Company confirms that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures;
- b) 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 for the Financial Year ending on March 31, 2016 and Profit of the Company for the year ended on that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### c. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee of Directors was constituted by the Board of Directors of the Company in accordance with the requirements of Section 178 of the Act.

The composition of the committee is as under:

1. Ms. Anita Ramachandran, Chairperson,
2. Mr. Jamshyd Godrej, Member
3. Mr. Milind Sarwate, Member and
4. Mr. Ajay Mehra, Member.

Nomination and Remuneration Committee Meetings were held on April 27, 2015, July 27, 2015, November 2, 2015 and February 8, 2016 with necessary quorum present at all the meetings.

## Board's Report to the Members (Contd.)

The Board has, in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the Nomination and Remuneration Policy setting out the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees.

Terms of reference and objectives of the Nomination and Remuneration Policy of the Company are stated in the Corporate Governance Report annexed to the Report as **Annexure IV**.

The Nomination and Remuneration Policy is available on the Company's website and can be accessed in the link provided herein below:

<http://geometricglobal.com/wp-content/uploads/2016/06/Nomination-and-Remuneration-Policy.pdf>

### d. Audit Committee:

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

The scope and terms of reference of the Audit Committee have been amended in accordance with the Act and the Listing Agreement entered into with the Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as set out in the Audit Committee Charter.

Audit Committee Meetings were held on April 27, 2015, July 9, 2015, July 24, 2015, October 8, 2015, October 27, 2015, January 29, 2016, February 3, 2016, and March 15, 2016.

During the year under review, the Board of Directors of the Company had accepted all the recommendations made by the Audit Committee.

### e. Stakeholders' Relationship Committee:

The constitution, roles and responsibilities of the Stakeholders' Relationship Committee, comprising of Mr. Jamshyd Godrej, Mr. Manu Parpia and Dr. K. A. Palia are in accordance with the provisions of Section 178 of the Companies Act, 2013.

Mr. Jamshyd Godrej is the Chairman, and the Company Secretary acts as the Secretary of the Stakeholders' Relationship Committee.

Stakeholders' Relationship Committee Meetings were held on April 27, 2015, July 27, 2015, November 2, 2015 and February 8, 2016 with necessary quorum present.

### f. Vigil Mechanism Policy for the Directors and Employees:

The Board of Directors of the Company has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism Policy" for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, as **Annexure IV**.

The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

### g. Risk Management Policy:

The Board of Directors of the Company has designed Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses, and define a structured approach to manage various business uncertainties and to enable arriving at the right decisions pertaining to all business divisions and corporate functions. Key business risks and the suggested mitigation mechanism are considered in the annual/strategic business plans and in periodic management reviews.

### h. Corporate Social Responsibility Policy:

As per the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee as under:

- 1) Mr. Milind Sarwate, Independent Director
- 2) Mr. Ajay Mehra, Independent Director
- 3) Mr. Manu Parpia, Managing Director and CEO

The Board of Directors of the Company has approved CSR Policy based on the recommendation of the CSR Committee. The Company has undertaken activities in accordance with the said Policy, the details of which have been prescribed in **Annexure V**.

The CSR Policy of the Company is available on the Company's web-site and can be accessed in the link provided herein below:

<http://geometricglobal.com/investors/Corporate-Social-Responsibility>

## Board's Report to the Members (Contd.)

The Company has spent the entire prescribed amount towards CSR during FY 2015-16.

**i. Annual Evaluation of Directors, Committee and Board and Familiarisation programme for Independent Directors and Board:**

Notes on the manner for evaluation of performance of the Board and individual Directors and familiarization programme for Independent Directors and the Board are included in the Corporate Governance Report which is **Annexure IV** to the Report of the Board of Directors.

**j. Internal Control Systems:**

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected.

**k. Disclosure under Section 197(12) of the Companies Act, 2013 and other Disclosures as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

The ratio of the remuneration of each Director to the median employee's and such other details for the Financial Year under review, as prescribed in Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as well as statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in Rule 5(2) and 5(3) of the aforesaid rules has been included in this report as **Annexure VI**.

**l. Payment of Remuneration / Commission to Directors from Holding or Subsidiary Companies:**

The Company does not have a holding Company. The managerial personnel i.e. Managing Director of the Company is not in receipt of remuneration/commission from any subsidiary of the Company.

**m. Policies:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website (<http://geometricglobal.com/investors/corporate-governance/policies/>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirements.

Other than above mentioned policies, some key policies that have been adopted by the Company during the FY 2015-16 are as follows:

Name of the Policy	Brief description
Policy for determination of material events/information	This Policy applies to disclosures of material events/information affecting Geometric Limited and all its subsidiaries.
Archival policy	The Policy deals with the retention and archival of corporate records of Geometric Limited and all its subsidiaries.
Preservation of Records Policy	This policy is to establish the framework needed for effective management of the records at the Company and also set principles for underlying the Company's approach to preservation of its records. In order to efficiently conduct its business, the storage, retrieval and management of these information reserves of the Company is a significant issue.

## V. AUDITORS AND REPORTS

The matters related to Auditors and their Reports for the year ended March 31, 2016 are as under:

**a. Observations of Statutory Auditors on Accounts:**

The Auditors' report for the Financial Year ended March 31, 2016 does not contain any qualification, reservation or adverse remark. The Auditors' Report is enclosed with financial statements in this Annual Report.

**b. Fraud reporting:**

During the year under review, there were no instances of material or serious fraud falling under Rule 13(1) of the Companies (Audit and Auditors) Rules, 2014, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit.

**c. Secretarial Audit report:**

Pursuant to provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, the Secretarial Audit Report issued by Rathi & Associates, Practicing Company Secretaries, in Form MR-3 for the Financial Year 2015-16 forms part of this Report and has been attached as **Annexure VII**.

## Board's Report to the Members (Contd.)

### d. Ratifications of Appointment of Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. BSR and Co. LLP, Chartered Accountants, (Firm Registration No. 101248W/W-100022), the Statutory Auditors of the Company had been appointed for a term of 5 years i.e. from the conclusion of the 21<sup>st</sup> Annual General Meeting until the conclusion of the 26<sup>th</sup> Annual General Meeting, at the Annual General Meeting held on July 27, 2015, subject to ratification at every Annual General Meeting. Accordingly, their appointment as Statutory Auditors of the Company shall be required to be ratified by the Members at the ensuing Annual General Meeting. The Company has received a certificate from the said Auditors confirming that their appointment, if ratified, would be within the prescribed limit under Section 139 of the Companies Act, 2013 and that they are not disqualified to act as the Auditors and are eligible to continue to hold office as Statutory Auditors of the Company. Your Directors recommend the ratification of appointment of M/s BSR and Co. LLP, Chartered Accountants as the Statutory Auditors of the Company.

## VI. OTHER DISCLOSURES

Other disclosures as per provisions of Section 134 of the Act read with the Companies (Accounts) Rules, 2014 are furnished as under:

### a. Extract of Annual Return:

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the Financial Year ended March 31, 2016 made under the provisions of Section 92(3) of the Act is attached as **Annexure VIII**-Form MGT-9 which forms part of this Report.

### b. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are furnished in **Annexure IX** which forms part of this Report.

### c. Corporate Governance:

As required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange, a report on Corporate Governance is given in the **Annexure IV** to this Report.

### d. Management Discussion Analysis:

As required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchange, a Management Discussion and Analysis Report is attached as **Annexure X** to this Report.

### e. Whistle Blower Policy:

The Company has adopted the Whistle Blower mechanism for Directors and employees to report genuine concerns about the unethical behavior, actual and suspected fraud, or violation of the Company's Code of Conduct. The Whistle Blower Policy is available on the Company's website and can be accessed in the link provided herein below:

<http://geometricglobal.com/wp-content/uploads/2016/03/GLtd-Whistleblower-Policy-30-Apr-2014.pdf>

### f. Sexual harassment:

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also established Investigation and Redressal Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder. During the year under review, no complaints in relation to such harassment at workplace have been reported.

## VII. ACKNOWLEDGEMENT AND APPRECIATION

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.

### For and on behalf of the Board of Directors

Sd/-

\_\_\_\_\_  
**Jamshyd Godrej**  
**(DIN –00076250)**  
**Chairman**

Sd/-

\_\_\_\_\_  
**Manu Parpia**  
**(DIN – 00118333)**  
**Managing Director & CEO**

**Place:** Mumbai  
**Date:** May 6, 2016

**CIN** : L72200MH1994PLC077342  
**Regd. Office** : Plant 11, 3<sup>rd</sup> Floor, Pirojshanagar, Vikhroli (West), Mumbai-400 079  
**Tel No.** : +91.22.2518 9205  
**Fax No.** : +91.22.6705 6891  
**E-Mail** : [investor-relations@geometricglobal.com](mailto:investor-relations@geometricglobal.com)  
**Website** : [www.geometricglobbal.com](http://www.geometricglobbal.com)