

Notes to the financial statements for the year ended 31 March 2016

1 Background

Geometric Limited (“the Company”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Headquartered in Mumbai, India, the Company was incorporated in 1994 and is listed on the Bombay Stock Exchange and National Stock Exchange. The Company is a specialist in the domain of engineering solutions, services and technologies. Its portfolio of global engineering services and digital technology solutions for Product Lifecycle Management (“PLM”) enables companies to formulate, implement, and execute global engineering and manufacturing strategies aimed at achieving greater efficiencies in the product realization lifecycle.

2 Significant accounting policies

a. Basis of preparation:

These financial statements (“financial statements”) have been prepared in accordance with the generally accepted accounting principles in India. The Company has prepared these financial statements under the historical cost convention on an accrual basis to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (‘the Act’), read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act to the extent applicable.

In the opinion of the management, all the adjustments which are necessary for a fair presentation have been included. All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out under the Act.

b. Use of estimates:

The preparation of the financial statements in accordance with generally accepted accounting principles (GAAP) in India requires that management makes estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities as of the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Examples of such estimates include provisions for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment. Actual results could differ from these estimates and the difference between the actual result and the estimates are recognised in the period in which the results are known / materialise.

c. Tangible assets and depreciation:

Fixed assets are stated at cost less accumulated depreciation. Cost includes all expenses related to acquisition and installation of the concerned assets and any attributable cost of bringing the asset to the condition of its intended use. Borrowing costs attributable to the acquisition or construction of a qualifying assets is also capitalised as part of the cost of the asset. Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred. Gains or losses arising from disposal of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is disposed off.

Depreciation is provided under the straight line method, based on useful lives of assets as estimated by the Management or the useful lives of the assets as prescribed in Schedule II to the Act, whichever is lower. Depreciation is charged on a monthly pro-rata basis for assets purchased or sold during the year.

Asset	Useful life In years
Buildings	28
Computer and accessories	3
Electrical installation	8
Office equipment and EPABX system	5
Furniture and fixtures	10

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

d. Research and development expenditure:

Expenditure on in-house development of software is charged to the statement of profit and loss in the year in which it is incurred.

e. Intangible assets and amortization:

Software purchased is capitalized as intangible assets and are amortized over its useful life, which is normally three years, If the usage of software is discontinued, its unamortized cost is also charged to the statement of profit and loss.

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

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

Software purchased costing less than ₹5,000 are charged to statement of profit and loss account in the month of purchase.

f. Impairment:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price or value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized. 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 any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

g. Revenue recognition:

Services:

The Company recognizes revenue from time and material contracts as services are performed. Revenue from annual maintenance and support engagements is recognized proportionately as services are rendered, which generally results in straight-line revenue recognition as services are performed continuously over the term of the arrangement.

Revenue on fixed price development projects is measured using the percentage of completion method of accounting. Performance is generally measured based upon the efforts incurred to date in relation to the total estimated efforts to the completion of the contract. The Company monitors estimates of total contract revenues and costs on a routine basis throughout the delivery period. The cumulative impact of any change in estimates of the contract revenues or costs is reflected in the period in which the changes become known. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss.

The Company grants volume discount to certain customers, which are computed based on a pre-determined percentage of the total revenues from those customers during a specified period, as per the terms of the contract. These discounts are earned only after the customer has provided a specified cumulative level of revenues in the specified period. The Company reports revenues net of discounts offered to customers.

Billing in advance of services performed are recorded as "Advance billing to customers and deferred revenue". Unbilled revenue, represents amounts recognized based on services performed in advance of billing in accordance with contract terms.

Products:

Revenue from sale of products is recognized when the significant risks and rewards of ownership have transferred to the buyer, continuing managerial involvement usually associated with ownership and effective control have ceased, the amount of revenue can be measured reliably, it is probable that economic benefits associated with the transaction will flow to the Company and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Others:

Interest income is recognized on time proportion basis. Dividend income is recognized when the right to receive the dividend is established by the reporting date. Profit on sale of investments is recorded on transfer of title from the Company and is determined as the difference between the sale price and carrying value of the investment.

h. Foreign exchange transactions:

Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in the Statement of profit and loss. On-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

i. Derivative instruments and hedge accounting:

The Company uses foreign exchange forward contracts to hedge its risk associated with foreign exchange fluctuations relating to certain firm commitments and highly probable forecast transactions. The Company designates these hedge instruments as cash flow hedges.

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

The use of hedging instruments is governed by the Company's policies approved by the Board of Directors, which provides written principles on the use of such forward contracts consistent with the Company's risk management strategy.

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 ("AS 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 re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of the future cash flows are recognized directly under shareholder's funds in the cash flow hedging reserve and the ineffective portion is recognized immediately in the statement of profit and loss.

Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognized in the statement of profit and loss as they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold or terminated or exercised or no longer qualifies for hedge accounting. Cumulative gain or loss on the hedging instrument recognised in shareholders' funds is transferred to statement of profit and loss when the forecasted transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in shareholders' funds is transferred to the statement of profit and loss.

j. **Employee benefits:**

Short-term employee benefits:

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

Post employment benefits:

Defined contribution plan:

Provident Fund:

A defined contribution plan is a post employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards employee provident fund to government administered provident fund scheme which is a defined contribution plan. The Company's contribution is recognised as an expense in the statement of profit and loss during the period in which the employee renders the related service.

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 to the statement of profit and loss.

Defined benefit plan:

The Company's gratuity benefit scheme is a defined benefit plan. The gratuity scheme is funded. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The calculation of the Company's obligation under the plan is performed quarterly by a qualified actuary using the projected unit credit method. The Company has maintained a 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 recognised as an expense in the statement of profit and loss.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the statement of profit and loss under "employee benefits expense". When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in statement of profit and loss on a straight-line basis over the average period until the benefits become vested. The Company recognises gains and losses on the curtailment or settlement of a defined benefit plan when the curtailment or settlement occurs.

Compensated absences:

The employee can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash on termination of employment. Compensated absences are expected to occur within twelve months after the end of the period and are classified as a short term employee benefit. The Company records an obligation for such compensated

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

absences in the period in which the employee renders the services. The Company accrues for liability in respect of compensated absences for the entire available leave balance standing to the credit of the employees at period end. The leave balance eligible for carry-forward is valued at gross compensation cost and the leave balance subject to encashment are accrued at basic pay.

k. Taxes on income :

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

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

Deferred tax is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at 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 income taxes are presented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction for each year and where the Company is able to and 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.

l. Leases:

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

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

m. Investments:

Trade investments are the investments made to enhance the Company's business interest. Investments are either classified as current or long-term based on Management's intention. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long term investments are carried at cost less provisions recorded to recognise any decline, other than temporary, in the carrying value of each investment.

n. Cash and cash equivalents:

Cash and cash equivalents comprise cash in hand, balance with banks and term deposits with banks with original maturity up to three months. Other bank balances comprises of term deposit with banks having maturity of more than 3 months but less than 12 months from the balance sheet date. Bank deposits due to mature after 12 months from the reporting date are classified under other non-current assets.

o. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in right issue, share split

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

p. Employee stock option schemes:

Equity settled stock options granted to employees are in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the guidance note on Employees Share Based Payments issued by the Institute of Chartered Accountants of India. The options are generally issued at market price calculated under the said guidelines. The intrinsic value, being the difference, if any, between market price and exercise price is treated as personnel expenses and charged to the statement of profit and loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

q. Warranty obligations:

In respect of products sold and services rendered 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.

r. 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.

s. Cash flow statement:

Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t. Provision and contingent liabilities:

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made for the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

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

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the period in which the change occurs.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
3 Share capital		
Authorised shares:		
80,000,000 Equity shares (31 March 2015 80,000,000 equity shares) of ₹ 2 each.	160	160
Issued, subscribed and paid up shares:		
65,030,414 Equity shares (31 March 2015 64,427,967 equity shares) of ₹ 2 each fully paid up.	130	129
Notes:		
a) Reconciliation of shares:		
At the beginning of the year (in numbers)	64,427,967	63,476,736
Add: Issued during the year-ESOPs (in numbers)	602,447	951,231
Outstanding at the end of the year (in numbers)	65,030,414	64,427,967
At the beginning of year (in ₹)	129	127
Add: Issued during the year-ESOPs (in ₹)	1	2
Outstanding at the end of the year (in ₹)	130	129
b) Rights /terms attached to Equity Shares:		
The Company has only one class of equity shares having par value of ₹ 2 per share. Each share holder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing general meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
c) Details of shareholders holding 5% or more shares in the Company:		
Details of shareholders holding 5% or more shares in the Company:		
Godrej and Boyce Manufacturing Company Limited		
Number of shares held	12,175,000	12,175,000
Percentage of holding	18.72	18.90
Godrej Investments Private Limited		
Number of shares held	7,979,008	7,879,008
Percentage holding	12.27	12.23
Manu M Parpia		
Number of shares held	4,091,425	4,257,925
Percentage holding	6.29	6.61
Rakesh Radheshyam Jhunjunwala		
Number of shares held	8,261,250	8,211,250
Percentage holding	12.70	12.74
d) Shares reserved for issue under options:		
Refer note no. 30 for details of shares reserved for issue under the Employee Stock Option Schemes.		
e) For the period of five years immediately preceding the date as at 31 March 2016:		
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash: Nil		
Aggregate number and class of shares allotted as fully paid up by way of bonus shares: Nil		
Aggregate number and class of shares bought back: Nil		
f) Terms of any securities convertible into equity/preference shares issued along with the earliest date of conversion in descending order starting from the farthest such date: Not applicable		
g) Calls unpaid: Nil		

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

31 March 2016 31 March 2015

4 Reserves and surplus		
Securities premium account		
At the beginning of the year	99	50
Add: Premium on shares allotted-ESOPs	42	49
	141	99
General reserve		
At the beginning of the year	286	211
Add: Transfer from statement of profit and loss	-	75
	286	286
Hedging reserve		
At the beginning of the year	53	(23)
Add: Gain / (loss) on cash flow hedging derivatives, net	(39)	76
	14	53
<p>(Reserve created to account for changes in the fair value of derivative instruments that are designated and effective as hedges for future cash flows)</p>		
Foreign currency translation reserve (Refer note no. 28 (b))		
At the beginning of the year	(64)	-
Add: Amount recognised during the year	50	(64)
	(14)	(64)
Investment re-organisation reserve		
At the beginning of the year	756	756
<p>Reserve created pursuant to scheme of arrangement to undertake a financial re-organisation in accordance with section 391 to 393 read with section 78 and section 100 to 103 of the Companies Act, 1956. The said reserve was created by appropriations from securities premium account, general reserve, and surplus in statement of profit and loss to be utilised for providing for diminution in the value of investments, impairment in value of goodwill and offsetting realisation loss on sale of investments, if any. The balance in the investment re-organisation reserve represents the unutilised amount as at the reporting date.</p>		
Surplus in the statement of profit and loss		
As per last financial statements	2,545	2,051
Add : Net profit for the year	977	744
Add: Reversal of provision for dividend distribution tax of previous year*	33	21
Less: Depreciation on assets whose remaining useful life is Nil, recognised in retained earning	-	(1)
Less: Appropriations		
Interim dividend	(195)	-
Dividend for previous year^	-	(1)
Proposed dividend on equity shares	-	(161)
Dividend distribution tax**	-	(33)
Transfer to general reserve	-	(75)
	3,360	2,545
	4,543	3,675

* Dividend distribution tax of the previous year has been reversed consequent to the dividend distribution tax paid by the subsidiary company under section 115-O of the Income Tax Act, 1961.

^ Dividend for the previous year represents dividend paid on equity shares issued under ESOP after Balance sheet date but before the record date for dividend (value is less than one million ₹).

** Dividend distribution tax on interim dividend of ₹ 40 million, declared during the year has not been appropriated consequent to the dividend distribution tax paid by the subsidiary company of ₹ 40 million under section 115-O of the Income Tax Act, 1961.

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

5 Share Application Money Pending Allotment as at 31 March 2016 - NIL Share application money pending allotment as at 31 March 2015

	Amount received	Exercise price	Number of shares	Received towards share capital	Received towards securities premium
ESOP-2011 Employees*	-	45.70	2,500	-	-
ESOP-2013 Employees*	1	76.10	7,100	-	1
	1		9,600	-	1

* value is less than one million ₹

Share application money pending allotment represents monies received against shares to be issued under the employee stock option plan formulated by the Company as at the year end. The Company has sufficient authorized equity share capital to cover the share capital amount arising from allotment of shares pending allotment as at 31 March 2015 and there are no interest accrued and due on amount due for refund as at 31 March 2015.

	31 March 2016	31 March 2015
6 Long-term provisions		
Provision for employee benefits		
- Gratuity	22	43
	22	43
7 Short-Term Borrowings		
Short-term loan from banks, secured	198	187
	198	187
Short-term loan from bank amounting to USD 3 million is a 180 days tenure Packing Credit Foreign Currency (PCFC) loan (31 March 2015 USD 3 million) and is secured by hypothecation of book debts. The interest rate on PCFC loan is LIBOR + spread 1% p.a. and is within range of 1.435% to 1.4385%. The PCFC loan is repayable between 27 April 2016 to 27 September 2016.		
8 Trade Payables		
Trade payables	261	172
	261	172

Refer note no. 37 for dues to subsidiaries and note no. 40 for dues to micro and small suppliers

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
9 Other Current Liabilities		
Advance billing to customers and deferred revenue	5	25
Advances from customers	8	7
Accrued expenses	223	246
Accrued payroll	118	76
Statutory liabilities	44	66
Other liabilities	-	3
Unclaimed dividends*	6	4
	404	427
<p>* The amount of unclaimed dividend reflects the position as at 31 March 2016. During the year, the Company has transferred ₹ 0.35 millions (31 March 2015 ₹ 0.26 millions) to the Investor Education and Protection Fund in accordance with the provisions of section 125 of the Act.</p>		
10 Short-Term Provisions		
Provision for employee benefits		
- Compensated absences	46	41
Provision for taxation (net of advance tax)	12	30
Others		
- Proposed dividend	-	161
- Tax on dividend	-	33
	58	265

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

11 (a) Tangible Assets	Leasehold Land	Buildings	Leasehold Improvements	Computers and accessories	Electrical Installations	Office Equipment and EPABX system	Furniture and Fixtures	Vehicles	Total
Gross block									
Balances as at 1 April 2014	10	-	36	59	42	32	81	1	261
Addition during the year	-	282	-	3	59	36	18	-	398
Disposal/Sales during the year	-	-	-	15	-	-	8	1	24
Balances as at 31 March 2015	10	282	36	47	101	68	91	-	635
Balances as at 1 April 2015	10	282	36	47	101	68	91	-	635
Addition during the year	-	19	1	-	2	3	-	-	25
Disposal/Sales during the year	-	-	-	-	10	1	1	-	12
Balances as at 31 March 2016	10	301	37	47	93	70	90	-	648
Accumulated depreciation									
Balances as at 1 April 2014	2	-	17	52	38	22	64	-	195
Adjustments during the year	-	-	-	-	-	2	-	-	2
Depreciation for the year	-	10	5	4	7	9	4	-	39
Accumulated depreciation on disposal during the year	-	-	-	15	-	-	6	-	21
Balances as at 31 March 2015	2	10	22	41	45	33	62	-	215
Balances as at 1 April 2015	2	10	22	41	45	33	62	-	215
Depreciation for the year	-	11	5	3	8	10	4	-	41
Accumulated depreciation on disposal	-	-	-	-	10	1	1	-	12
Balances as at 31 March 2016	2	21	27	44	43	42	65	-	244
Net block									
As at 31 March 2015	8	272	14	6	56	35	29	-	420
As at 31 March 2016	8	280	10	3	50	28	25	-	404

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

11 (b) Intangible Assets

	Computer software
Gross block	
Balances as at 1 April 2014	534
Addition during the year	64
Disposal/Sales during the year	56
Balances as at 31 March 2015	542
Balances as at 1 April 2015	542
Addition during the year	15
Disposal/Sales during the year	-
Balances as at 31 March 2016	557
Accumulated amortization	
Balances as at 1 April 2014	423
Amortization for the year	82
Accumulated amortization on disposal	56
Balances as at 31 March 2015	449
Balances as at 1 April 2015	449
Amortization for the year	44
Accumulated amortization on disposal	-
Balances as at 31 March 2016	493
Net block	
As at 31 March 2015	93
As at 31 March 2016	64

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
12 Non-Current Investments		
Trade investments (valued at cost unless otherwise stated)		
Investment in subsidiaries- unquoted equity instruments-fully paid		
900,200 (31 March 2015 900,200) equity shares of 3DPLM Software Solutions Limited, (face value ₹ 10 each)	9	9
100,000 (31 March 2015 100,000) ordinary shares of Geometric Asia Pacific Pte. Ltd., Singapore (face value SGD 1 each)	3	3
Euro 2.55 million (31 March 2015 - Euro 2.55 million) invested in Geometric Europe GmbH, Germany (Company does not have share capital)	185	185
1,432 (31 March 2015 - 1,432) Non-assessable shares of the capital stock of Geometric Americas, Inc., U.S.A (face value USD 1 each)	613	613
	810	810
1,410,176 (31 March 2015 - 1,410,176) No par value shares of series E senior preferred stock, fully paid and non-assessable in Powerway Inc.*	31	31
Less: Provision for other than temporary diminution in value of investments	(31)	(31)
* Powerway Inc. had filed for bankruptcy under chapter 11 in the United States and the company has been administratively dissolved on 19 October 2010. The investment has not been written off pending approval from Reserve Bank of India.		
	810	810
Aggregate amount of unquoted investments- Non Current investments	841	841
Aggregate amount of provision made for non-current unquoted investments	(31)	(31)
Aggregate amount of unquoted investments- Current investments (Refer note no. 16)	1,133	590
13 Deferred Tax Assets		
Depreciation on fixed assets	3	11
Provision for bonus	13	19
Provision for employee benefits	13	12
Provision for doubtful debts and advances	2	1
Rent escalation	2	-
Future tax deductible expenses	20	14
Others	3	-
	56	57
14 Long-Term Loans and Advances		
(Unsecured and considered good, unless otherwise stated)		
To parties other than related parties		
Capital advances	2	5
Security deposits	40	65
Loan to subsidiary companies (Refer note no. 28)		
- Geometric Americas Inc.	-	281
- Geometric Europe GmbH	498	448
	498	729
Other loans and advances		
Advance income tax (net of provision for income tax)	175	109
Advances recoverable in cash or kind		
Considered good	2	1
Doubtful	14	14
	16	15
Less:-Provision for doubtful advances	(14)	(14)
	2	1
Prepaid expenses*	-	1
Mark to market gain receivable on derivative contracts	5	3
To related parties		
- Security deposits given to Godrej and Boyce Manufacturing Company Limited*	-	-
	722	913

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
15 Other Non-Current Assets		
Long-term deposits with banks having maturity period more than 12 months from reporting date, under lien with bank against bank guarantees issued	2	5
Other long-term deposits with banks having maturity period more than 12 months from reporting date*	-	-
	2	5

* value is less than one million ₹

	31 March 2016		31 March 2015	
	Number of Units	Amount	Number of Units	Amount
16 Current Investments				
Investment in mutual funds (at lower of cost and fair value, unquoted, non-trade, fully paid)				
1 Religare Ultra Short Term Fund (Face value ₹ 1,000)	-	-	25,804	26
2 Reliance Liquid Fund Cash Plan Daily Dividend Reinvestment (Face value ₹ 1,000)	26,379	30	87,667	98
3 Reliance Quarterly Interval Fund (Face value ₹ 10)	-	-	1,321,185	25
4 ICICI Prudential Banking and PSU Debt Fund Regular Daily Dividend Reinvestment (Face value ₹ 10)	-	-	3,992,946	40
5 Principal Debt Opportunities Fund Conservative Plan Daily Dividend Reinvestment (Face value ₹ 1,000)	-	-	10,534	11
6 Birla Sun Life Cash Manager Regular Daily Dividend Reinvestment (Face value ₹ 100)	-	-	820,180	82
7 Taurus Short Term Dividend Income Fund (Face value ₹ 1,000)	-	-	13,109	20
8 Franklin India Low Duration Fund Daily Dividend Reinvestment (Face value ₹ 10)	-	-	3,986,581	42
9 Tata Short Term Dividend Bond Fund (Face value ₹ 10)	2,886,632	40	2,791,908	38
10 IDFC Money Manager Daily Dividend Reinvestment (Face value ₹ 10)	9,756,524	98	2,505,481	25
11 UTI Short Term Income fund-IP -Monthly Dividend Reinvestment (Face value ₹ 10)	-	-	960,479	10
12 HDFC Fixed Maturity Plan (Face value ₹ 10)	-	-	2,000,000	20
13 IDBI Liquid Fund - Daily Dividend Reinvestment (Face value ₹ 1,000)	19,982	20	25,016	25
14 Baroda Pioneer Liquid Fund - Daily Dividend Reinvestment (Face value ₹ 1,000)	-	-	27,607	28
15 HDFC Liquid Fund - Daily Dividend Reinvestment (Face value ₹ 10)	-	-	9,808,729	100
16 Baroda Pioneer Treasury Advantage Fund - Daily Dividend Reinvestment (Face value ₹ 1,000)	95,961	97	-	-
17 Religare Invesco Short term plan Direct -MDP (Face value ₹ 1,000)	14,936	28	-	-
18 Principal Debt Opportunities Fund Corporate Bond Plan (Face value ₹ 1,000)	33,388	42	-	-
19 Kotak Low Duration Fund Direct Weekly Dividend (Face value ₹ 1,000)	89,828	98	-	-
20 Reliance Banking & PSU Debit Fund - Direct Weekly Dividend Plan (Face value ₹ 10)	3,134,155	31	-	-
21 BNP Paribas Overnight Fund Daily Dividend-Compulsory Reinvestment (Face value ₹ 1,000)	75,567	76	-	-

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31-Mar-2016		31-Mar-2015	
	Number of Units	Amount	Number of Units	Amount
16 Current Investments (Contd.)				
1 Reliance short term fund - Monthly dividend plan (Face value ₹10)	2,451,796	27	-	-
2 HDFC Short Term Opportunities Fund - Fortnightly Dividend (Face value ₹10)	6,833,644	69	-	-
3 DSP BlackRock Ultra Short Term Fund-Regular Plan-Daily Dividend (Face value ₹10)	7,762,621	78	-	-
4 ICICI Prudential Savings Fund-Regular Plan-Daily Dividend (Face value ₹100)	896,720	90	-	-
5 Religare Invesco Medium Term Bond Fund-Monthly Dividend (Face value ₹1,000)	20,145	20	-	-
6 DHFL Pramerica Short Maturity Fund - Weekly Dividend (Face value ₹100)	996,012	10	-	-
7 UTI-Floating Rate Fund-STP-Regular Plan-Daily Dividend Reinvestment (Face value ₹1,000)	14,198	15	-	-
8 Birla Sun Life Treasury Optimizer Plan-Monthly Dividend (Face value ₹100)	233,809	24	-	-
9 Reliance Medium Term Fund-Direct Plan Daily Dividend (Face value ₹10)	2,021,152	35	-	-
10 Taurus Dynamic Income Fund-Direct Plan-Dividend (Face value ₹10)	1,966,492	20	-	-
11 HDFC floating rate income fund short term plan wholesale option dividend reinvestment (Face value ₹10)	2,504,131	25	-	-
12 Kotak Treasury Advantage Fund – Daily Dividend (Face value ₹10)	2,499,056	25	-	-
13 Axis treasury advantage fund - Daily Dividend Reinvestment (Face value ₹1,000)	30,109	30	-	-
14 Reliance money manager fund - Daily Dividend Reinvestment (Face value ₹1,000)	30,132	30	-	-
15 SBI treasury advantage fund - Daily Dividend Reinvestment (Face value ₹1,000)	25,060	25	-	-
16 Sundaram Ultra Short-Term Fund Regular -Daily Dividend (Face value ₹10)	2,006,818	20	-	-
17 Reliance Fixed Horizon Fund - Dividend Plan (Face value ₹10)	3,000,000	30	-	-
		1,133		590
Aggregate amount of quoted Investments		-		-
Aggregate amount of unquoted Investments		1,133		590
Aggregate amount of provision for diminution in value of Investments*		-		-

* value is less than one million ₹

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
17 Trade Receivables		
(Unsecured and considered good, unless otherwise stated)		
Outstanding for a period exceeding six months from the date they are due for payment		
Considered good	429	272
Doubtful	2	4
	<u>431</u>	<u>276</u>
Provision for doubtful receivables	(2)	(4)
	<u>429</u>	<u>272</u>
Other receivables		
Considered good	1,198	1,123
Doubtful	4	-
	<u>1,202</u>	<u>1,123</u>
Provision for doubtful receivables	(4)	-
	<u>1,198</u>	<u>1,123</u>
	1,627	1,395
Trade receivable includes:		
a) amount due from subsidiaries	1,351	954
b) amount due from companies where directors are interested	1	-
18 Cash and Bank Balances		
Cash and cash equivalents		
<u>Bank balances</u>		
- On current account	56	30
	<u>56</u>	<u>30</u>
<u>Other bank balances</u>		
- Balance with banks in deposit account with maturity more than 3 months but less than 12 months, held as lien by bank against bank guarantees	2	2
- Balance with banks in deposit account with maturity more than 3 months but less than 12 months, other	3	1
Unpaid dividend accounts	6	4
	<u>11</u>	<u>7</u>
	67	37
Details of bank balances/deposits		
Bank deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	-	-
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	5	3
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets' (refer note no. 15)	2	5
	<u>7</u>	<u>8</u>

Notes to the financial statements as at 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
19 Short-Term Loans and Advances		
(Unsecured and considered good, unless otherwise stated)		
To parties other than related parties		
<u>Security deposits</u>		
Others	21	11
Doubtful	3	18
	24	29
Provision for doubtful deposits	(3)	(18)
	21	11
<u>Loans and advances to employees</u>		
Considered good	13	5
Doubtful	2	1
	15	6
Provision for doubtful advances	(2)	(1)
	13	5
<u>Balances with excise authorities</u>		
Considered good	57	20
Doubtful	14	14
	71	34
Provision for doubtful advances	(14)	(14)
	57	20
<u>Other loans and advances</u>		
Advances recoverable in cash or in kind	-	-
Considered good	25	28
	25	28
Prepaid expenses	64	57
	89	85
Advances to creditors	17	24
Mark to market gain on derivative contracts	19	73
	216	218
20 Other Current Assets		
Interest accrued on loan to subsidiary company		
- Geometric Europe GmBH	43	19
Interest accrued on deposits with bank	1	-
Unbilled revenue	443	316
Other assets	28	26
	515	361

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
21 Other Income		
Dividend from subsidiary company [^]	357	270
Dividend on current investments	41	21
Commission income from subsidiary (on bank guarantees for loans to subsidiaries)	11	9
Interest on advances and deposits	1	-
Interest on loan to subsidiaries	27	41
Rent received from subsidiary*	-	-
Lease rent received from a related party	-	2
Profit on sale of current investments (net)	1	-
Provision for doubtful debts and advances written back (net)	-	4
Gain on foreign exchange transactions	95	-
Profit on sale of fixed assets (net)	2	-
Miscellaneous income	1	6
	536	353
[^] Dividend from subsidiary company includes an interim dividend		
* value is less than one million ₹		
22 Employee Benefits Expenses		
Salaries, bonus and allowances	1,991	1,933
Contribution to provident and other funds	90	87
Gratuity expense	22	42
Staff welfare expenses	70	76
	2,173	2,138
23 Finance Costs		
Interest on bank loans	3	3
Bank charges	11	5
	14	8
24 Depreciation and Amortisation		
Depreciation on tangible assets	41	39
Amortisation of intangible assets	45	81
	86	120
25 Other Expenses		
Software tools and packages	97	60
Sub-contracting expenses	278	247
Electricity expenses	49	50
Rates and taxes	8	4
Rent	76	94
Repairs and maintenance		
Computer and accessories	15	13
Buildings*	-	1

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
25 Other Expenses (contd.)		
Office maintenance	46	40
Others	5	21
	66	75
Insurance	5	3
Travelling and conveyance expenses	130	177
Equipment rental charges	120	101
Communication expenses	33	30
Legal and professional charges	234	52
Auditor's remuneration (refer note no. 35)	9	6
Advertising and publicity	9	9
Staff recruitment expenses	15	25
Royalty expenses	48	31
Sales and marketing expenses	-	18
Expenditure incurred on Corporate Social Responsibility activities (refer note no. 42)	10	1
Commission to non-executive directors	13	9
Directors' sitting fees	2	1
Loss on assets sold/written off	-	2
Loss on exchange fluctuations (net)	-	4
Provision for doubtful debts and advances, (net)	6	-
Bad debts written off	-	2
Provision for loss on fixed price projects	7	-
Miscellaneous expenses	31	27
	1,246	1,028

* value is less than one million ₹

26 Earnings Per Equity Share

a) Net profit for the period	977	744
b) Number of equity shares:		
As at the beginning of the year	64,427,967	63,476,736
Issued during the year	602,447	951,231
As at the end of the year	65,030,414	64,427,967
Weighted average number of equity shares during the year:		
Weighted average equity shares outstanding	64,715,531	63,988,138
Dilutive impact of employee stock options	1,082,501	1,272,926
Weighted average equity shares for computing diluted EPS	65,798,032	65,261,064
c) Earning per equity share of ₹ 2/- each		
Basic	15.09	11.62
Diluted	14.85	11.40

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

27 Scheme of Arrangement

On April 1, 2016, the Board of Director 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 & the relevant provisions made thereunder ('the Scheme').

Pursuant to the scheme, the IT enabled engineering services, PLM services and engineering design productivity software tools of the Company including its overseas subsidiaries (but 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'), 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 unlisted equity shares of ₹ 10 each of 3D PLM for every 1793 fully paid up equity shares of ₹ 2 each of the Company held by such shareholders which shall be compulsorily purchased by Dassault Systems 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 the Companies 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 of the Scheme is 31 March 2016.

The parties have executed appropriate transaction documents which includes a Framework Agreement between HCL and the Company that sets out certain covenants and obligations in relation to the transaction until completion.

28 Loan to Subsidiary Companies

- (a) During the financial year 2011-12, the Company had given an unsecured loan of USD 10 million to its wholly owned subsidiary, Geometric Americas Inc., primarily to meet the subsidiary's working capital requirements. The loan originally carried an interest rate of 8.5% p.a. and had been repaid to the extent of USD 5.5 million during the financial year 2013-14 and USD 4.5 million during the financial year 2015-16. The outstanding loan balance as on 31 March 2016 is USD Nil (31 March 2016 USD 4.5 million equivalent to ₹281 million), bearing a revised interest rate of 6% + 3 months LIBOR p.a. with effect from 1 April 2014.
- (b) During the financial year 2012-13 and 2013-14, the Company had given unsecured loans aggregating to Euro 7.5 million to its wholly owned subsidiary, Geometric Europe GmbH, primarily for the subsidiary's working capital requirements and for funding the acquisition costs of Geometric GMBH (wholly owned subsidiary of the Geometric Europe GmbH and a step down subsidiary of the Company). The loan has been repaid to the extent of Euro 0.9 million during the financial year 2013-14 and the outstanding loan balance as on 31 March 2016 is EURO 6.65 million equivalent to ₹ 498 million (31 March 2015 Euro 6.65 million equivalent to ₹ 448 million). The interest on the said loan has been revised from 6.5% +LIBOR p.a. to 4% + 3 months LIBOR p.a., with effect from 1 April 2014.

The Board of Directors of the Company with effect from 1 January 2015 reclassified the above loan of EUR 6.65 million as a long term loan forming part of the Company's net investment in a non integral foreign operation. Consequently, the foreign exchange loss on translation of the loan as at the balance sheet date amounting to ₹ 14 million (31 March 2015 ₹ 64 million) has been accumulated in the Foreign Currency Translation Reserve in accordance with Accounting Standard 11 - The Effects of Changes in Foreign Exchange Rates. The profit before tax of the Company for the year ended 31 March 2016 is higher to that extent.

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

29 Employee Benefits

(Currency: Indian ₹ in Millions)

(a) Defined Contribution Plans

i) Provident Fund:

The Company makes contributions of a specified percentage of a payroll costs towards the retirement benefit plan of its employees. The Company has no obligation other than to make specified contribution. The contribution are charged to the statement of profit and loss as they accrue.

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

	31 March 2016	31 March 2015
Defined Contribution Plans:		
Employer's Contribution to Provident Fund	81	77
Contribution to Superannuation Fund	9	10
	90	87

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

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

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

Particulars	March 31, 2016	March 31, 2015
i) Present Value of Obligation		
Present value of the obligation at the beginning of the year	163	124
Current Service Cost	28	34
Interest Cost	11	11
Past Service cost		
Actuarial (Gain) / Loss on Obligation	(1)	8
Settlement (Credit)/ Cost	(6)	-
Benefits Paid	(29)	(14)
Present value of the obligation at the end of the year	166	163
ii) Fair value of Plan Assets		
Fair value of Plan Assets at the beginning of the year	120	100
Expected return on Plan Assets	10	8
Actuarial Gain on Plan Assets	6	3
Contributions by the Employer	43	23
Amount Paid on Settlement	(6)	-
Benefits Paid	(29)	(14)
Fair value of Plan Assets at the end of the year	144	120
iii) Amounts Recognised in the Balance Sheet:		
Present value of Obligation at the end of the year	166	163
Fair value of Plan Assets at the end of the year	144	120
Net Obligation at the end of the year	(22)	(43)

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

29 Employee Benefits (Contd.)

(Currency: Indian ₹ in Millions)

(c) The status of the Company's funded gratuity plan is as under: (contd.)

Particulars	March 31, 2016	March 31, 2015
iv) Amounts Recognised in the Statement of Profit and Loss:		
Current Service Cost	28	34
Interest cost on Obligation	11	11
Expected return on Plan Assets	(10)	(8)
Net Actuarial (Gain) / Loss recognised in the year	(7)	5
Net Cost Included in Employee Benefits Expense.	22	42
v) Actual return on Plan Assets		
Expected return on Plan Assets	(10)	(8)
Actuarial Gain/ (Loss) on Plan Assets	6	3
	(4)	(5)
vi) Actuarial Assumptions		
i) Discount Rate	7.90% p.a	7.80% p.a
ii) Expected Rate of Return on Plan Assets	8.00% p.a	8.00% p.a
iii) Salary Escalation Rate	9.00% p.a	9.00% p.a
iv) Employee Turnover: 1) Employees who have not completed 5 years of service	15.00 % p.a	12.50 % p.a
2) Employees who have completed 5 years of service	5% p.a	5% p.a
v) Mortality	Indian Assured Lives Mortality (2006-08) ultimate	Indian Assured Lives Mortality (2006-08) ultimate
vi) Expected Average Remaining Working Lives of Employees (Years)	9.02	9.16
The estimates of future salary increases, considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
vii) Major Category of Plan Assets as a Percentage of total Plan Assets		
Funds managed by Insurer	100%	100%
Total	100%	100%
viii) Expected Contribution to the fund in next year	22	43

(d) Amounts Recognised in the current year and previous four years

Experience History	31 March 2016	31 March 2015	31 March 2014	31 March 2013	31 March 2012
Present Value of Obligation	166	163	124	107	82
Plan Assets	144	120	100	88	65
Surplus (Deficit)	(22)	(43)	(24)	(19)	(17)
Experience adjustment on plan Liabilities (loss)/gain	(1)	9	10	4	1
Experience adjustment on plan assets (loss)/gain	6	3	(4)	8	1

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

30 Employee Stock Options

(Currency: Indian ₹ in Millions)

The Nomination and Remuneration committee of Directors of Geometric Limited evaluates the performance and other criteria of employees and approves the grant of options. These options vest with employees over a specified period. Upon vesting, employees are eligible to apply and secure allotment of the Company's share at market price on the date of grant of options. 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. All the options granted are equity settled stock options.

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 particulars of options granted under various plans are tabulated below:

A. Scheme XI ESOP Scheme 2011 - Employees							
Sr. No.	Particulars	31 March 2016			31 March 2015		
		Details	Weighted Average exercise price (in ₹)	Weighted Average remaining contractual life (In Years)	Details	Weighted Average exercise price (in ₹)	Weighted Average remaining contractual life (In Years)
1	Approved	1,800,000			1,800,000		
2	Vesting period	22 September 2012 to 29 April 2016			22 September 2012 to 29 April 2016		
3	Exercise Period	5 Years from the date of Grant			5 Years from the date of Grant		
4	Outstanding at the beginning of the year	521,064	67.90	1.89	1,127,229	58.76	2.72
5	Number of Options Granted during the year	-	-		-		
6	Options Forfeited/ Cancelled during the year	44,125	57.80		111,254	61.51	
7	Options Exercised during the year	194,247	60.51		494,911	48.30	
8	Outstanding at end of the year	282,692	74.91	1.03	521,064	67.90	1.89
9	Range of exercise price for stock options outstanding at end of the year	₹ 45.70 to ₹ 112.95			₹ 45.70 to ₹ 112.95		
10	Exercisable at end of the year	277,692	74.48		450,764	53.46	

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

30 Employee Stock Options (Contd.)

(Currency: Indian ₹ in Millions)

B. Scheme XII ESOP Scheme 2013 - Directors							
Sr. No.	Particulars	31 March 2016			31 March 2015		
		Details	Weighted Average exercise price (in ₹)	Weighted Average remaining contractual life (In Years)	Details	Weighted Average exercise price (in ₹)	Weighted Average remaining contractual life (In Years)
1	Approved	300,000			300,000		
2	Vesting period	21 October 2014 to 20 October 2016			21 October 2014 to 20 October 2016		
3	Exercise Period	5 Years from the date of Grant			5 Years from the date of Grant		
4	Outstanding at the beginning of the year	250,000	76.10	3.56	250,000	76.10	4.56
5	Number of Options Granted during the year	-	-		-		
6	Options Forfeited/ Cancelled during the year	-	-		-		
7	Options Exercised during the year	-	-		-		
8	Outstanding at end of the year	250,000	76.10	2.56	250,000	76.10	3.56
9	Range of exercise price for stock options outstanding at end of the year	76.10	-		76.10		
10	Exercisable at end of the year	125,000	76.10		50,000	76.10	

C. Scheme XIII ESOP Scheme 2013 - Employees							
Sr. No.	Particulars	31 March 2016			31 March 2015		
		Details	Weighted Average exercise price (in ₹)	Weighted Average remaining contractual life (In Years)	Details	Weighted Average exercise price (in ₹)	Weighted Average remaining contractual life (In Years)
1	Approved	3,150,000			3,150,000		
2	Vesting period	21 October 2014 to 26 July 2018			21 October 2014 to 26 July 2018		
3	Exercise Period	5 Years from the date of Grant			5 Years from the date of Grant		

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

30 Employee Stock Options (Contd.)

(Currency: Indian ₹ in Millions)

C. Scheme XIII ESOP Scheme 2013 - Employees (contd.)							
Sr. No.	Particulars	31 March 2016			31 March 2015		
		Details	Weighted Average exercise price (in ₹)	Weighted Average remaining contractual life (In Years)	Details	Weighted Average exercise price (in ₹)	Weighted Average remaining contractual life (In Years)
4	Outstanding at the beginning of the year	2,041,680	78.20	3.58	2,588,500	78.34	4.59
5	Number of Options Granted during the year	418,100	115.20		135,000	152.30	
6	Options Forfeited/ Cancelled during the year	360,340	84.72		517,380	98.90	
7	Options Exercised during the year	408,200	77.46		164,440	76.10	
8	Outstanding at end of the year	1,691,240	86.05	2.99	2,041,680	78.20	3.58
9	Range of exercise price for stock options outstanding at end of the year	₹ 76.10 to ₹ 115.20	-		₹ 76.10 to ₹ 115.20		
10	Exercisable at end of the year	398,990	77.20		292,560	81.23	

D. The stock-based compensation cost calculated as per the intrinsic value method for the financial year ended 31 March 2016 is Rs. Nil. If the stock-based compensation cost was calculated as per the fair value method prescribed by SEBI, the total cost to be recognised on an accelerated basis over the requisite service period, which is generally the vesting period, in the financial statements for the year ended 31 March 2016 would be Rs. 32 million. The effect of adopting the fair value method on the net income and earnings per share is presented below:

Pro Forma Adjusted Net Income and Earning Per Share

Particulars	31 March 2016	31 March 2015
Net profit for the year	977	744
Add: Intrinsic Value Compensation Cost	-	-
Less: Fair Value Compensation Cost	(32)	(125)
Adjusted Pro Forma Net Income	945	619
Earning Per Share:	31 March 2016	31 March 2015
Basic		
As Reported	15.09	11.62
Adjusted Pro Forma	14.61	9.67
Diluted		
As Reported	14.85	11.40
Adjusted Pro Forma	14.37	9.48

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

30 Employee Stock Options (Contd.)

(Currency: Indian ₹ in Millions)

E. Method and Assumptions used to estimate the fair value of options:

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:

Particulars	31 March 2016	31 March 2015
Risk Free Interest Rate	8.34% to 8.40%	7.51% to 8.85%
Expected Life	4.80 years	5 years
Expected Volatility	49.61% to 49.92%	45.99% to 56.33%
Dividend Yield	1.60%	1.80% to 2.01%

31 Value Of Imports on Cost, Insurance and Freight Basis

	31 March 2016	31 March 2015
Capital goods*	-	10
Software	-	-
	-	10

32 Earnings in Foreign Currency (accrual basis)

Income from software development and sale of software	3,046	2,767
Royalty	114	56
Reimbursement of expenses	7	17
Interest on loan to subsidiaries	27	41
Commission income from subsidiary	11	9
	3,205	2,890

33 Expenditure in Foreign Currency

Legal and professional charges	17	10
Royalty	47	46
Salaries, bonus and allowances	136	133
Sub-contracting expenses	172	144
Travelling expenses	40	63
Others	14	39
	426	435

34 Dividend Remitted in Foreign Currency

Number of non-resident shareholders	1	1
Number of equity shares held on which dividend was due	45,000	45,000
Amount remitted in Millions*	-	-

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

35 Payment to the Auditor

(Currency: Indian ₹ in Millions)

	31 March 2016	31 March 2015
a) as auditor	5	4
b) for taxation matters	3	2
c) for company law matters	-	-
d) for management services	-	-
e) for other services	1	.*
f) Reimbursement of Expenses*	-	-
	9	6

* value is less than one million ₹

36 Operating Leases

a) Lease rental expense:

The lease rent expense in respect of computers, furniture and fixtures and office space for the year and the total future minimum lease payments under non-cancellable operating leases payable are as under:

Particulars	31 March 2016	31 March 2015
Lease rentals incurred during the year	196	195
Future lease obligations		
- not later than one year	152	120
- later than one year and not later than five years	248	237
- later than five years	38	168

* value is less than one million ₹

37 Related Party Transactions:

A. Related Parties and their Relationships:

- a) Subsidiary Companies:
- 1 3D PLM Software Solutions Ltd.
 - 2 3D PLM Global Services Pvt. Ltd.
 - 3 Geometric Asia Pacific Pte. Ltd.
 - 4 Shanghai You Hua Engineering Machinery Design Co. Ltd ("Geometric China")
 - 5 Nihon Geometric Kabusiki Kaisya ("Geometric Japan KK")
 - 6 Geometric Americas Inc.
 - 7 Geometric SAS
 - 8 Geometric SRL
 - 9 Geometric Europe GmbH
 - 10 Geometric GmbH (formerly 3cap technologies GmbH)
- b) Associates:
- 1 Godrej & Boyce Mfg. Co. Ltd.
 - 2 Godrej Infotech Ltd

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

37 Related Party Transactions (Contd.)

(Currency: Indian ₹ in Millions)

A. Related Parties and their Relationships: (contd.)

- | | | |
|--|---|--|
| c) Key Management Personnel: | 1 | Mr. Manu Parpia, Managing Director and CEO |
| | 2 | Mr. Shashank Patkar, CFO |
| | 3 | Ms. Sunipa Ghosh, Company Secretary |
| d) Directors having Substantial Interest in: | 1 | Cerebrus Consultants Pvt. Ltd. |
| | 2 | BMR & Associates LLP |

B. Transactions with Related Parties for the year ended 31 March 2016

Sr No.	Nature of Transaction	Subsidiary Companies	Associates	Key Management Personnel	Directors Having Substantial Interest
a)	Sales – software services	2,640 (2,025)	7 (3)	- -	- -
b)	Royalty income	114 (56)	- -	- -	- -
c)	Interest received on loans	27 (41)	- -	- -	- -
d)	Dividend received	357 (270)	- -	- -	- -
e)	Commission income	11 (9)	- -	- -	- -
f)	Product development income	- (3)	- -	- -	- -
g)	Reimbursement of expenses	212 (166)	1 -	- -	- -
h)	Purchase of software services	183 (132)	- -	- -	- -
i)	Compensation expense for services	1 (29)	2 (1)	- -	- -
j)	Rent paid towards leased premises:	1 (1)	- -	- -	- -
k)	Professional fees	- -	- -	- -	2 -
l)	Managerial remuneration	- -	- -	49 (29)	- -
m)	Purchase of fixed assets	- -	- (17)	- -	- -
n)	Recovery of loan given	290 (61)	- -	- -	- -
o)	Dividends paid	- -	111 (40)	23 (9)	- -

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

37 Related Party Transactions (Contd.)

(Currency: Indian ₹ in Millions)

B. Transactions with Related Parties for the year ended 31 March 2016 (contd.)

Sr No.	Nature of Transaction	Subsidiary Companies	Associates	Key Management Personnel	Directors Having Substantial Interest
p)	Deposits refund received	-	-	-	-
		-	(17)	-	-

Balances as on balance sheet date

a)	Trade receivables including unbilled	1,619	1	-	-
		(1,564)	(4)	-	-
b)	Interest receivable	43	-	-	-
		(18)	-	-	-
c)	Trade payables	234	-	-	-
		(468)	-	-	-
d)	Loan outstanding	498	-	-	-
		(729)	-	-	-
e)	Deposits **	-	-	-	-
		-	-	-	-

*Figures in brackets represent amounts for the year ended 31 March 2015

** value is less than one million ₹

C. Details of material related party transactions which are more than 10% of the total transactions of the same nature

Nature of Transaction	31 March 2016	31 March 2015
a) Sales – software services:		
Geometric Europe GmbH	-	272
Geometric Americas, Inc.	1,743	1,501
b) Royalty income:		
Geometric Americas Inc	111	56
c) Interest received on loans:		
Geometric Europe GmbH	21	23
Geometric Americas, Inc	6	17
d) Dividend received:		
3D PLM Software Solutions Ltd	357	270
e) Commission income:		
Geometric Europe GmbH	2	-
Geometric Americas, Inc	9	8
f) Product development income :		
Geometric Asia Pacific Pte Ltd	-	3
g) Reimbursement of expenses		
3DPLM Software Solutions Ltd.	35	38
Geometric Americas, Inc.	106	62
h) Software development expense - subcontract :		
Geometric Americas, Inc	-	14
Geometric SAS	145	105

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

37 Related Party Transactions (Contd.)

(Currency: Indian ₹ in Millions)

C. Details of material related party transactions which are more than 10% of the total transactions of the same nature (contd.)

Nature of Transaction	31 March 2016	31 March 2015
i) Compensation expense for services:		
Geometric Europe GmbH	-	18
Geometric SAS	-	7
Godrej and Boyce Mfg Co Ltd	2	-
Geometric Americas, Inc.	1	3
j) Rent paid towards leased premises:		
3D PLM Software Solutions Ltd	1	1
Godrej & Boyce Mfg. Co. Ltd.	-	-
k) Professional fees:		
BMR & Associates LLP	1	-
l) Managerial remuneration:		
Mr. Manu Parpia	30	20
Mr. Neeraj Dutt	-	5
Mr. Shashank Patkar	17	-
m) Purchase of fixed assets:		
Godrej and Boyce Mfg Co Ltd	-	17
Geometric SAS	-	-
n) Recovery of loan given:		
Geometric Americas, Inc	290	61
Geometric Europe GmbH	-	-
o) Dividends paid:		
Godrej & Boyce Mfg. Co. Ltd.	67	40
Godrej Investment Pvt Ltd	44	-
Mr. Manu Parpia	23	9
p) Deposits Refund Received:		
Godrej & Boyce Mfg. Co. Ltd.	-	17

Balances as on Balance Sheet Date

a) Trade receivables including unbilled:		
Geometric Americas, Inc	591	758
Geometric Europe GmbH	433	328
Geometric SAS	254	-
Godrej & Boyce Mfg Co. Ltd	-	4
b) Interest receivables :		
Geometric Europe GmbH	43	19
c) Trade payables:		
Geometric Americas, Inc	79	98
Geometric Europe GmbH	44	-
Geometric SAS	70	50
d) Loan outstanding :		
Geometric Americas Inc	-	281
Geometric Europe GmbH	498	448
e) Deposits:		
Godrej & Boyce Mfg. Co. Ltd *	-	-

* value is less than one million ₹

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

38 Segment Reporting

(Currency: Indian ₹ in Millions)

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

39 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 of balance sheet date for hedge of future expected sales:

Particulars	Purpose	Designated	31 March 2016		31 March 2015	
			Notional Amount in Foreign Currency	Notional Amount in millions	Notional Amount in Foreign Currency	Notional Amount in millions
Forward Contracts to Sell USD	Hedge of highly probable forecast transactions	Cash flow hedges	32	2,238	26	1,733
Forward Contracts to Sell Euro	Hedge of highly probable forecast transactions	Cash flow hedges	8	607	4	314
Forward Contracts to Sell Euro	Open balance sheet exposure	Balance sheet hedge	4	303	-	-
				3,148		2,047

- b. 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 Exposures	31 March 2016		31 March 2015	
	Foreign Currency	₹ in millions	Foreign Currency	₹ in millions
Loan to Geometric Americas Inc. (USD)	-	-	4.50	281
Loan to Geometric Europe GmbH (EUR)	6.65	498	6.65	448
PCFC loan (USD)	3.00	198	3.00	187
Bank Balance:				
USD	0.26	17	0.05	3
EUR	0.41	31	0.17	11
Trade Receivable:				
USD	1.90	126	6.62	413
EUR	1.34	101	4.73	319
JPY	99.52	59	41.68	22
SEK	19.27	157	10.74	78
SGD	0.28	14	0.00	0
CNY	3.97	41	2.19	22
AUD	0.14	7	-	-
CAD	0.57	29	-	-
KRW	75.66	4	-	-
Trade Payables:				
USD	1.37	90	1.35	84
EUR	1.18	88	0.24	16
SEK	1.00	8	0.23	2
CNY	0.49	5	-	-
JPY	3.92	2	1.24	1

- c. As of 31 March 2016, the Company has recognised gain/ (loss) of ₹ 14 millions (31 March 2015 ₹53 millions) relating to derivative financial instruments comprising of foreign currency forward contract that are designated as effective cash flow hedges in share holders fund.

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

40 Trade Payables

(Currency: Indian ₹ in Millions)

The amount of dues owed to Micro, Small and Medium Enterprises as on 31 March 2016 amounted to ₹ 1 million (31 March 2015 : ₹ 1 million). 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.

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	31 March 2016	31 March 2015
A) Principal amount remaining unpaid but not due.	1	1
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.	-	-

41 Capital and other commitments

(a) Tangible assets:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) ₹ 4 million (31 March 2015 ₹ 22 million)

(b) Intangible assets:

Estimated amount of contracts remaining to be executed on capital account to the extent not provided for (net of advances) ₹ Nil (31 March 2015 ₹ 8 million)

42 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act. The gross amount required to be spent by the Company during the year is ₹ 10 million.

Amount spent during the year on	In Cash	Yet to be paid in cash	Total
Education, Skill Development and Disaster Relief	10	-	10

43 The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

44 Disclosures required by Clause 32 of the Listing Agreement

(Currency: Indian ₹ in Millions)

Name of the company	Outstanding as at 31 March 2016	Maximum Outstanding during the year	Outstanding as at 31 March 2015	Maximum Outstanding during the year
(a) Loans and advances in the nature of loans given to subsidiaries				
Geometric Europe GmbH (including accrued interest thereon)	541	541	467	467
Geometric Americas Inc. (including accrued interest thereon)	-	291	281	281
(b) Loans and advances in the nature of loans given to associates	Nil	Nil	Nil	Nil
(c) Loans and advances in the nature of loans where repayment schedule is not specified/is beyond 7 years		Nil	Nil	Nil
(d) Loans and advances in the nature of loans where interest is not charged or charged below bank rate		Nil	Nil	Nil
(e) Loans and advances in the nature of loans to companies in which directors are interested.				
Geometric Europe GmbH (including accrued interest thereon)	541	541	467	467
Geometric Americas Inc. (including accrued interest thereon)	-	291	281	281
(f) Investments by the loanee in the shares of subsidiary company				
Geometric Europe GmbH has made the following investments in the following subsidiary:				
Geometric GmbH (formerly know as 3Cap technologies GmbH)	645	645	645	645
Geometric SAS (subsidiary of Geometric Europe GmbH)	3	3	3	3
Geometric S.R.L (subsidiary of Geometric Europe GmbH)	2	2	2	2

45 Contingent liabilities

Particulars	31 March 2016	31 March 2015
Performance and financial guarantees given by the banks on behalf of the Company	4	2
Guarantees given by the Company on behalf of Subsidiaries (refer note a)	575	538
Disputed demands for excise duty, customs duty, sales tax, income tax and other matters (Refer Note b)	1,699	1,704

Note a:

The Company has issued Corporate guarantees of USD 7 million equivalent to ₹ 463 million (31 March 2015 USD 7 million equivalent to ₹ 437 million) and Euro 1.5 million equivalent to ₹ 112 million (31 March 2015 Euro 1.5 million equivalent to ₹ 101 million) in respect of working capital loan availed by Geometric Americas Inc. and term loans availed by Geometric Europe GmbH respectively, both wholly owned subsidiaries of the Company. The loans are secured by mortgage of current assets of Geometric Americas Inc. and Geometric Europe GmbH in favour of Citibank and ING Vyasa Bank respectively.

Note b:

(i) The Company has a law suit filed against it by another company concerning employment of a staff for damages to the tune of for ₹ 1,118 million along with interest of 18% per annum (31 March 2015 ₹ 1,118 million) for alleged breach of contractual terms of a Non- Disclosure Agreement entered into between both the companies. Geometric Limited is in the process of defending the case. The Company's management, in consultation with its lawyers believes that the claim is frivolous and the Company has a good case on merits and has good grounds for its defense. Accordingly no provision is considered necessary.

Notes to the financial statements for the year ended 31 March 2016 (Contd.)

45 Contingent liabilities (Contd.)

(Currency: Indian ₹ in Millions)

- (ii) The Company has filed appeals with the Sales Tax authorities for ₹ 13 million (31 March 2015 ₹ 8 million) for years 2002-03, 2004-05, 2009-10 and 2011-12 with regard to dispute on sales tax to be levied on software sales. The management, in consultation with its consultant and basis its evaluation is of the view that these demands are not tenable and hence no provision is required.
- (iii) The Company has received notice for payment of interest and penalties of ₹ 43 million (31 March 2015 ₹ 43 million) for delay in transfer of accumulated contributions of provident fund, up to 31 May 2007 for employees who opted to move from company PF trust to Government PF trust. The Company moved to High Court Bombay for seeking stay and high court granted the Company permission to file an Appeal before EPFO Appellate Tribunal. The Company has filed the Appeal before the Appellate Tribunal and deposited ₹ 13 million for admission of the Appeal. The amount paid is shown under other assets. The management, in consultation with its consultant believes that the claim is not tenable in law and accordingly no provision is required.
- (iv) The Company has not provided for disputed Indian income tax liabilities aggregating to ₹ 472 million (31 March 2015 ₹ 509 millions) for the assessment year 2006-07 to 2013-14. The Company has filed appeal with the Income Tax Appellate Tribunal ("ITAT") for tax matters related to these years. Management, in consultation with the Company's tax consultants, believes that the Company's appeal will be decided in its favour and, therefore, no accrual for a liability is considered necessary.
- (v) The Company has disputes outstanding dues for the year 1997-98 to 1999-2000, 2007-08 and 2009-10 to 2013-14 with the Office of Assistant Commissioner of Customs and Excise in respect of wrongful availment of duty exemption, service tax on import of services and penalties and interest thereon. The total demand outstanding for various years amounts to ₹ 53 million (31 March 2015 ₹ 26 million). The management, in consultation with its consultant and basis its evaluation is of the view that the Company has a favorable position and no provision is required.

46 Indian Accounting Standard

'The Ministry of Corporate Affairs (MCA) vide its notification in the Official Gazette dated 16 February 2015 notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS will replace the existing Indian GAAP prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. For Geometric and its subsidiaries, Ind AS will be applicable for the accounting periods beginning 1 April 2016, with a transition date of 1 April 2015.

The Company has evaluated the effect of transition from Indian GAAP to Ind AS. Adoption of Ind AS is expected to have accounting and / or disclosure impact with respect to the following, amongst others:

- Fair valuation of certain financial instruments
- Employee costs pertaining to defined benefit obligations
- Accounting for out of pocket expenses received from customers
- Accounting for share based payments

Further, there will also be changes in the presentation of financial statements including some additional disclosures.

47 Previous year's financial statements were audited by a firm of Chartered Accountants other than B S R & Co. LLP.

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

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

Rajesh Mehra

Partner

Membership No: 103145

**For and on behalf of the Board of Directors of
Geometric Limited**

CIN: L72200MH1994PLC077342

Jamshyd Godrej

Chairman

DIN: 00076250

Manu Parpia

Managing Director and CEO

DIN: 00118333

Milind Sarwate

Director

DIN: 00109854

Shashank Patkar

Chief Financial Officer

Sunipa Ghosh

Company Secretary

Place: Mumbai

Date: 6 May 2016