



3D PLM SOFTWARE SOLUTIONS LTD.

Regd. Office:

Plant 11, 3rd Floor, Pirojshanagar, Vikhroli (West), Mumbai - 400 079, India

Board's Report

To

The Members,

3D PLM Software Solutions Limited

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 STATEMENT AND RESULTS:

1. Financial Results:

Your Company's financial performance for the year under review has been encouraging and is summarised below:

(All amount in millions)

PARTICULARS	Consolidated		Standalone	
	FY16	FY15	FY16	FY15
Net Sales	3,360	2,914	3,005	2,910
Total Expenses other than Depreciation & Finance Cost	2,581	2,094	2,290	2,087
Profit from Operations before Other Income, Finance Cost & Exceptional Items	779	819	715	823
Depreciation	231	212	208	212
Profit from Operations before Other Income, Finance Cost & Exceptional Items	548	607	506	612
Foreign Exchange Gain/ (Loss)	311	135	313	135
Other Income	32	39	37	39
Profit before Finance Cost & Exceptional Items	892	781	856	786
Finance Cost	-	-	-	-
Profit Before Tax	892	781	856	786
Tax Expense	292	268	292	268
Net Profit for the period	600	514	565	518
Appropriation				
Surplus as at end of previous year	1,329	1,413	1,333	1,413
Add: Net Profit for the year	600	514	565	518
Available for appropriation	1,929	1,927	1,898	1,931
Less: Interim Dividend	616	466	616	466
Less: Tax on distributed profits	125	79	125	79
Less : Adjustment pursuant to revision in useful life of assets (Net of tax impact)	-	1	-	1
Less: Transfer to General Reserve	57	52	57	52
Total Appropriation	799	598	799	598
Surplus Carried Forward	1,130	1,329	1,099	1,333

Board's Report (Contd.)

2. Operations [Nature of Business]:

3D PLM has completed successfully fourteen years of operation and continues to add value to Dassault Systèmes (DS). We have been continuing to work to strengthen DS activities in India and creating stronger synergies between all teams across different DS locations. 3D PLM works on 8 major software Brands of DS, viz, ENOVIA, CATIA, 3DVIA, SIMULIA, SOLIDWORKS, DELMIA, GEOVIA and 3DEXCITE.

There was no change in nature of business of the company during the year.

Company still contributing services in below areas:

- Product Development: Support Dassault Systemes in development of products in the areas mentioned above.
- Testing & Quality Assurance: Our Product Testing & Quality Assurance teams are an integral part of our development process. They ensure that our software products are thoroughly tested at every stage.
- Customer Support: The Customer Support team resolves customer queries, suggests workarounds, and advises best practices to global customers of Dassault Systèmes products.
- Product Documentation: With each new release, our technical publications team develops and delivers user assistance, video courses, and knowledge base articles that enable our customers to stay updated.
- Courseware Development: Our Learning Solutions team creates best-in-class learning content & learning software. The learning content is developed by a highly skilled team of technical domain specialists, subject matter experts, instructional designers & writers. Additionally, our trainers team provides training support to a global network of partners.

3. State of the Company's Affairs:

This year has been very challenging for R&D with releases on 3DEXPERIENCE platform, cloud etc. All the R&D deliveries were met as per plan without serious issues. We have started a new R&D team to develop the products for 3DExcite. Created new team for IT applications, made significant releases of 3DEXPERIENCE University.

BAPS team which is providing financial shared services to Dassault Systemes is doing well.

Last year, we have started our 100% owned new subsidiary, 3D PLM Global Services Pvt Ltd (3D GS). This new subsidiary is giving software services to Dassault Systèmes, Geometric and other partners of Dassault Systèmes. This entity is doing pretty well, meeting all the targets set for it.

Operationally, we have done fairly well with a growth of 9% in revenues (in INR) and 9 % growth in Profit Before Taxes (PBT).

During the year company has added 48 employees (net additions). It had voluntary employee turnover of 10% which is much lower than Industry in general.

4. Report on Performance of Subsidiary:

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** (AOC-1) which forms part of this Report.

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

5. Amalgamation procedure initiated:

The Board has approved a proposal for entering into a composite Scheme of Arrangement and Amalgamation amongst Geometric Limited, HCL Technologies Limited and 3D PLM Software Solutions Limited 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 provision, if any, of the Companies Act, 1956 and/or Companies Act, 2013 & the relevant provisions made thereunder.

The composite Scheme of Arrangement and Amalgamation involves the following:

- (i) Demerger of the IT enabled engineering services, PLM services and engineering design productivity software tools business of the Company including the overseas subsidiaries but excluding the shares held by the Company in 3D PLM Software Solutions Ltd., ("**Demerged Business Undertaking**") to HCL Technologies Limited, as a going concern, together with all its properties, assets, liabilities,

Board's Report (Contd.)

rights, benefits and interest therein. In consideration for the transfer and vesting of the Demerged Business Undertaking in HCL Technologies Limited, HCL Technologies Limited shall issue and allot shares, credited as fully paid up, to all the equity shareholders of the Company, as the case may be, whose names appear in the Register of Members as on the Record Date to be fixed in that behalf by the Board of Directors of the Company for the purpose of reckoning name of equity shareholder of the Company in the following ratio:

For every 43 equity shares of the face value of ₹ 2 each held in the Company on the record date, 10 equity shares of ₹ 2 each fully paid-up of HCL Technologies Ltd for the demerger.

The equity shares issued by T shall be listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE").

- (ii) Thereafter, the Company comprising the shares held by it in 3D PLM Software Solutions Limited ("**Remaining Undertaking**") shall be merged and amalgamated with 3D PLM Software Solutions Limited. In consideration of the amalgamation, 3D PLM Software Solutions Limited shall issue and allot:
- (a) to each resident shareholder of the Company and, subject to approval by the Reserve Bank of India, all non-resident shareholders of the Company, 1 (one) fully paid up redeemable preference shares of ₹68 each in 3D PLM Software Solutions Limited ("**Redeemable Preference Share**") for every 1 (one) fully paid up equity shares each of the Company; or
 - (b) If the approval of the Reserve Bank of India as contemplated above is not received, such shareholders shall be issued and allotted 24 fully paid unlisted equity share of ₹ 10 each of 3D PLM Software Solutions Limited for every 1793 fully paid up equity shares of ₹ 2 each of the Company held by such shareholder which shall be compulsory purchased by Dassault Systemes and/or its nominees immediately on issuance at a price of ₹ 5080.3 per equity share.

The Redeemable Preference Shares issued by 3D PLM Software Solutions Limited pursuant to the Amalgamation are proposed to be listed on the BSE. However, the equity shares, if any, issued by 3D PLM Software Solutions Limited to each shareholder of the Company who is a non-resident pursuant to the Amalgamation will remain unlisted and compulsorily purchased in the manner set out in the draft Scheme.

- (iii) Demerger of the IT enabled engineering services, PLM services and engineering design productivity software tools business of the Company including the overseas subsidiaries but excluding the shares held by the Company in 3D PLM Software Solutions Ltd., ("**Demerged Business Undertaking**") to HCL Technologies Limited, as a going concern, together with all its properties, assets, liabilities, rights, benefits and interest therein. In consideration for the transfer and vesting of the Demerged Business Undertaking in HCL Technologies Limited, HCL Technologies Limited shall issue and allot shares, credited as fully paid up, to all the equity shareholders of the Company, as the case may be, whose names appear in the Register of Members as on the Record Date to be fixed in that behalf by the Board of Directors of the Company for the purpose of reckoning name of equity shareholder of the Company in the following ratio:

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 - (b) If the approval of the Reserve Bank of India as contemplated above is not received, such shareholders shall be issued and allotted 24 fully paid unlisted equity share of ₹ 10 each of 3D PLM Software Solutions Limited for every 1793 fully paid up equity shares of ₹ 2 each of the Company held by such shareholder which shall be compulsory purchased by Dassault Systemes and/or its nominees immediately on issuance at a price of ₹ 5080.3 per equity share.

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Board's Report (Contd.)

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.

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

While the Amalgamation will result in transfer of ownership and control of 3DL 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.

Proposed amendment in Articles of Association of the Company:

In pursuance to the proposed scheme of amalgamation, the Board approved a proposal for adoption of revised Articles of Association for enabling issue of redeemable preference shares subject to approval of shareholders.

An Extra-ordinary General Meeting of the shareholders of the Company has been convened on Monday, April 25, 2016 to approve the same.

6. Dividend:

The Board of Directors declared it that the First interim dividend of ₹ 250 per share (2500%) on July 15, 2015 and declared Second interim Dividend paid of ₹ 147 per share (1470%) on March 14, 2016 on Financial Year 2015-16.

7. Transfer to Reserves:

The Board has recommended transfer of ₹ 57 Millions to the General Reserve out of the amount available for appropriation and an amount of ₹ 1099 Millions is proposed to be carried forward to the Statement of Profit and Loss.

8. Revision of Financial Statement:

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

9. Deposits:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 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.

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

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.

11. Disclosure of Internal Financial Controls:

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate.

Board's Report (Contd.)

12. 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 impact on the going concern status and the Company's operations in future.

13. Particular of Contracts or Arrangement with Related Parties:

The details of transactions/contracts/arrangements entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the financial year under review, are furnished in **Annexure II (AOC-2)** forms part of this Report.

14. Particulars of Loans, Guarantees and Investment:

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.

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

The Company has not issued during the financial year under review any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

16. 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 furnished.

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

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information 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 is furnished.

18. 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 is furnished.

II. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. Directors & Key Managerial Personnel:

Ms. Anita Ramachandran was appointed as Independent Director of the Company in whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 to hold office for 3 (three) consecutive years i.e July 15, 2015 to July 14, 2018.

Ms. Pallavi Pathak was appointed as Alternate Director to Mr. Manu Parpia, Director of the Company at board meeting held on April 14, 2015, as per the provisions of Section 161(2) of the Companies Act, 2013.

Mr. Dominique Florack resigned from the Board of the Company w.e.f March 31, 2015 and was re-appointed as Director w.e.f July 1, 2015 and his appointment was confirmed at an Extra-ordinary General Meeting held on July 15, 2015 for a term of three years in accordance with section 163 of the Companies Act, 2013.

2. Statement on declaration given by Independent Directors:

The Company has received declarations from all the Independent Directors under Section 149(6) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

3. Disclosures related to Board, Committees and Policies:

(i) Board Meetings:

The dates on which the Board of Directors met during the financial year under review are April 14, 2015, July 1, 2015, October 15, 2015, January 29, 2016 and March 14, 2016.

Board's Report (Contd.)

3. Disclosures related to Board, Committees and Policies:(contd.)

(ii) 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 of the 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.

(iii) 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. Mr. Didier Gaillot, Chairman
2. Ms. Anita Ramachandran, Member
3. Mr. Ajay Mehra, Member
4. Mr. Manu Parpia, Member

The Board has, in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013, formulated the 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 & Remuneration Committee has met once during the year on July 15, 2015

(iv) Audit Committee:

The Board has constituted the Audit Committee of Directors in pursuance to the provisions of Section 177 of the Companies Act, 2013.

The composition of the committee is as under:

1. Mr. Ajay Mehra, Chairman
2. Mr. Didier Gaillot, Member
3. Mr. Anita Ramachandran, Member

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

Board's Report (Contd.)

3. Disclosures related to Board, Committees and Policies:(contd.)

The Audit Committee has met on the following dates during the year under review are July 15, 2015, October 15, 2015, January 19, 2016 & March 14, 2016.

(v) Development and Implementation of a Risk Management Policy:

The Board of Directors of the Company has developed and implemented 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 uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

(vi) Corporate Social Responsibility Policy:

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

1. Mr. Manu Parpia, Director
2. Mr. Didier Gaillot, Director
3. Mr. Ajay Mehra, Independent Director

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

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

http://www.3dplmsoftware.com/CSR%20Policy_3DPLM_final.pdf

The Company collaborated with third party implementation agencies and spent part of the prescribed amount towards CSR during FY 2015-16. A detailed report on the CSR activities of the Company is enclosed as **Annexure III**.

(vii) Disclosure under Section 197(12) of the Companies Act, 2013 and Other Disclosures as per Rule 5 of Companies (Appointment & Remuneration) Rules, 2014:

The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review has been marked as **Annexure IV**.

III. AUDITORS AND REPORTS:

The matters related to Auditors and their Reports are as under:

1. Observations of Statutory Auditors on Accounts for the year ended March 31, 2016:

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.

2. 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.

3. Secretarial Audit Report for the year ended March 31, 2016:

Provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, mandates to obtain Secretarial Audit Report issued by, Mr. Atul Gandhi, Practicing Company Secretary, in Form MR-3 for the Financial Year 2015-16 forms part to this report and has been attached as **Annexure V**. The said report does not contain any observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

Board's Report (Contd.)

4. Ratification of Appointment of Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, (Firm Registration No. 101049W) the Statutory Auditors of the Company have been appointed for a term of 5 years i.e. from the conclusion of the 13th Annual General Meeting until the conclusion of the 18th Annual General Meeting at the Annual General Meeting held on July 16, 2014, 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. S. R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company.

IV. OTHER DISCLOSURES

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

1. 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 VI-Form MGT-9** which forms part of this Report.

2. 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 VII** which forms part of this Report.

3. 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.

V. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, business partners/associates, financial institutions and Central and State Governments for their consistent support and encouragement to the Company.

On behalf of the Board of Directors,

Sd/-

Anita Ramachandran
(DIN: 00118188)
Director

Sd/-

Sudarshan Mogasale
(PAN: AAXPM5923B)
Manager and CEO

Place: Mumbai

Date: April 18, 2016

Annexure 'I' - Board's Report (Contd.)

Form AOC - I - Statement containing salient features of the financial statement of subsidiary/ associates companies/joint Ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(Amount in ₹ except % of shareholding)

1	Name of the subsidiary	3D PLM Global Services Private Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	March 31, 2016
3	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	INR
4	Share capital	99,100,000
5	Reserves & surplus	31,210,298
6	Total assets	243,312,170
7	Total Liabilities	243,312,170
8	Investments	4,511,745
9	Turnover	354,883,004
10	Profit before taxation	35,721,791
11	Provision for taxation	265,350
12	Profit after taxation	35,456,441
13	Proposed Dividend	-
14	% of shareholding	100%

On behalf of the Board of Directors,

Sd/-

Anita Ramachandran
(DIN: 00118188)
Director

Sd/-

Sudarshan Mogasale
(PAN: AAXPM5923B)
Manager and CEO

Place: Mumbai

Date: April 18, 2016

Annexure 'II' - Board's Report (Contd.)

From AOC - 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

All the transactions with related parties are in the ordinary course of business and on arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a)	Name(s) of the related party	:	Dassault Systemes SE and its subsidiaries
(b)	Nature of relationship	:	Associate-Substantial Interest Party
(c)	Nature of contracts/arrangements/transactions:	:	Sales - Software
(d)	Duration of the contracts / arrangements/ transactions	:	April 1, 2015 - March 31, 2016
(e)	Salient terms of the contracts / arrangements/ transactions	:	Based on transfer pricing guidelines
(d)	Amount	:	₹ 30,05,097,395
(e)	Date(s) of approval by the Board	:	April 18, 2016

On behalf of the Board of Directors,

Sd/-

Anita Ramachandran
DIN: 00118188
Director

Sd/-

Sudarshan Mogasale
PAN: AAXPM5923B
Manager and CEO

Place: Mumbai

Date: April 18, 2016

Annexure 'III' – Board's Report (Contd.)

Annual Report on Corporate Social Responsibility (CSR) Activities:2015-16

- Overarching Philosophy

3D PLM is a staunch supporter of the philosophy of inclusive growth. It has been our endeavour to give back to the society and to facilitate the integration of the marginalized communities into mainstream society and the economy. We aspire to build a reputation of being one of the most socially and environmentally responsible companies in India.

- CSR Policy

For a long time now, 3D PLM has been undertaking a host of socially and environmentally responsible activities via the UDAAN initiative, which was largely an employee driven movement.

With the inclusion of mandatory CSR activities under the Companies Act in 2013, we have streamlined our body of work into a CSR Policy and have formalized our priorities, keeping in mind our overarching philosophy. We have identified key focus areas, keeping in mind the basic social, environmental and economic needs of our society. Our approach has then been to address these needs by incorporating necessary measures in the business strategy of the company, in a way that will benefit the communities at large and also achieve the desired social and environmental impact.

While Corporate Social Responsibility is now mandated by law, we continue to execute it with passion.

Our CSR Policy aims to:

- Achieve positive and sustainable change in the community via a three pronged approach of targeting social, economic and environmental needs.
- Undertake and implement projects in a manner that will yield long term, self sustaining results.
- Go beyond monetary contributions and utilize company assets (available skill sets and infrastructure) for the benefit of the underprivileged community.
- Encourage voluntary engagement by employees.

- The CSR Committee

The aim of the CSR Committee is to develop and monitor the CSR Framework for the Company, identify suitable projects, lay down the guidelines for, and oversee the implementation of the projects. The Committee will also be responsible for measuring the success of the activities undertaken and for periodic CSR reporting.

The CSR Committee at 3D PLM is constituted of

- 1) Mr. Manu Parpia, Director
- 2) Mr. Didier Gaillot, Director
- 3) Mr. Ajay Mehra, Independent Director

- Average net profit of the Company for last three financial years

The Company's average net profit for the prescribed year was ₹ 71.32 Crores, as computed under Section 135 and 198 of the Companies Act, 2013.

- Prescribed CSR Expenditure

The Company's prescribed expenditure was ₹ 1.43 Crores towards CSR, for the year under review, as computed under Section 135 and 198 of the Companies Act, 2013.

- Sector Focus and Location of Spending

In compliance with Schedule VII of the Companies Act 2013, 3D PLM has identified the following focus areas for its CSR spending for the financial year 2015-16.

- Education
- Skill Development

Geographically, 3D PLM has undertaken CSR Projects in cities where it has a presence, including Pune and Bangalore.

Annexure 'III' – Board Report (Contd.)

Annual Report on Corporate Social Responsibility (CSR) Activities:2015-16 (contd)

- Details of CSR spent during the Financial Year

Total CSR Expenditure for the Financial Year was ₹ 41 lakhs

- Implementation Strategy and Partners

3D PLM has worked with third party implementation agencies to carry out the CSR Projects, as identified. Most of the agencies are pioneers in their field of work and 3D PLM has established long term relationships with them.

The details of the initiatives funded are herewith mentioned along with names of the third party implementation agency:

Implementation Agency	CSR Project	Activities being supported
Hope for Children Foundation	The Disha Darshan Project	<ul style="list-style-type: none"> Improve the quality of life of under privileged children and help them integrate within the system, via a holistic approach including imparting life skills, teacher training etc. Thus far, 20 sessions on “Life skill” across 3 schools have been completed.
Door Step School	Parents Participation Programme	<ul style="list-style-type: none"> Build Parents’ Capacity through awareness and involvement, to encourage them to send their children to school. Identify and remove all other barriers to enrollment and continuity of children’s education. Establish the necessary infrastructure to ensure children’s education in identified project areas. Thus far, the baseline survey has been completed at 185 sites across 5 localities in Pune and 114 sites have been finalized for project execution, covering 250 parents & 300 children
Niwant Andha Mukta Vikasalaya (NAMV)	Supporting the mission of NAMV at large	<ul style="list-style-type: none"> Conduct educational workshops to sensitise the visually impaired students to what nature has to offer Ensure overall growth and development of the students Enhance employability of students An education workshop at Khopoli was organized by the NGO for all their students.
Manonandana Trust	Supporting the mission of Manonandana at large	<ul style="list-style-type: none"> Assess & Evaluate special children’s abilities and disabilities Conduct educative and interactive seminars/workshops for medical and paramedical professionals Build cognitive social, speech language and daily living skills Provide a special child friendly infrastructure like mobility, safety, etc. in the existing building Activities including the ‘Sound Proofing of the Therapy Room’ & ‘Facility-fencing’ are in progress.
3DPLM Product Innovation Labs	Academia-Corporate Skill Development Initiative	<ul style="list-style-type: none"> Enhancing employability of engineering students by fostering a “Learn by Doing” approach. Two labs have been set up thus far and the standardization of the labs has been done. Workshop for Professors of the colleges were conducted to orient/train them on Product Innovation Lab. Colleges are in the process of procuring Lab items and Lab space has been identified. A complete setup is expected to be ready by June, 2016. Community Portal creation for colleges for sharing of innovation is under progress.
Supporting Social Innovator Startups Incubator	Skill Development Initiative	<ul style="list-style-type: none"> Identify, Select, Train, Mentor and Incubate impactful startups that: Leverage technology to develop and implement innovative solutions, targeting the area of education, healthcare and rural development Have social impact, sustainability and economic feasibility 1 institute where this Incubator will be set-up has been identified and formal process of setting up Start up incubator has been initiated with the identified organization.

Annexure 'III' – Board Report (Contd.)

Annual Report on Corporate Social Responsibility (CSR) Activities:2015-16 (contd)

Details of the projects are as hereunder:

a) Disha Darshan Project

Hope for the Children Foundation (HFCF) works to improve the quality of life of underprivileged children, their mothers and in turn, their communities in India. They target children who are either school dropouts or on the verge of dropping out of the formal system of education and gently help them integrate with the system. These children are usually from single mother from a very vulnerable background.

Their holistic approach involves nutritional support in the form of daily meals, monthly food grains, medical aid, educational support and mentorship programs for the children, awareness and literacy programs, vocational training and other forms of humanitarian aid for the mothers.

Their core programs are Atmanirbharata, Shiksha Ki Asha, **Disha Darshan** which are complimented by family counseling, monthly medical check-ups, recreational activity, various training & soft skill sessions, micro finance and micro insurance to help woman regain their independence.

3D PLM as a part of Corporate Social Responsibility Initiative decided to contribute to the “**Disha Darshan**” which has the following objectives:

- Improving the quality of life of under privileged children and helping them integrate with the system, via a holistic approach
- Instilling a set of interpersonal, thinking, emotional and self-management skills amongst children across identified schools in Pune
- Training staff to guide children towards this end

b) Parent Participation Programme

“**Door Step School**” was established in Mumbai, India in 1989 with the aim of addressing literacy amongst the marginalized sections of society. The school provides education and support to the often-forgotten children of pavement and slum dwellers, construction site families and many other underprivileged families. Many of these children are not enrolled in school and have limited access to books and a place to study. Additionally, many of these children are forced to drop out of school to work or care for younger children. With neither support nor resources at home these children too often suffer from very low learning levels. At Door Step School, they trying to bridge this gap by bringing education to the “Doorstep” of these underprivileged children.

In 2011, Door Step School launched a Citizens’ Campaign- 'EVERY CHILD COUNTS(ECC)' to help meet the UN Millennium Development Goal of “Universal Elementary Education for all by 2015”. Over 1300 children from migrant families were located and enrolled in schools across the city of Pune in 2012.

The “Parents’ Participation in Children’s Education (PPCE)” program was launched in 2013, as a pilot to address “lack of parent awareness and involvement”, which was a key barrier to children not being enrolled under ECC. The larger aim was to “build Parent’s Capacity to take responsibility for the child’s schooling”. The program is into its third year since it was started in Kondhwa and Mohammedwadi areas of Pune and the results are highly encouraging.

Overall, 7000 children have been enrolled into mainstream schools under the ‘Every Child Counts’ program and Parents’ Participation in Children’s Education since 2013-14. Through programs like Every Child Counts and Parents Participation in Education, Doorstep School hopes to reach out to migrant children and ensure they have access to schooling thereby increasing their chances of a better future.

3D PLM as a part of Corporate Social Responsibility Initiative decided to contribute to the “**Parents Participation Programme**” with the following objectives:

- to build Parent’s Capacity via awareness and involvement, to take responsibility for the child’s schooling
- to identify and remove all other barriers to enrollment and continuity of children’s (particularly of migrant workers) education
- to help establish the necessary infrastructure such as preparatory camps, bridge classes and school transport to ensure children’s education in identified project areas.

c) Supporting Niwant Andh Mukh Vikasalay

Niwant Andh Mukh Vikasalay is a trust set up in Pune in 1996 that works towards the upliftment of the visually impaired students through education and vocational training.

Annexure 'III' – Board Report (Contd.)

Annual Report on Corporate Social Responsibility (CSR) Activities:2015-16 (contd)

3D PLM as a part of Corporate Social Responsibility Initiative decided to contribute towards the following activities being undertaken by NAMV

- Conducting educational workshops (including the organization of outdoor camps and nature walks), to sensitise the visually impaired students to what nature has to offer
- Ensuring overall growth and development of the students by providing healthy nutritious meals, regular medical check-ups and access to recreational activities
- Enhancing employability, and ensuring employment of NAMV graduates at different organisations, including at NAMV

d) Supporting Manonandana Trust

Manonandana Centre, established in the year 1996 provides comprehensive special education to mentally challenged and multiple disabled children belonging to lower economic group in the society. The Manonandana team works towards the better quality of lives of the families of special children.

3D PLM as part of Corporate Social Responsibility Initiative decided to contribute towards the following activities being undertaken by Manonandana Trust:

- Assessment & Evaluation of special children's abilities and disabilities through electronic media documentation for professional monitoring.
- Conducting educative and interactive seminars/workshops for medical and paramedical professionals to provide a common platform for the betterment of special children (Mentally Challenged, Cerebral Palsy, Autism & Attention Deficit-Hyper Activity Disorder).
- To build cognitive social, speech language and daily living skills using special games with realistic environment setup dedicated for moderate to severe - mental retardation and multiple disability children.
- To provide a special child friendly infrastructure like mobility, safety, etc. in the existing building.

e) 3D PLM Product Innovation Labs

As part of the Corporate Social Responsibility Initiative, 3D PLM is promoting the "Learn by Doing" approach aimed at improving the skills & competency development for students in engineering colleges / universities. **3D PLM** has set up 'Integrated Engineering Lab' in the premises of 2 colleges in Pune and Bangalore, that are called as "**3D PLM Product Innovation Lab**". Process of setting up one more Engineering lab has been initiated. The purpose is to promote 'Learn by Doing' approach, provide a platform for students to acquire integrated engineering, and multi-disciplinary skills, experiment with industry's best software / hardware to bring product innovation, provide 'hands-on' practical experiences and industry exposure to the students and promote 'Make in India', 'Start-up' culture amongst the engineering student. This will help the students Community to understand the power of Integrated engineering, advanced technologies like Systems Engineering, 3D printing, Robotics, Intelligent products, Engineering Automation. It will also provide them industry exposure and motivate them to explore, design and prototype ideas to contribute for Smart Cities / Smart Villages, build 'Make in India', 'Start-up' culture.

The '3D PLM Product Innovation Lab' will be accessible to the students, faculty members, researchers of the College and also to the students, professors, researchers of other colleges / institutes as well as industries, entrepreneurs, in the region to promote the aforementioned objectives.

The 3D PLM Product Innovation Labs have been set up at 2 colleges at the moment:

- Pimpri Chinchwad College of Engineering, Pune
- BMS College of Engineering, Bangalore

f) Supporting Social Innovation Startup Incubator

As part of the Corporate Social Responsibility Initiative, 3D PLM is supporting the creation of Social Innovation Start-up Incubator at select institutes. The purpose is to identify ideas that aim at leveraging technology to develop & implement innovative solution in the area of education, healthcare and rural development. Through this project, 3D PLM will provide an incubation platform for such ideas, and also extend Technical Mentoring Support to convert the idea from concept to reality.

Annexure 'III' – Board Report (Contd.)

Manner in which the amount has been spent during the financial year is detailed below:

(All amount in ₹)

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)
			(1) Local area or other	(2) Specify the state and district where projects or programs was undertaken		Amount spent on the projects or programs sub-heads:	Overheads:		
SN	CSR Project or activity identified	Sector in which the project is covered	(1) Local area or other	(2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Direct Expenditure on projects and programs	(2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency*
1.	Parents Participation in Children's Education Program	Literacy / Education	Pune	Maharashtra	4,42,058	4,30,000	12,058	4,42,058	4,42,058
2.	Disha Darshan	Literacy / Education	Pune	Maharashtra	7,42,058	7,30,000	12,058	7,42,058	7,42,058
3.	Supporting Niwanta Andha Mukta Vikasalaya	Literacy / Education	Pune	Maharashtra	7,12,058	7,00,000	12,058	7,12,058	7,12,058
4.	Supporting Manonandana Trust	Literacy / Education	Bangalore	Karnataka	2,12,058	2,00,000	12,058	2,12,058	2,12,058
5.	3D PLM Product Innovation Lab @ B.M.S. Educational Trust	Skill Development	Bangalore	Karnataka	10,15,277	10,00,000	15,277	10,15,277	10,15,277
6.	3D PLM Product Innovation Lab @ Pimpri Chinchwad Education Trust	Skill Development	Pune	Maharashtra	10,00,000	10,00,000	-	10,00,000	10,00,000
Total					41,23,509	40,60,000	63,509	41,23,509	41,23,509

Annexure 'III' – Board Report (Contd.)

- Unspent amounts

Amount unspent for the Financial Year: ₹ 1.02 Crores.

Some of the projects committed to by the company, could not be completed in the current Financial Year because of reasons beyond the control of the Company including delay in getting requisite Governmental permissions, procedural delays in submission of documents by partners for due diligence, setting up of the requisite infrastructure and machinery etc. Hence, we have not been able to spend the prescribed amount during this Financial Year.

We are committed to closing all the pending projects with our partners at the earliest possible. Going forward, it will be our endeavor to align our CSR Initiatives to the priority areas of inclusive growth as identified at the national level. Given the need to boost skill development and rural development, 3D PLM would like to optimize the benefits of its CSR Projects in a way that they feed into the overarching priorities of the nation.

In pursuit of this commitment, listed below are some of the specific projects that are under planning and will be implemented in the financial year 2015-16 utilizing the CSR budget for the period under review.

1. Instituting 3 additional 3D PLM Product Innovation Labs in cities where 3D PLM has a geographic presence
2. Support the Social Innovation Startups Incubator at an institute
3. Strengthen our support to existing partners and extend support to 2 other institutions working in the field of education and skill development

- Responsibility statement

3D PLM undertakes regular monitoring exercises to ensure that the projects being implemented by agencies in a manner that are compliant with the Company's overall policies (particularly CSR Policy) and ethics and are achieving the desired results. The endeavor is to also put in place impact assessment measures to quantify the success of the CSR Projects being undertaken.

Annexure 'IV' – Board Report

Disclosure for Ratio of Remuneration of each Director to the Median Employee's Remuneration and other details as per Rule 5 of the Companies (Appointment & Remuneration) Rules, 2014

The variations in the net worth of the Company as at the close of the current Financial Year and previous Financial Year:

Particulars	As on March 31, 2016 (Current F.Y.)	As on March 31, 2015 (Previous F.Y.)
Percentage increase over decrease in the market quotations of the shares of the Company	NA	NA
Net Worth of the Company	1,815,407,153	2,248,863,715

Statement Pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Name of employee	Sudarshan Mogasale	Milind Shastri
Designation of employee	CEO	Senior Vice President
Remuneration received	₹ 12,493,599.00	₹ 8,186,677
Nature of employment, whether contractual or otherwise	Contractual	On payroll
Qualifications and experience of the employee	B.E. with 21 years' experience	M.Tech. with 28 years' experience
Date of commencement of employment	16-Dec-1996	01-Jul-1994
Age of such employee	45 years	52 years
Last employment held by such employee before joining the Company	Space Applications Center (ISRO)	Godrej & Boyce Mfg. Co. Ltd.
% of equity shares held by the employee in the Company	-	-
Whether any such employee is a relative of any Director or Manager of the Company and if so, name of such Director or Manager	No	No

Notes:

1. The Gross remuneration shown above is subject to tax and comprises salary, allowances, monetary value of perquisites as per Income Tax Rules and Company's contribution to Provident Fund & Superannuation Fund.
2. In addition to the above remuneration, employees are entitled to medical benefits etc., in accordance with the Company's rules.
3. The remuneration as indicated above includes performance linked payments for the employees for the previous year, which were approved by the Management during the year.

Annexure 'V' – Board Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2016.

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
3D PLM Software Solutions Limited,
Plant No.11, 3rd floor, Pirojshanagar,
Vikhroli (West), Mumbai 400 079.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 3D PLM Software Solutions Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, Minute Books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my/our opinion, the company has during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, Minute Books, forms and returns filed and other records maintained by 3D PLM Software Solutions Limited ("the Company") for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other specific laws applicable to the company as given in detail below.

I/we have also examined compliance with the applicable clauses of the following the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Companies Act, 2013 (the Act) and the rules made thereunder –

Board Meetings and General Meetings

The company has conducted 5 (five) Board Meetings in course of the financial year, namely on 14.04.2015, 01.07.2015, 15.07.2015, 15.10.2015, 19.01.2016 and on 14.03.2016, after complying with the provisions of the Act.

The Board of Directors has constituted an Audit Committee and a Nomination and Remuneration Committee from amongst its members. The policy in respect of each of these Committees has been approved at the Meetings of the Board. The Audit Committee met on 15.07.2015, 15.10.2015, 19.01.2016 and on 14.03.2016.

The company held its Annual General Meeting on 15.07.2015 and an Extra-ordinary General Meeting on that date.

The requirements of the aforesaid Act and Rules pertaining to these meetings have been complied with by the company. Necessary returns, required to be filed with regard to the matters taken up in these meetings, as per the provisions of the Companies Act, 2013 (the Act) and the rules made thereunder have been filed by it with the Ministry of Corporate Affairs.

Corporate Social Responsibility

The company has earmarked an amount of 2% of its average net profits amounting to ₹14,264,740.68 during the financial year 2014-15, for its contribution towards Corporate Social Responsibility, in terms of Section 135 of the Companies Act, 2013. An amount of ₹4,060,000/-

Annexure 'V' – Board Report (Contd.)

has already been disbursed by it to various eligible organizations.

2. **The Securities Contracts (Regulation) Act, 1956 and the Securities Contracts (Regulation) Rules, 1957** deal with the regulation and the governance of Stock Exchanges and hence are not applicable to the company.
3. **The Depositories Act, 1996** deals with regulation of transactions pertaining to securities between Depositories, Depository Participants, Issuers and Beneficial Owners. The company has 7 (seven) shareholders. Its shares are in physical form and not dematerialized. The company is not registered with any Depository Participant. Hence this Act is not applicable to the company.
4. **Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings** – It is given to understand by the company that it did not make any investment in a Joint Venture or in a Wholly Owned Subsidiary outside India in the course of the financial year ended on 31st March, 2016. It was seen from the books and records made available to me for my verification that it has not issued any securities to any foreign entity/entities during this period. No External Commercial Borrowings were made by it in course of that financial year. Hence, in my opinion, the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings with particular reference to the year under review are not applicable to the company.

I have examined the applicability of the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') which have been mentioned in the earlier part of this report. I have to make the following observations:

1. **The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.**
The company is a subsidiary of Geometric Limited, a public limited company listed on the Stock Exchange/s. For the purpose of this Act it is one of the 'persons acting in concert' (as defined in that Act), with Geometric Limited. I have tried to ascertain whether Geometric Limited and the company along with other 'persons acting in concert' have acquired 25% or more of listed securities in the course of the financial year ended on 31st March, 2015. I was given to understand that the company has not acquired any listed/quoted securities, during that financial year. Hence, these Regulations do not apply to it.
2. **The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.** These regulations apply only to a listed company. However, even then the company is a 'connected person' being a subsidiary of a listed company as per Regulation 2(d). Every connected

person is an 'insider' [Regulation 2(g)]. It is given to understand that the company was not in possession of any "unpublished price sensitive information" relating to the price of the securities of Geometric Limited.

For the purposes of these Regulations, "unpublished price sensitive information" means any information, relating to a company or its securities, directly or indirectly that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities. Hence these Regulations are not applicable to the company.

3. **Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009** - These Regulations deal with public issues and hence are not applicable to the company.
4. **The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999** – These Guidelines apply to any company whose shares are listed on any recognized stock exchange in India. As the securities of the company are not listed, in my opinion, the same do not apply to it.
5. **The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008** are not applicable to the company for the financial year under review as it has not made any:
 - (a) public issue of debt securities; and
 - (b) listed debt securities issued through public issue or on private placement basis on a recognized stock exchange.
6. **The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993** - These Regulations lay down the procedure for registration and regulation of the working of Registrars and Share Transfer Agents and as such do not apply to the company.
7. **The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.** These regulations apply to delisting of equity shares of a company from all or any of the recognised stock exchanges where such shares are listed. As the shares of the company are not listed, these regulations do not apply to it.
8. **The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998** - These regulations are applicable to buy-back of shares or other specified securities of a company listed on a stock exchange. The company has confirmed that none of its securities were ever listed on any stock exchange. Hence, these Regulations do not apply to the company.

Applicability of other Acts and Laws.

I have examined the applicability of various other Acts and laws applicable to the company. I have to make the following observations with regard to the same:

Annexure 'V' – Board Report (Contd.)

Employees' State Insurance Act, 1948 – This Act is only applicable to such of the employees who are drawing wages of less than ₹15,000/- (excluding overtime) per month. As none of the employees of the company are drawing wages (excluding overtime) of less than ₹15,000/- per month this Act does not apply to the company.

Employees' Provident Fund and Miscellaneous Provisions Act, 1952 - This Act is applicable to the company. The company is regular in depositing both the employer's and employees contributions with the Provident Fund Authorities.

The Payment of Bonus Act, 1965 - The Act is only applicable to such of the employees who are drawing wages of less than ₹3,500/- per month. As none of the employees of the company draw wages of less than ₹3,500/-, this Act is not applicable to the company.

The Payment of Gratuity Act, 1972 – Earlier the company had a Trust to administer funds for Gratuity and Superannuation payments, which was common for its employees and those of its holding company, Geometric Ltd. In course of the year, it has set up a separate irrevocable trust for its own employees, in collaboration with the Life Insurance Corporation of India Ltd (LIC). The company pays LIC such amount of contribution estimated by LIC to secure the benefits to the employees. Disbursement of the same is made by LIC as and when it falls due.

The Maharashtra State Tax on Professions, Trades, Callings and Employments Act– The company has regularly made payments of the tax with the concerned authorities during the financial year ended 31st March, 2016.

The Karnataka Tax on Profession, Trades, Calling and Employment Act, 1976 - The company has regularly made payments of the tax with the concerned authorities during the financial year ended 31st March, 2016.

Service Tax (Chapter V of the Finance Act, 1994) – This Act is applicable to the services rendered by the company. The company has regularly deposited the amount of Service Tax with the concerned authorities on/before the respective due dates, during the financial year under audit.

Karnataka Shops and Commercial Establishments Act, 1961 – The company has an establishment in the State of Karnataka, and hence the Act applies to it. The company has renewed its registration under this Act during the financial year.

Bombay Shops and Establishments Act, 1948 – This Act applies to the areas in the State of Maharashtra specified in Schedule I of the Act. In this State, the company has three establishments, one at Airoli, Navi Mumbai, its corporate and registered office at Vikhroli, Mumbai city and the third at Pune Infotech Park, Hinjewadi, Pune. The first two establishments are registered under this Act and have

renewed their registration during the financial year under audit. However, as the last establishment falls outside the areas mentioned in Schedule I of the Act, the Act is not applicable to it.

Equal Remuneration Act, 1976 – It is given to understand that equal remuneration is paid to all employees for same work or work of similar nature and there is no discrimination between men and women while recruiting or in subsequent to recruitment, promotion, etc. Thus, this Act is not applicable to the company.

The Child Labour (Prohibition and Regulation) Act, 1986 – The company does not employ any person below the age of 14 (fourteen) years and hence this Act is not applicable to it.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Women Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance to them, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Whenever a meeting was called at a shorter notice than 7 (seven) days, the consent of all directors was obtained for giving less than seven days' notice of the meeting concerned.

Majority decision of matters placed before the Board is carried through for approval. I am given to understand by the company that none of the members of the Board, who were present at the respective meetings dissented on the matters.

I/we further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I/we further report that during the audit period no major events having a major bearing on the affairs of the company have taken place:

Sd/-

A. J. Gandhi
FCS No: 1632
Certificate of Practice No: 2095

Place: Mumbai
Date: 15th April, 2016.

Annexure 'VI' – Board's Report

Form No. MGT 9

Extract of Annual Return as on Financial Year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U72900MH2001PLC134244
2.	Registration Date	December 14, 2001
3.	Name of the Company	3D PLM SOFTWARE SOLUTIONS LIMITED
4.	Category/Sub-category of the Company	Public Limited Company
5.	Address of the Registered office & contact details	Plant 11, 3rd Floor, Pirojshanagar, Vikhroli (West), Mumbai – 400 079 Tel: 022 – 2518 9205, Fax: 022 – 6705 6891 E-mail: investor-relations@geometricglobal.com
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Made-to-order software, developed and supplied to a specific user	72292	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name of the Company	Country	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
1.	Geometric Limited	India	L72200MH1994PLC077342	Holding	58%	Section 2(46)
2.	Dassault Systemes SE	France	-	Holding	25%	Section 2(46)
3.	Dassault Systemes Americas Corp	USA	-	Holding	17%	Section 2(46)
4.	3D PLM Global Services Pvt. Ltd.	India	U72900MH2014PTC259502	Subsidiary	100%	Section 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding:

Category of Shareholders	No. of Shares held								% Change during the year
	[As on 31-March-2015]				[As on 31-March-2016]				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian - Bodies Corp.	-	900,200	900,200	58%	-	900,200	900,200	58%	-
(2) Foreigner - Bodies Corp.	-	652,000	652,000	42%	-	652,000	652,000	42%	-
Total shareholding of Promoter (A)	-	1,552,200	1,552,200	100%	-	1,552,200	1,552,200	100%	-
B. Public Shareholding	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	1,552,200	1,552,200	100%	-	1,552,200	1,552,200	100%	-

Annexure 'VI' – Board's Report (Contd.)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

B) Shareholding of Promoters-

SN	Shareholder's Name	Shareholding of the Promoters						% change in shareholding during the year
		[As on 31-March-2015]			[As on 31-March-2016]			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Geometric Limited	900,200	58%	-	900,200	58%	-	-
2	Dassault Systemes SE	385,800	25%	-	385,800	25%	-	-
3	Dassault Systemes Americas, Corp	266,200	17%	-	266,200	17%	-	-
	TOTAL	1,552,200	100%		1,552,200	100%		

C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	1,552,200	100%	1,552,200	100%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	There is no change in the absolute shareholding of the Promoters during the year.			
	At the end of the year	1,552,200	100%	1,552,200	100%

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs): No other shareholders

V. INDEBTEDNESS – The Company has not availed any loan during the year and is a debt-free company.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

- None of the directors have been paid any remuneration during the year.
- Remuneration to Manager:

SN	Particulars of Remuneration	Sudarshan Mogasale (Manager and CEO)
1	Gross salary	
	(a) in Salary as per provisions contained section 17(1) of the Income-tax Act, 1961	4,599,209
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,000,800
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	
2	Stock Option (nos.)*	
	i) Granted during the year	
	ii) Exercised during the year	30,000
	iii) Balance as on March 31, 2016	30,000
3	Sweat Equity	NA

Annexure 'VI' – Board's Report (Contd.)

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (Contd.)

SN	Particulars of Remuneration	Sudarshan Mogasale (Manager and CEO)
4	Variable Pay	3,446,795
5	Commission - as % of profit	NA
	Total (A) (Total of remuneration does not include the number of Stock Options)	9,046,804
	Ceiling as per the Act	12,493,599

* Stock options held are granted by Geometric Limited, holding Company of the Company

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			N.A.		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			N.A.		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			N.A.		
Punishment					
Compounding					

Annexure 'VII' – Board's Report

Particulars as prescribed under section 134 (3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

A. Conservation of Energy:

(i) the steps taken or impact on conservation of energy:

We are operating from three different locations and have successfully implemented power saving initiatives like VRF, LED lights in all three locations. We have also implemented Power Saving Policy on Domain which automatically puts a PC in standby mode if the user is not using it. This way, we save a lot of electricity.

We have taken steps to improve the "Power factor" which will help in

- Less consumption of power.
- Health/durability of the electrical equipment is enhanced.

We are also implementing in phased manner

- Sun guard insulation – to prevent the heat transmitting
- Installation of double layered glass
- Effective insulation to the Air Handling Units (AHU)

(ii) the capital investment on energy conservation equipment's:

We have implemented the concept of virtualization of IT Assets to reduce Computer Hardware requirements. Before buying any computer hardware, we check whether that can be virtualized and accordingly take the purchase call. We always give the first preference to virtualization to conserve the energy.

B. Technology Absorption:

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

i. Efforts made towards Technology Absorption:

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

ii. the benefits derived like product improvement, cost reduction, product development or import substitution;:

High Product quality and increased business potential.

iii. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year):

- | | | |
|---|---|--|
| <p>a. the details of technology imported:</p> <p>b. the year of import:</p> <p>c. whether the technology been fully absorbed ?</p> <p>d. If not fully absorbed, areas where absorption has not taken place, and reasons thereof</p> | } | <p>Not Applicable
as no imported
technology is
put to use.</p> |
|---|---|--|

iv. No Expenditure incurred on Research and Development.

v. Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

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

(Figures in ₹ Lakhs)

Particulars	FY16	FY15
Total Foreign Exchange used	68.07	89.80
Total Foreign Exchange earned	30,038.49	29,075.60



3D PLM SOFTWARE SOLUTIONS LTD.

**Consolidated Financial Statements
for the year ended March 31, 2016**

Regd. Office:

Plant 11, 3rd Floor, Pirojshanagar, Vikhroli (West), Mumbai - 400 079, India

Independent Auditor's Report

To the Members of
3D PLM Software Solutions Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of 3D PLM Software Solutions Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143 (3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
 - (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;

Independent Auditor's Report (Contd.)

- (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiary as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and its subsidiary, none of the directors of the Group's companies, is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls,
 - 1. Refer to our separate Report in "Annexure 1" to this report.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, – Refer Note 23 to the consolidated financial statements;
 - ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

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

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: April 18, 2016

Independent Auditor's Report (Contd.)

ANNEXURE-1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF 3D PLM SOFTWARE SOLUTIONS LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of 3D PLM Software Solutions Limited

In conjunction with our audit of the consolidated financial statements of 3D PLM Software Solutions Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of 3D PLM Software Solutions Limited (hereinafter referred to as 'Holding Company') and its subsidiary, incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary company, incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary company, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other matters

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2016, and the related Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated April 18, 2016 expressed an unqualified opinion thereon.

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

per Govind Ahuja
Partner
Membership Number: 48966

Place of Signature: Mumbai
Date: April 18, 2016

Consolidated Balance Sheet as at 31 March 2016

(All amounts in millions unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2016	March 31, 2015
Equity and Liabilities			
Shareholders' Funds			
Share capital	4	16	16
Reserves and surplus	5	1,708	2,233
		1,723	2,249
Non-Current Liabilities			
Deferred tax liabilities (Net)	6	18	28
Other long term liabilities	7	57	61
Current Liabilities			
Trade payables	8	9	-
Other current liabilities	9	337	229
Short term provisions	10	99	91
Total Equity and Liabilities		2,244	2,658
Assets			
Non-Current assets			
Fixed assets	11		
Tangible assets		1,209	1,188
Intangible assets*		0	0
Capital work-in-progress		6	21
Long term loans and advances	12	172	164
Other non-current assets	13	7	66
Current Assets			
Current investments	14	489	597
Trade receivables	15	158	132
Cash and Bank Balances	16	45	27
Short term loans and advances	17	66	54
Other current assets	18	92	417
Total Assets		2,244	2,658
Summary of Significant Accounting Policies	3		

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

* value is less than one million ₹

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

per **Govind Ahuja**
Partner
Membership No:48966

Place: Mumbai
Date: April 18, 2016

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

Pallavi Pathak
DIN: 07151136
Alternate Director to Manu Parpia

Chandan Chowdhury
DIN: 00906211
Alternate Director to Didier Gaillot

Sudarshan Mogasale
PAN: AAXPM5923B
CEO and Manager

Consolidated Statement of Profit and Loss for the year ended March 31, 2016

(All amounts in millions unless otherwise stated)

Particulars	Notes	Year Ended	
		March 31, 2016	March 31, 2015
Income			
<u>Revenue from Operations</u>			
Revenue from operations		3,360	2,914
Other income	19	344	174
Total Revenue		3,704	3,088
Expenditure			
Employee benefit expenses	20	2,171	1,806
Operating and other expenses	21	410	288
Depreciation and amortisation expense	11	231	212
Total Expenses		2,812	2,306
Profit before tax		892	781
Tax expenses			
Current taxes		314	258
Adjustment of tax relating to earlier periods (net)		(2)	4
MAT credit entitlement		(9)	-
Deferred tax (credit)/expense		(10)	5
Total tax expenses		292	268
Profit for the year		600	514
Earnings per equity share			
Basic and Diluted [Nominal value of the shares ₹ 10 (March 31, 2015 : ₹10)]	29	386.53	331.01

Summary of Significant Accounting Policies

3

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

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

per **Govind Ahuja**
Partner
Membership No:48966

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

Pallavi Pathak
DIN: 07151136
Alternate Director to Manu Parpia

Chandan Chowdhury
DIN: 00906211
Alternate Director to Didier Gaillot

Place: Mumbai
Date: April 18, 2016

Sudarshan Mogasale
PAN: AAXPM5923B
CEO and Manager

Consolidated Cash flow statement for the year ended March 31, 2016

(All amounts in millions unless otherwise stated)

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Cash Flow from Operating Activities		
Profit Before Tax	892	781
<u>Adjustment to reconcile Profit/ (loss) before tax to net cash flows</u>		
Depreciation and amortisation	231	212
Excess provision written back	(2)	-
Sundry balances written off	1	-
(Profit) / Loss on Sale of Fixed Assets	1	(5)
(Profit) / Loss on Sale of Investments	(2)	(1)
Interest Income	(1)	(1)
Dividend Income	(24)	(27)
Unrealised (gain)/loss	28	(35)
Operating Cash Flows Before Working Capital Changes	<u>1,124</u>	<u>925</u>
Movement in working capital		
Increase/ (Decrease) in Other Long Term Liabilities	(7)	28
Increase/ (Decrease) in Trade Payables*	0	(1)
Increase/ (Decrease) in Other Current Liabilities	116	(77)
Increase/ (Decrease) in Short Term Provisions	4	29
Decrease/ (Increase) in Long Term Loans and Advances	(8)	(11)
Decrease/ (Increase) in Trade Receivables	(27)	7
Decrease/ (Increase) in Short Term Loans and Advances	(13)	(8)
Decrease/ (Increase) in Other Current Assets	(29)	(29)
Cash Generated from Operations	<u>1,160</u>	<u>862</u>
Income Taxes Paid	(310)	(245)
Net Cash Flow from Operating Activities	(A) 850	618
Cash Flow from Investing Activities		
Purchase of Fixed Assets including CWIP and Capital advances	(231)	(204)
Proceeds from Sale of Fixed Assets	3	5
Purchase of Investments	(3,966)	(2,159)
Proceeds from Sale/Redemption of Investments (Net)	4,076	2,274
Fixed Deposit Placed	(3)	(2)
Fixed Deposit Matured	2	2
Dividend Received	24	27
Net Cash from Investing Activities	(B) (92)	(56)

* value is less than one million ₹

Consolidated Cash flow statement for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Cash Flow from Financing Activities:		
Dividend Paid including dividend tax	(742)	(545)
Net Cash used in Financing Activities	(C) (742)	(545)
Net Increase/ (Decrease) In Cash And Cash Equivalents (A+B+C)	16	17
Effect of exchange difference on Cash and Cash Equivalents*	(0)	1
Cash and Cash equivalents at the beginning of the year	27	10
Cash and Cash equivalents at the end of the year	43	27
Components of cash and cash equivalents		
Cash and cheques on hand	-	-
Remittance in Transit	20	-
<u>Balances with Banks in current accounts</u>	23	27
Cash and Cash equivalents at the end of the year (Refer note 16)	43	27

Summary of Significant Accounting Policies

3

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

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

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

per Govind Ahuja
Partner
Membership No:48966

Pallavi Pathak
DIN: 07151136
Alternate Director to Manu Parpia

Chandan Chowdhury
DIN: 00906211
Alternate Director to Didier Gaillot

Place: Mumbai
Date: April 18, 2016

Sudarshan Mogasale
PAN: AAXPM5923B
CEO and Manager

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

1. Nature of operations

3D PLM Software Solutions Limited ("3D PLM" or 'the Company') along with its subsidiary 3D PLM Global Services Private Limited ('3D GS') collectively referred to as the "The Group" is engaged in product development, industrialisation, maintenance, documentation and market support for Product Lifecycle Management (PLM) softwares of Dassault Systemes and provides back end support to finance and sales business administration function of Dassault Systemes. The group also provides Software service, IT and Engineering services and all other related areas including design, development, testing, integration, migration, up gradation, support and maintenance as suppliers to Dassault Systemes and Geometric.

2. Basis of preparation

The consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The consolidated financial statements comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of the previous year.

3. Summary of significant accounting policies

a) Use of estimates

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

b) Basis of Consolidation

The consolidated financial statements ("CFS") are related to the Company and its subsidiary company namely 3D PLM Global Services Private Limited (or '3D GS'). (collectively referred to as 'the Group'),

1) Basis of Accounting:

The CFS has been prepared in accordance with Accounting Standard 21 (AS 21) – "Consolidated

Financial Statements" notified by Companies (Accounting Standard) Rules, 2006 (as amended).

2) Principles of consolidation:

The CFS has been prepared using uniform accounting policies and on the following basis:

- i) The financial statements of the Company and its subsidiary companies have been combined on a line to line basis by adding together like items of assets, liabilities, income and expenses. The intra group balances and intra group transactions and unrealized profits or losses have been fully eliminated unless cost cannot be recovered.
- ii) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent for its separate financial statements.
- iii) The consolidated financial statements are prepared using uniform accounting policies to the extent practicable across the Group. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by Group.
- iv) The CFS are based, in so far as they are related to amounts included in respect of subsidiaries, on the audited financial statements prepared for consolidation in accordance with the requirements of notified AS 21 by each of the included entities.
- c) List of subsidiaries which are more than 50% owned or controlled and included in the Consolidated Financials:

c. The subsidiaries considered in the preparation of the CFS and the shareholding of the Company in these companies is as follows:

Sr. No	Name of Subsidiary Companies	Country of Incorporation	Percentage of Ownership interest
1.	3D PLM Global Services Private Limited (From November 19, 2014)	India	100%

d) Tangible Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation, amortisation and impairment losses if

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

any. Cost includes all expenses related to acquisition and installation of the concerned assets and any directly attributable cost of bringing the asset to the condition of its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

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

e) Depreciation on Tangible Fixed Assets

(1) Depreciation on fixed assets

The Company has revised the estimated useful life of certain office equipment from 13 years to 5 years to align it with useful lives under Schedule II of the Companies Act, 2013. Pursuant to such change, the carrying value of ₹ 1.8 millions of office equipment whose revised useful life has been exhausted at April 1, 2014, net of deferred tax of ₹ 0.6 million has been charged against surplus in the statement of profit and loss.

Depreciation on Tangible Fixed Assets

Leasehold land is amortised on a straight line basis over the period of lease.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

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

Particulars/ Asset type	Years of useful life
Building	28
Computers	3
Electrical Installation	8
Office Equipment	5
Furniture and Fixtures	10
Vehicles	5

The management has estimated, supported by

independent assessment by professionals, the useful lives of the following classes of assets.

- The useful lives of servers and networking equipment forming part of computer peripherals and related equipment are estimated as 3-5 years. These lives are lower than those indicated in schedule II.
- The useful lives of office premises, electrical installation are estimated as 28 years, 8 years respectively. These lives are lower than those indicated in schedule II.
- The useful lives of vehicles are estimated as 5 years. These lives are lower than those indicated in schedule II.

f) Intangible Assets and related amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are amortised on a straight-line basis over the estimated useful economic life. Following initial recognition intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss if any. Intangible assets consist of computer software and are amortised over a period of one year. The amortisation period and amortisation method are reviewed at each financial year end.

g) Leases where the Company is a Lessee

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

h) Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

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and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued plant, property and equipment, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

i) Investments

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

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

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

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

j) Foreign Exchange Transactions

(i) Initial Recognition

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

(ii) Conversion

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

(iii) Exchange Differences

Exchange differences arising on the translation/settlement of foreign currency monetary items are recognised as income or expense in the period in which they arise.

(iv) Forward Exchange Contracts

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

The Company designates these forward contracts in a hedge relationship by applying the hedge accounting principles of AS 30 Financial Instruments: Recognition and Measurement.

For the purpose of hedge accounting, hedges are classified as Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

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

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(All amounts in millions unless otherwise stated)

Cash flow hedges are accounted as follows:

The company uses foreign currency forward contracts as hedges of its exposure to foreign currency risk in forecasted transactions and firm commitments.

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

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

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

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

Hedge accounting is discontinued from the last testing date when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. Cumulative gain or loss on such hedging instrument recognized in shareholder's funds is retained there until the forecasted transaction occurs. If the forecast transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholders' funds is transferred to statement of profit and loss for the year. Exchange

differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

k) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Income from Services

Revenue from time and material contracts for software services is recognized when the related services are rendered to the customers. In case of fixed price contracts, which are generally time bound, revenue is recognized over the life of the contract using proportionate completion method, on the basis of work completed.

Unbilled revenue included in other current assets represents revenues recognized for efforts incurred but not billed as at the balance sheet date. Advance billing and deferred revenue included in current liabilities represents billing in excess of revenue recognized.

Income from reimbursable assets

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

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of Profit and loss.

Dividend

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

l) Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and the tax laws used to compute are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

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timing differences for the earlier years.

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

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

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognized as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the guidance note on Accounting for credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as "MAT Credit Entitlement" asset. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down asset to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period

m) Retirement and Employee Benefits

Retirement benefits in the form of Provident Fund and Superannuation are defined contribution schemes. The

Company has no obligation other than the contribution payable to the funds. The Company recognizes contribution payable to the provident fund and superannuation scheme as an expenditure when an employee renders the related services.

The Company operates a gratuity plan which is a defined benefit plan. The cost of providing benefits is determined on the basis of an actuarial valuation at each year end. The actuarial valuation is carried out using the projected unit credit method. Actuarial gain and losses, if any, are recognized in full, in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

n) Provisions

A provision is recognised when the Company embodying economic benefits has a present obligation as a result of past event; it is probable that an outflow of resources of the amount of the obligation will be required to settle the obligation, and reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at each reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

o) Segment Reporting

The Company is exclusively engaged in the business of Software Development for Dassault Systemes and its affiliates. Accordingly, in terms of AS 17 on Segment Reporting, its operations are considered to constitute

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

one single primary segment. The Secondary segments are geographical areas by location of customers.

p) Earnings Per Share

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

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

q) Contingent liabilities

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

r) Cash and cash equivalents

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

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

Particulars	As at	
	March 31, 2016	March 31, 2015
4. Share Capital		
<u>Authorised :</u>		
2,700,000 (March 31, 2015: 2,700,000) Equity shares of ₹10 each	27	27
300,000 (March 31, 2015: 300,000) Class 'A' and Class 'B' Equity Shares of ₹10 each with differential voting rights	3	3
	30	30
<u>Issued, Subscribed and Paid Up :</u>		
1,373,246 (March 31, 2015: 1,373,246) Equity shares of ₹ 10 each fully paid	14	14
72,965 (March 31, 2015: 72,965) Class 'A' Equity Shares of ₹ 10 each fully paid	1	1
105,989 (March 31, 2015: 105,989) Class 'B' Equity Shares of ₹ 10 each fully paid	1	1
	16	16
a. <u>Terms/rights attached to equity shares</u>		
1,373,246 equity shares of the face value of ₹ 10 each fully paid carry a single voting right (1 vote for every single share held)		
72,965 Class 'A' equity shares of ₹10 each fully paid have differential voting rights of 2 votes for every one such share held		
105,989 Class 'B' equity shares of ₹ 10 each fully paid have differential voting rights of 2 votes for every one share held and one additional vote each on:		
i. a change in control that has occurred due to actions by any person regarded as a Dassault Systemes Competitor as defined in the Shareholder's Agreement; or		
ii. Upon issuance of the "Notice of Increase" as defined in the Shareholders Agreement. Each equity share carries equal dividend rights irrespective of the class of shares to which it belongs. The dividend proposed by the board of Directors is subject to approval of shareholders in the ensuing general meeting In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.		
b. <u>Details of shareholders holding more than 5% shares in the company and shares held by holding company</u>		
(i) <u>Equity Shares</u>		
<u>Geometric Limited (Holding Company) (Refer note 34)</u>		
Number of shares held	900,200	900,200
Percentage of holding in the class	66%	66%
<u>Dassault Systemes SA France</u>		
Number of shares held	385,800	385,800
Percentage of holding in the class	28%	28%
<u>Dassault Systemes Americas Corp</u>		
Number of shares held	87,246	87,246
Percentage of holding in the class	6%	6%
	1,373,246	1,373,246

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

4. Share Capital (contd.)

(All amounts in millions unless otherwise stated)

b. Details of shareholders holding more than 5% shares in the company and shares held by holding company (contd.)

(ii) Class 'A' Equity Shares

Dassault Systemes Americas Corp

Number of shares held	72,965	72,965
Percentage of holding in the class	100%	100%
	<u>72,965</u>	<u>72,965</u>

(iii) Class 'B' Equity Shares

Dassault Systemes Americas Corp

Number of shares held	105,989	105,989
Percentage of holding in the class	100%	100%
	<u>105,989</u>	<u>105,989</u>

c. Aggregate number of shares issued for consideration other than cash and during the period of five years immediately preceding the reporting date:

Equity shares (issued on July 1, 2011)	87,246	87,246
Class 'A' Equity Shares (issued on July 1, 2011)	72,965	72,965
Class 'B' Equity Shares (issued on July 1, 2011)	105,989	105,989
	<u>266,200</u>	<u>266,200</u>

March 31, 2016	March 31, 2015
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5. Reserves And Surplus

General Reserve

Balance as per last financial statement	208	156
Add: Transfer from surplus balance in the statement of profit and loss	57	52
	<u>265</u>	<u>208</u>

Cash Flow Hedging Reserve

Balance as per last financial statement	391	(58)
Add/ Less : Movement during the period (net)	(384)	449
	<u>7</u>	<u>391</u>

Securities Premium

Capital Redemption Reserve	1	1
Capital Reserve	1	1

Surplus in the statement of Profit and Loss

Balance as per last financial statement	1,329	1,413
Add : Net Profit for the period	600	514
Less : Interim Dividend	(616)	(466)
Less : Dividend Distribution Tax	(125)	(79)
Less : Adjustment pursuant to revision in useful life of assets (Net of tax impact) Refer Note 3E	-	(1)
Less : Transfer to General Reserve	(57)	(52)
Net Surplus in the statement of Profit and Loss	<u>1,130</u>	<u>1,329</u>
	<u>1,708</u>	<u>2,233</u>

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

6. Deferred Tax Liability (Net)

Particulars	As at	
	March 31, 2016	March 31, 2015
<u>Deferred Tax Liability</u>		
Difference in depreciation of tax books and financial books	37	43
<u>Deferred Tax Asset</u>		
Effect of expenditure debited to Statement of Profit and Loss account in the current year but allowed for tax purposes in subsequent years	(18)	(15)
	<u>18</u>	<u>28</u>

7. Other Long Term Liabilities

Deferred Revenue	53	61
Forward Contract Payable	4	-
	<u>57</u>	<u>61</u>

8. Trade Payables

Trade Payables (Refer note 33)	9	9
	<u>9</u>	<u>9</u>

9. Other Current Liabilities

Deferred Revenue	64	57
Retention Money	4	2
Accrued Expenses	133	91
Statutory Liabilities	40	30
Deposits from Vendors*	0	0
Advances from customers	43	-
<u>Payables to Related Parties</u>		
Geometric Limited	2	-
Geometric Americas Inc.	1	-
Capex Creditors	25	26
Others Payables	24	22
	<u>337</u>	<u>229</u>

10. Short Term Provisions

Provision for taxation (net of advance tax)	4	-
Provision for employee benefits		
Gratuity	36	48
Compensated Absences	59	43
	<u>99</u>	<u>91</u>

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

Asset	(All amounts in millions unless otherwise stated)						Net Block	
	As at April 1, 2015	Additions	Gross Block Disposals	Adjustment	As at March 31, 2016	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Tangible Assets:								
- Leasehold Land	388	-	-	-	388	5	27	366
- Leasehold Improvement*	4	44	-	-	48	8	8	40
- Buildings	495	13	-	-	508	18	97	411
- Computers	796	119	20	-	895	122	708	187
- Electrical Installations	142	4	3	-	144	17	103	41
- Office Equipment and EPBAX *	216	51	1	-	267	41	169	98
- Furniture and Fixtures	144	22	5	-	161	15	89	72
- Vehicles*	12	-	8	-	4	2	4	0
Total	2,198	254	37	(0)	2,416	228	1,206	1,209
Previous year *	2,081	177	59	(0)	2,198	210	1,010	1,188
Intangible Assets:								
- Computer Software*	4	2	-	-	7	3	7	0
Total	4	2	-	-	7	3	7	0
Previous year *	3	1	-	0	4	1	0	0
Grand Total	2,203	257	37	-	2,422	231	1,213	1,210
Previous year	2,084	178	59	-	2,203	212	1,014	1,189
Capital Work in Progress								
								21

Note : Amounts disclosed in column "Adjustment" includes reclassification of certain assets from Computers to Software and Office Equipments on the basis of it nature and use of assets.

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

12. Long Term Loans And Advances

Particulars	As at	
	March 31, 2016	March 31, 2015
<u>Unsecured, considered good</u>		
<u>Capital Advances</u>		
<u>To related party</u>		
Godrej and Boyce Manufacturing Company Limited.	-	3
Security Deposits	2	10
Others	42	32
<u>Others</u>		
Service Tax Receivable	43	41
Advance Income Tax (net of provisions for taxation)	1	1
Fringe Benefit Tax	9	-
MAT credit entitlement	A	172
<u>Unsecured, considered doubtful</u>		
Service Tax Receivable	2	2
Less : Provision for doubtful advances	B	2
	-	-
	(A + B)	172

13. Other Non Current Assets

Deposits in Banks (with remaining maturity greater than twelve months) [Pledged with bankers for obtaining bank guarantees ₹ 5.4 millions (March 31, 2015: ₹ 5.7 Millions)]	7	10
Forward Contracts Receivable	-	57
	7	66

14. Current Investments

	As at					
	Units	Face Value	March 31, 2016	Units	Face Value	March 31, 2015
<u>Other Than Trade, Unquoted, Fully Paid Up (at lower of cost or fair value)</u>						
<u>Investments in Mutual Funds</u>						
Baroda Pioneer Liquid Fund - Plan B Daily Dividend- Re-investment	-	-	-	5,036.50	1,000	5
Birla Sunlife Cash Manager - Reg - DDR	797,893.32	100	80	495,854.31	100	50
Birla Sunlife Treasury Optimizer - Regular -MDR	-	-	-	592,566.41	100	61
BNP Paribas Overnight Fund	4,509.54	1,000	5	-	-	-
BNP Paribas Overnight Fund Direct Plan-Daily Dividend	90,032.44	1,000	90	-	-	-
DSP BlackRock Ultra Short Term Fund- Regular Daily Dividend	-	-	-	8,030,217.76	10	80
Franklin India Low Duration Fund- MDR	-	-	-	1,947,935.82	10	20
Franklin India Saving Plus-Reg DDR	-	-	-	3,800,442.86	10	38

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

14. Current Investments (contd.)

(All amounts in millions unless otherwise stated)

	As at					
	Units	Face Value	March 31, 2016	Units	Face Value	March 31, 2015
HDFC Floating Rate Income Fund - Short Term - Wholesale - DDR	2,995,079.96	10	30	-	-	-
HDFC Liquid Fund-Dividend-Daily Reinvest	8.76	1,000	0	5,394,800.84	10	55
ICICI FMP series 78-95 D Plan K cum	2,500,000.00	10	25	-	-	-
ICICI Pru Banking & PSU Debt Fund- Regular DDR	-	-	-	3,548,285.40	10	36
ICICI Pru Ultra Reg DDR	-	-	-	4,001,459.46	10	40
Reliance Liquid Fund - Cash Plan - DDR- Reinvestment	14,630.17	1,000	16	67,492.22	1,000	75
Reliance Medium Term Fund-Daily Dividend Plan	5,663,582.33	10	97	-	-	-
Reliance Money Manager Fund - Direct -DDR	-	-	-	80,313.37	1,000	80
Reliance Quarterly Interval Fund - Series li-Growth Plan Growth Option	978,186.44	10	20	-	-	-
Religare Invesco Credit Opportunities Fund-DDR	-	-	-	35,696.54	1,000	36
Religare Invesco Medium Term Bond Fund - Monthly Dividend	35,080.91	1,000	36	-	-	-
Sundaram Select Debt Short Term Asset-Div-Quarterly	-	-	-	1,825,983.75	10	20
Sundaram ultra short term fund R DDR	6,020,452.48	10	60	-	-	-
UTI fixed income interval fund Quarterly Interval plan III Direct plan dividend	2,995,686.21	10	30	-	-	-
			489			597
Aggregate value of unquoted investments			489			597

	As at	
	March 31, 2016	March 31, 2015
15. Trade Receivables (Unsecured, Considered Good)		
Debts outstanding for a period exceeding six months from the date they are due for payment	-	-
Other Debts	158	132
	158	132

16. Cash And Bank Balances

<u>Cash and Cash Equivalents</u>		
Cash in hand	-	-
Remittance in Transit	20	-
<u>Balances with Banks</u>		
Balances with banks in current accounts	23	27
Total- Cash and Cash Equivalents	43	27
<u>Other bank balances</u>		
In Deposit Accounts with remaining maturity of less than twelve months [Pledged with bankers for obtaining bank guarantees ₹1.3 millions (March 31, 2015 : NIL)]	3	-
	45	27

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

	As at	
	March 31,2016	March 31,2015
17. Short Term Loans And Advances (Unsecured, Considered Good)		
Secured Considered, Good		
<u>Deposits to Related Parties</u>		
Godrej and Boyce Manufacturing Company Limited.*	-	0
<u>Receivables from Related Parties</u>		
Geometric Americas Inc.	2	1
Geometric Europe GmbH*	0	-
Geometric Asia Pacific Pte. Ltd.*	0	0
Geometric Limited*	4	0
Prepaid expenses	7	8
Advances to vendors and employees	51	43
Advance recoverable in cash or kind	1	1
A	66	54
<u>Unsecured , considered doubtful</u>		
Advances recoverable in cash or kind	1	-
Less : Provision for doubtful advances	2	-
B	-	-
(A + B)	66	54
18. Other Current Assets (Unsecured, Considered Good)		
Forward Contracts Receivable	14	368
Accrued Interest	2	2
Unbilled Revenue	49	14
Other Receivables	26	33
	92	417
19. Other Income		
Dividend Income on current investments	24	27
<u>Interest Income</u>		
Interest on Bank Deposits	1	1
Other Interest*	0	0
<u>Other Non Operating Income</u>		
Gain on Sale of Assets (Net)	-	5
Gain on sale of current investments (Net)	2	1
Miscellaneous Income	3	2
Excess Provision written back	2	3
Foreign Exchange Difference (net)	311	135
	344	174

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

	Year Ended	
	March 31,2016	March 31,2015
20. Employee Benefit Expenses		
Salaries, Bonus and Allowances	1,939	1,601
Gratuity Expenses (Refer Note 27)	36	47
Contribution to Provident and Other Funds	106	87
Staff Welfare Expenses	90	72
	2,171	1,806
21. Operating And Other Expenses		
Electricity Expenses	77	64
Facility Charges	56	41
Rates and Taxes	5	5
Rent	80	53
Lease Rent - Assets	3	-
<u>Repairs and Maintenance:</u>		
Computers	26	18
Buildings	9	5
Others	21	14
Insurance	4	4
IT Recharge cost	6	-
Travelling and Conveyance Expenses	17	20
Communication Expenses	5	4
Legal and Professional Charges	34	13
Staff Recruitment Expenses	4	5
Royalty Payments	1	-
Director sitting fees*	0	-
Loss on Sale of Assets (Net)	1	-
Balances written off*	1	0
Shared Service Cost	37	29
Corporate Social Responsibility expenses	4	-
Miscellaneous Expenses	18	14
	410	288

* value is less than one million ₹

22. Capital and other commitments

Estimated amount of contracts remaining to be executed, net of advances to the extent not provided for ₹ 25 million (March 31, 2015 ₹111 million).

For commitments relating to lease arrangements, please refer note 24.

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

23. Pending litigation

Particulars	As at	
	March 31, 2016	March 31, 2015
Contingent liabilities :	₹	₹
Income Tax Demand (TDS)*	24	24
Income Tax Demand*	57	28
VAT Demand*	12	12
Claims against the Company not acknowledged as debts**	5	5
Total	97	69

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

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

24. Accounting for leases

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

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

Operating Lease	Year ended	
	March 31, 2016	March 31, 2015
	₹	₹
Lease payments	84	55
Minimum Lease Payments		
Not later than one year	78	61
Later than one year but not later than five years	91	75

25. Derivative instruments and unhedged foreign currency exposure

Purpose		As at March 31, 2016		As at March 31, 2015	
		Foreign Currency	INR Amount	Foreign Currency	INR Amount
Hedge of receivables*	USD	-	-	0.26	0
	EUR	1.53	3	1.85	33
Hedge of highly probable foreign currency sales	USD	24.71	1,732	25.94	1,793
	EUR	22.60	1,901	21.60	2,026
Unhedged Foreign Currency Exposure		-	-	-	-
	Bank Balance				
	USD	0.05	3	0.04	3
	EUR	0.05	3	0.02	2
Trade Receivables*	EUR	0.23	17	0.02	2
	JPY	9.79	6	-	-
	USD	0.03	2	0.01	0
Other Receivables*	EUR	0.03	2	-	-
	JPY	0.01	0	-	-
Other Payables*	USD	0.33	22	0.39	25
	CAD	0.00	0	-	-
	EUR	0.00	0	-	-

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

26. Related party disclosures

Names of Related parties and their Relationship

Related parties where control exists.

Holding Company	Geometric Limited (Refer Note 34)
Fellow Subsidiaries	Geometric Americas Inc. Geometric Europe GmbH Geometric Asia Pacific Pte. Limited

Related parties under AS 18 with whom translations have taken place during the year.

Party having substantial interest and exercising significant influence	Dassault Systemes SE
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Other related parties (Affiliates of Dassault Systemes SE France)	Dassault Systemes Simulia Corp. Dassault Data Services Suresness Dassault Systemes (Shanghai) Information Technology Co. Limited Dassault Systemes Deutschland GmbH Dassault Systemes Canada Inc. Dassault Systemes India Pvt. Ltd. Dassault Systemes Israel Dassault Systemes Italia, Srl Dassault Systemes K.K. Dassault Systemes Service, LLC Dassault Systemes Innovation Tech. Korea Dassault Systemes Americas Corp. Dassault Systemes Canada Innovation Technologies Inc Dassault Systemes Enovia Corp. Dassault Systemes SolidWorks Corporation SmarTeam Corp Ltd. Spatial Corporation Dassault Systemes UK Ltd. Dassault Systemes AB Dassault Systemes Korea Corp Dassault Systemes 3DExcite GmbH Realtime Technology AG Dassault Systemes España Dassault Systemes Singapore Dassault Systemes Russia Corp.
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Other Related Party	Godrej and Boyce Manufacturing Company Limited.
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Key Management Personnel	Mr. Sudarshan Mogasale (C.E.O. & Manager) – 3D PLM Software Solutions Limited Mr. Manish Tambe (C.O.O. & Manager) – 3D PLM Global Services Private Limited
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Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

26. Related party disclosures (contd.)

(All amounts in millions unless otherwise stated)

Related Party Transactions

Note: Corresponding previous quarter figures are given in brackets:

Nature of Transaction	Year Ended March 31, 2016			
	Holding Company	Fellow Subsidiaries	Party Having Substantial Interest	Other Related Parties
Revenue	2	70	1,528	1,756
	-	-	(1,487)	(1,427)
Purchase of Fixed Assets*	-	-	-	20
	-	-	-	(0)
Rent Cost towards Leased Premises*	0	-	-	0
	(0)	-	-	(0)
Rent Income	1	-	-	1
	(1)	-	-	(1)
Shared Service Cost	37	-	10	1
	(29)	-	-	-
Reimbursement of Common Cost	9	-	6	-
	(8)	-	-	-
IT recharge cost	-	-	75	44
	-	-	(86)	(59)
Recovery of Expenses*	0	-	38	28
	-	-	(77)	(21)
Recovery of Hardware Cost	-	-	19	36
	-	-	-	-
Advance Recoverable/ Recovered during the year	2	5	-	-
	(1)	(8)	-	-
Advance Payable*	0	1	153	106
	(0)	-	(116)	(80)
Interim Dividend Paid	357	-	6	-
	(270)	-	-	-
Security deposit recovered*	-	-	-	0
	(-)	(-)	(-)	(2)
Security deposit paid*	-	-	-	-
	(-)	(-)	(-)	(0)
Infrastructure Deposit Written Off*	-	-	-	-
	(-)	(-)	(-)	(0)
Other Expenses*	-	-	-	1
	(-)	(-)	(-)	(0)
Advances given for purchases	-	-	-	4
	(-)	(-)	(-)	(3)

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

26. Related party disclosures (contd.)

(All amounts in millions unless otherwise stated)

Related Party Transactions (contd.)

Nature of transaction	Year Ended	
	March 31, 2016	March 31, 2015
Managerial Remuneration: Key Management Personnel		
Mr. Sudarshan Mogasale	8	6
Mr. Manish Tambe	3	-

Out of the above items transactions with other related parties and fellow subsidiaries in the excess of 10% of the total related party transactions are as under:

Transactions and Related Parties	Year Ended	
	March 31, 2016	March 31, 2015
<u>Revenue</u>		
Dassault Systemes SE	1,528	1,487
Dassault Systemes Americas Corp	731	638
DS SolidWorks Corporation	381	315
<u>Purchase of Fixed Assets</u>	-	-
Godrej and Boyce Manufacturing Company Limited.*	20	0
<u>Rent Expenses</u>	-	-
Godrej and Boyce Manufacturing Company Limited.*	0	0
Geometric Limited*	0	0
<u>Rent Income</u>	-	-
Geometric Limited	1	1
Godrej and Boyce Manufacturing Company Limited	1	1
<u>Shared Service Cost</u>	-	-
Geometric Limited	37	29
Dassault Systemes SE	10	-
<u>Reimbursement of common cost</u>	-	-
Geometric Limited	9	8
<u>IT Recharge cost</u>	-	-
Dassault Systemes SE	6	-
<u>Recovery of expenses</u>	-	-
DS SolidWorks Corporation	17	18
Dassault Systemes Americas Corp	12	19
Dassault Systemes SE	75	86
<u>Recovery of Hardware cost</u>	-	-
Dassault Systemes SE	38	77
Dassault Systemes Americas Corp	9	10
Dassault Systemes 3DExcite GmbH	12	-
<u>Advances Recoverable</u>	-	-
Geometric Americas Inc.	4	6
Geometric Limited	2	1
<u>Advances Payable</u>	-	-
Geometric Limited*	-	0

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

26. Related party disclosures (contd.)

(All amounts in millions unless otherwise stated)

Related Party Transactions (contd.)

Transactions and Related Parties	Year Ended	
	March 31, 2016	March 31, 2015
<u>Interim Dividend paid</u>	-	-
Dassault Systemes Delmia Corp.	106	80
Geometric Limited	357	270
Dassault Systemes SE	153	116
<u>Advance given for purchases</u>	-	-
Godrej and Boyce Manufacturing Company Limited	4	3
<u>Security Deposit recovered</u>	-	-
Godrej and Boyce Manufacturing Company Limited*	0	2
<u>Security Deposit paid</u>	-	-
Godrej and Boyce Manufacturing Company Limited*	-	0
<u>Infrastructure Deposit Written Off</u>	-	-
Godrej and Boyce Manufacturing Company Limited*	-	0
<u>Other Expenses</u>	-	-
Godrej and Boyce Manufacturing Company Limited*	1	0

Outstanding Balances

	As on	
	March 31, 2016	March 31, 2015
1. Holding Company :		
a. <u>Advances Receivable</u>		
Geometric Limited*	4	0
b. <u>Unbilled Revenue</u>		
Geometric Limited	1	-
c. <u>Trade Receivables</u>		
Geometric Limited	1	-
d. <u>Other Payables</u>		
Geometric Limited	2	-
2. Fellow Subsidiaries :		
a. <u>Advances Receivable</u>		
Geometric Americas Inc.	2	1
Geometric Asia Pacific Pte. Limited. *	0	0
Geometric Europe, GmbH*	0	-
b. <u>Unbilled Revenue</u>		
Geometric Americas Inc.	8	-
Geometric Asia Pacific Pte. Limited	1	-
Geometric SAS	6	-
c. <u>Trade Receivables</u>		
Geometric Asia Pacific Pte. Limited	7	-
Geometric, SAS	1	-

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

26. Related party disclosures (contd.)

(All amounts in millions unless otherwise stated)

2. Fellow Subsidiaries : (Contd.)

Outstanding Balances	As on	
	March 31, 2016	March 31, 2015
d. <u>Other Payables</u>	-	-
Geometric Americas Inc.	1	-
e. <u>Advances received</u>	-	-
Geometric Americas Inc.	2	-
3. Party having substantial interest:	-	-
a. <u>Trade Receivables</u>	-	-
Dassault Systemes SE	129	101
b. <u>Other Receivables</u>	-	-
Dassault Systemes SE	5	21
c. <u>Unbilled Revenue</u>	-	-
Dassault Systemes SE	11	1
4. Other Related Parties :	-	-
a. <u>Trade Receivables</u>	-	-
Dassault Data Services Suresness*	5	0
Dassault Systemes Deutschland GmbH*	-	0
Dassault Systemes Service, LLC*	-	0
Dassault Systemes India Private Limited*	1	0
Dassault Systemes Israel	-	20
Dassault Systemes España*	0	0
Spatial Corporation	-	6
Dassault Systemes Innovation Tech. Korea*	-	0
Dassault Systemes 3DExcite GmbH	7	-
Dassault Systemes Canada Inc.	5	-
Dassault Systemes Italia,*	0	-
Dassault Systemes Singapore Pte. Ltd.*	0	-
Dassault Systemes (Shanghai) Information Technology Co. Limited	-	-
Dassault Systemes UK Ltd.*	0	-
b. <u>Other Receivables</u>	-	-
Dassault Systemes Israel*	-	0
Dassault Systemes 3DExcite GmbH	2	-
Dassault Systemes Deutschland GmbH	-	-
Godrej and Boyce Manufacturing Company Limited	1	-
Dassault Systemes Canada Inc.*	0	-
Dassault Systemes India Private Limited*	0	-
Dassault Systemes Simulia Corp.*	0	-

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

26. Related party disclosures (contd.)

(All amounts in millions unless otherwise stated)

4. Other Related Parties : (Contd.)

Outstanding Balances	As on	
	March 31, 2016	March 31, 2015
c. <u>Deposits</u>	-	-
Godrej and Boyce Manufacturing Company Limited*	0	0
d. <u>Trade Payables and Other Liabilities</u>	-	-
Dassault Systemes Americas Corp.	21	20
e. <u>Unbilled Revenue</u>	-	-
Dassault Systemes Service, LLC	9	6
Dassault Systemes Canada Inc.*	1	0
Dassault Systemes Simulia Corp.	-	1
Dassault Systemes Americas Corp	-	1
Dassault Systemes Canada Software Inc.	-	3
Dassault Systemes Deutschland GmbH*	-	0
Godrej and Boyce Manufacturing Company Limited	-	1
Dassault Systemes Korea Corp*	0	-
Dassault Systemes 3DExcite GmbH	3	1
Dassault Data Services Suresness	1	-
Dassault Systemes España	1	-
Dassault Systemes K.K.*	0	-
DS SolidWorks Corporation*	0	-
Dassault Systemes (Shanghai) Information Technology Co. Ltd.*	0	-
Ds Americas Corp.	5	-
Dassault Systemes UK Ltd.*	0	-
Dassault Systemes Russia Corp.*	0	-
Dassault Systemes Singapore*	0	-
Dassault Systemes Israel	1	-
f. <u>Advance Given</u>	-	-
Godrej and Boyce Manufacturing Company Limited	-	3
g. <u>Advance received</u>	-	-
Dassault Systemes India Private Limited*	0	-
Dassault Systemes 3DExcite GmbH	12	-
Dassault Systemes Americas Corp	3	-
Dassault Systemes Canada Software Inc.	3	-
Dassault Systemes Service, LLC	22	-

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

27. Employee benefits

a. Defined Contribution Plan

Contribution to defined contribution plan, recognised in the statement of profit and loss account under Employee cost, Contribution to provident and other funds, in Note 20 for the period are as under:

Particulars	Year ended	
	March 31, 2016	March 31, 2015
Contribution to Provident Fund	83	67
Contribution to Superannuation Fund	14	13

b. Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following table summarizes the components of net benefit expenses recognized in the statement of profit and loss, the funded status and amount recognized in the Balance Sheet.

Particulars	As at	
	March 31, 2016	March 31, 2015
Gratuity		
I <u>Reconciliation of opening and closing balances of Defined Benefit obligation</u>		
Present Value of Defined Benefit obligation as at the beginning of the period/year	192	141
Acquisition Adjustments	17	1
Interest Cost	15	13
Current Service Cost	40	34
Settlement cost / (credit)	(11)	(1)
Benefits paid	(9)	(7)
Net Actuarial Loss / (Gain)	(9)	11
Present Value of Defined Benefit obligation as at the end of the period/year	235	192
II <u>Reconciliation of fair value of plan assets</u>		-
Fair value of plan assets as at the beginning of the period/year	143	116
Acquisition Adjustments	17	1
Expected return on plan assets	14	10
Net Actuarial Gain / (Loss)*	(4)	0
Amount paid on settlement	(11)	(1)
Employer's contribution	48	24
Benefits paid	(9)	(7)
Fair value of plan assets as at the end of the period/year	199	143

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

27. Employee benefits (contd.)

(All amounts in millions unless otherwise stated)

b. Defined Benefit Plan (contd.)

Particulars	As at	
	March 31, 2016	March 31, 2015
III <u>Actual return on plan assets</u>	10	10
IV <u>Net Liability recognised in Balance Sheet</u>	-	-
Present Value of Defined Benefit obligation	235	192
Fair value of plan assets	199	143
Net liability recognised in Balance Sheet	36	48
V <u>Actuarial assumptions</u>		
Mortality Table:	I.A.L.M 2006-08 ULTIMATE	I.A.L.M 2006-08 ULTIMATE
Discount rate	7.60% to 7.90% P.A.	7.80% P.A.
Expected rate of return on Plan Assets	8.00% P.A.	8.00% P.A.
Salary escalation	10% to 11.50% P.A.	10% to 11.50% P.A.
VI <u>Expense recognised in the statement of Profit and Loss</u>		
Current Service Cost	40	34
Acquisition (gain)/Loss*	-	0
Interest Cost	15	13
Expected Return on Plan Asset	(14)	(10)
Net Actuarial Loss / (Gain)	(5)	10
Settlement (gain) / loss*	-	(0)
Total expenses recognised in the statement of Profit and Loss, under Employee benefit expense	36	47

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

Plan Assets:

Particulars	As at	
	March 31, 2016	March 31, 2015
Investments with Insurer	100%	100%

Amounts for the current period and previous year are as follows:

Particulars	Gratuity				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined Benefit Obligation	235	192	141	107	84
Plan Assets	199	143	116	90	50
Surplus/ (Deficit)	(36)	(48)	(25)	(17)	(13)
Experience adjustments on plan liabilities-(loss)/gain	(11)	5	(7)	3	(2)
Experience adjustments on plan assets- (loss)/gain*	4	0	10	6	(1)

* value is less than one million ₹

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

28. Additional information pursuant to the provisions of paragraph 5 of Part II of the schedule III to the Companies Act 2013

Auditors remuneration (As Auditors')

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
a) As Auditors		
Audit fees	4	3
b) In Other Capacity	-	-
Other services (Certification Fees)*	0	0
c) Reimbursement of expenses*	0	0
	5	3

* value is less than one million ₹

29. Earnings per share

The earnings considered in ascertaining the Company's earnings per share comprise net profit after exceptional items and tax.

The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Net profit / (loss) for the year/ period available for equity shareholders	600	514
Weighted average number of shares	1,552,200	1,552,200
Earnings per share (Basic and Diluted) in ₹	386.53	331.01

30. Corporate social responsibility

As per Sec 135 of the Companies Act, 2013 and rules therein, the Company is required to spend atleast 2% of the average net profits of past three years towards Corporate Social Responsibility (CSR). Details of CSR expenditure are as follows:

Particulars	Year ended	
	March 31, 2016	March 31, 2015
Gross amount required to be spent	15	14
Spent during the year in cash towards educational purposes	4	NIL

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

31. Segmental reporting

a) Primary Segments

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

b) Secondary Segments

Revenue

The following table shows the distribution of the Company's revenue by Geographical Market.

Region	Year Ended	
	March 31, 2016	March 31, 2015
	₹	₹
US	1,558	1,286
Europe	1,679	1,514
Asia Pacific (excluding India)	56	44
Middle East	62	67
India	5	3
Total	3,360	2,914

The following table shows the carrying amount of segment assets and addition to segment assets by geographical area in which assets are located.

Particulars	Carrying amount of segment assets		Addition to fixed assets and intangible assets	
	As at	For Year Ended	As at	For Year Ended
	March 31, 2016	March 31, 2016	March 31, 2015	March 31, 2015
US	32	-	18	-
Europe	172	-	128	-
Middle East	1	-	21	-
Asia (excluding India)*	10	-	0	-
India	1,486	257	1,861	178
Total	1,701	257	2,029	178

* value is less than one million ₹

32. Employee stock options

Certain employees of the Company have been allotted Employee Stock Options in Geometric Limited. The Company has not incurred any expenses for issuing such options

33. Dues to micro, small and medium scale enterprises

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act 2006".

Consolidated notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

34. Scheme of arrangement

On April 1, 2016, the Board of Director has approved the Composite Scheme of Arrangement and Amalgamation between Geometric Limited ('GL'), HCL Technologies Limited ('HCL') and 3DPLM Software Solutions Limited ('3D PLM' or 'the Company') 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 GL including its overseas subsidiaries (excluding the shares held by the GL in Company) ("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 GL on the record date.

Thereafter, the GL, 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 GL and, subject to approval by the Reserve Bank of India ('RBI'), all non-resident shareholders of the GL, 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 GL. 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 GL held by such shareholders which shall be compulsorily purchased by Dassault Systemes and/or its nominees immediately on issuance at a price of ₹ 5080.30 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 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 of the Scheme is March 31, 2016.

35. Previous year comparatives

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

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

per **Govind Ahuja**
Partner
Membership No:48966

Pallavi Pathak
DIN: 07151136
Alternate Director to Manu Parpia

Chandan Chowdhury
DIN: 00906211
Alternate Director to Didier Gaillot

Place: Mumbai
Date: April 18, 2016

Sudarshan Mogasale
PAN: AAXPM5923B
CEO and Manager



3D PLM SOFTWARE SOLUTIONS LTD.

**Standalone Financial Statements
for the year ended March 31, 2016**

Regd. Office:

Plant 11, 3rd Floor, Pirojshanagar, Vikhroli (West), Mumbai - 400 079, India

Independent Auditor's Report

To the Members of
3D PLM Software Solutions Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of 3D PLM Software Solutions Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that

give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act; and
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.

Independent Auditor's Report (Contd.)

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – refer note 24 to the standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. R. Batliboi & Associates LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W

per **Govind Ahuja**

Partner

Membership Number: 48966

Place of Signature: Mumbai

Date: April 18, 2016

Annexure 1 to the Independent Auditors' Report

Re: 3D PLM Software solutions Limited ('the Company')

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
 - (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties are held in the name of the company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3 (ii) of the Order are not applicable to the Company.

- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 186 of the Act in respect of loan given and investment made in subsidiary have been complied with by the Company. There are no other guarantees, securities or loans in respect of which provisions of section 185 and 186 of the Act are applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148 (1) of the Act, for the services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise are not applicable to the Company.
- (c) According to the information and explanation given to us, there are no dues of sales-tax, service tax, duty of customs and value added tax which have not been deposited on account of any dispute. The provisions relating to duty of excise are not applicable to the Company. According to the records of the Company, details of income tax dues, which have not been deposited on account of a dispute, are as under:

Independent Auditor's Report (Contd.)

Name of the statute	Nature of dues	₹ in Millions	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.48	Assessment Year 1998-99	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	0.29	Assessment Year 2000-01	Income Tax Officer
Income Tax Act, 1961	Income Tax	7.74	Assessment Year 2005-06	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	2.77	Assessment Year 2006-07	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	0.64	Assessment Year 2007-08	Bombay High Court
Income Tax Act, 1961	Income Tax	5.95	Assessment Year 2007-08	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Tax deducted at source	17.64	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax deducted at source	5.25	Assessment Year 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	12.73	Assessment Year 2008-09	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	10.93	Assessment Year 2009-10	Income Tax Appellate Tribunal (ITAT)
Income Tax Act, 1961	Income Tax	0.34	Assessment Year 2010-11	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	0.68	Assessment Year 2010-11	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	23.01	Assessment Year 2011-12	Deputy Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	75.97	Assessment Year 2012-13	Appeal to be filed with Commissioner of Income Tax (Appeals)

(viii) The Company has neither issued any debentures nor availed any loan from banks, financial institutions or government. Therefore, the provisions of clause 3(viii) of the Order are not applicable to the Company.

(ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer or further public offer or debt instruments and term loans hence, reporting under clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

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

(xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and

explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to information and explanation given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP

Chartered Accountants

Firm's Registration Number: 101049W

per Govind Ahuja

Partner

Membership Number: 48966

Place: Mumbai

Date: April 18, 2016

Balance Sheet as at 31 March 2016

(All amounts in millions unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2016	March 31, 2015
Equity and Liabilities			
Shareholders' Funds			
Share capital	4	16	16
Reserves and surplus	5	1,676	2,238
		1,692	2,253
Non-Current Liabilities			
Deferred tax liabilities (Net)	6	18	28
Other long term liabilities	7	56	61
Current Liabilities			
Trade payables	8	7	9
Other current liabilities	9	237	222
Short term provisions	10	90	91
Total Equity and Liabilities		2,100	2,664
Assets			
Non-Current Assets			
Fixed assets	11		
Tangible assets		1,113	1,181
Intangible assets*		-	0
Capital work-in-progress		5	21
Non-current investments	12	99	30
Long term loans and advances	13	146	158
Other non-current assets	14	7	66
Current Assets			
Current investments	15	485	597
Trade receivables	16	132	130
Cash and Bank Balances	17	22	12
Short term loans and advances	18	56	54
Other current assets	19	37	415
		2,100	2,664
Summary of Significant Accounting Policies	3		

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

* value is less than one million ₹

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

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

per **Govind Ahuja**
Partner
Membership No:48966

Pallavi Pathak
DIN: 07151136
Alternate Director to Manu Parpia

Chandan Chowdhury
DIN: 00906211
Alternate Director to Didier Gaillot

Place: Mumbai
Date: April 18, 2016

Sudarshan Mogasale
PAN: AAXPM5923B
CEO and Manager

Statement of Profit and Loss for the year ended March 31, 2016

(All amounts in millions unless otherwise stated)

Particulars	Notes	Year Ended	
		March 31, 2016	March 31, 2015
Income			
Revenue from Operations			
Revenue from operations		3,005	2,910
Other income	20	350	174
Total Revenue		3,355	3,084
Expenditure			
Employee benefit expenses	21	1,968	1,803
Operating and other expenses	22	322	284
Depreciation and amortization expense	11	208	212
Total Expenses		2,499	2,299
Profit Before Tax		856	786
Tax expense			
Current Taxes		304	258
Adjustment of tax relating to earlier periods (net)		(2)	4
Deferred tax (credit)/expense		(10)	5
Total tax expense		292	268
Profit for the year		565	518
Earnings per equity share			
Basic and Diluted [Nominal value of the shares ₹ 10 (March 31, 2015 : ₹ 10)]	30	363.69	333.74
Summary of Significant Accounting Policies	3		

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

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

per **Govind Ahuja**
Partner
Membership No:48966

Place: Mumbai
Date: April 18, 2016

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

Pallavi Pathak
DIN: 07151136
Alternate Director to Manu Parpia

Chandan Chowdhury
DIN: 00906211
Alternate Director to Didier Gaillot

Sudarshan Mogasale
PAN: AAXPM5923B
CEO and Manager

Cash flow statement for the year ended March 31, 2016

(All amounts in millions unless otherwise stated)

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Cash Flow From/ (Used In) Operating Activities		
Profit Before Tax	856	786
<u>Adjustment to reconcile Profit / (loss) before tax to net cash flows</u>		
Depreciation and amortisation	208	212
(Profit) / Loss on Sale of Fixed Assets	1	(5)
(Profit) / Loss on Sale of Investments	(2)	(1)
Interest Income	(1)	(1)
Dividend Income	(23)	(27)
Unrealised (gain)/loss	29	(35)
Operating Profit / (Loss) before Working Capital Changes	1,069	929
Movement in working capital		
Increase/ (Decrease) in Other Long Term Liabilities	(8)	28
Increase/ (Decrease) in Trade Payables	(2)	(1)
Increase/ (Decrease) in Other Current Liabilities	16	(80)
Increase/ (Decrease) in Short Term Provisions	(4)	29
Decrease/ (Increase) in Long Term Loans and Advances	8	(10)
Decrease/ (Increase) in Trade Receivables	(3)	9
Decrease/ (Increase) in Short Term Loans and Advances	(2)	(7)
Decrease/ (Increase) in Other Current Assets	25	(28)
Cash Generated from Operations	1,098	867
Income Taxes Paid	(301)	(245)
Net Cash Flow from / (used in) Operating Activities	(A) 797	622
Cash Flow From/ (Used In) Investing Activities		
Purchase of Fixed Assets including CWIP and Capital advances	(121)	(193)
Proceeds from Sale of Fixed Assets	3	5
Investment in Subsidiary	(69)	(30)
Purchase of Current Investments (net)	(3,551)	(2,159)
Proceeds from Sale/Redemption of Investments (net)	3,666	2,274
Fixed Deposit Placed	(3)	(2)
Fixed Deposit Matured	2	2
Dividend Received	23	27
Net Cash from Investing Activities	(B) (48)	(76)

Cash flow statement for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Cash Flow From/ (Used In) Financing Activities:		
Loans given to the Subsidiary	(40)	-
Loans repaid by the Subsidiary	40	-
Dividend Paid including dividend tax	(742)	(545)
Net Cash used in Financing Activities -	(C) (742)	(545)
Net Increase / (Decrease) In Cash And Cash Equivalents (A+B+C)	7	2
Effect of exchange difference on Cash and Cash Equivalents*	(0)	1
Cash and Cash equivalents at the beginning of the year	12	10
Cash and Cash equivalents at the end of the year	19	12
Components of cash and cash equivalents		
<u>Balances with Banks</u>		
In Current Accounts	19	12
Cash and Cash equivalents at the end of the year (Refer note 17)	19	12
Summary of significant accounting policies	3	
The accompanying notes are an integral part of the financial statements.		

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

per **Govind Ahuja**
Partner
Membership No:48966

Place: Mumbai
Date: April 18, 2016

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

Pallavi Pathak
DIN: 07151136
Alternate Director to Manu Parpia

Chandan Chowdhury
DIN: 00906211
Alternate Director to Didier Gaillot

Sudarshan Mogasale
(PAN: AAXPM5923B)
CEO and Manager

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

1. Nature of operations

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

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

3. Summary of significant accounting policies

a) Use of estimates

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

b) Tangible Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation, amortisation and impairment losses if any. Cost includes all expenses related to acquisition and installation of the concerned assets and any directly attributable cost of bringing the asset to the condition of its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

(All amounts in millions unless otherwise stated)

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

c) Depreciation on Tangible Fixed Assets

Depreciation on fixed assets

The Company has revised the estimated useful life of certain office equipment from 13 years to 5 years to align it with useful lives under Schedule II of the Companies Act, 2013. Pursuant to such change, the carrying value of ₹2 million of office equipment whose revised useful life has been exhausted at April 01, 2014, net of deferred tax of ₹ 1 million has been charged against surplus in the statement of profit and loss.

Depreciation on Tangible Fixed Assets

Leasehold land is amortised on a straight line basis over the period of lease.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

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

Particulars/ Asset type	Years of useful life
Building	28
Computers	3
Electrical Installation	8
Office Equipment	5
Furniture and Fixtures	10
Vehicles	5

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets.

- The useful lives of servers and networking equipment forming part of computer peripherals and related equipment are estimated as 3-5 years. These lives are lower than those indicated in schedule II.
- The useful lives of office premises, electrical installation are estimated as 28 years, 8 years respectively. These lives are lower than those indicated in schedule II.
- The useful lives of vehicles are estimated as 5 years. These lives are lower than those indicated in schedule II.

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

(All amounts in millions unless otherwise stated)

d) Intangible Assets and related amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life. Following initial recognition intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss if any. Intangible assets consist of computer software and are amortised over a period of one year. The amortisation period and amortisation method are reviewed at each financial year end.

e) Leases where the Company is a Lessee

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

f) Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued plant, property and equipment, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

g) Investments

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

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

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

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

h) Foreign Exchange Transactions

(i) Initial Recognition

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

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

(ii) Conversion

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

(iii) Exchange Differences

Exchange differences arising on the translation/settlement of foreign currency monetary items are recognised as income or expense in the period in which they arise.

(iv) Forward Exchange Contracts

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

The Company designates these forward contracts in a hedge relationship by applying the hedge accounting principles of AS 30 Financial Instruments: Recognition and Measurement.

For the purpose of hedge accounting, hedges are classified as Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

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

Cash flow hedges are accounted as follows:

The company uses foreign currency forward contracts as hedges of its exposure to foreign currency risk in forecasted transactions and firm commitments.

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

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

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

(All amounts in millions unless otherwise stated)

revoked, any cumulative gain or loss previously recognized in the hedging reserve remains in the hedging reserve until the forecast transaction or firm commitment affects profit or loss.

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

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

i) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Income from Services

Revenue from time and material contracts for software services is recognized when the related services are rendered to the customers. In case of fixed price contracts, which are generally time bound, revenue is recognized over the life of the contract using proportionate completion method, on the basis of work completed.

Unbilled revenue included in other current assets represents revenues recognized for efforts incurred but not billed as at the balance sheet date. Deferred revenue included in current liabilities represents billing in excess of revenue recognized.

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

Income from reimbursable assets

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

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of Profit and loss.

Dividend

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

j) Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and the tax laws used to compute are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years.

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

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

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(All amounts in millions unless otherwise stated)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognized as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the guidance note on Accounting for credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as "MAT Credit Entitlement" asset. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down asset to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

k) Retirement and Employee Benefits

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

The Company operates a gratuity plan which is a defined benefit plan. The cost of providing benefits is determined on the basis of an actuarial valuation at each year end. The actuarial valuation is carried out using the projected unit credit method. Actuarial gain and losses, if any, are recognized in full, in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

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

(All amounts in millions unless otherwise stated)

l) Provisions

A provision is recognised when the Company embodying economic benefits has a present obligation as a result of past event; it is probable that an outflow of resources of the amount of the obligation will be required to settle the obligation, and reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at each reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

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

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

m) Segment Reporting

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

o) Contingent liabilities

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

n) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events

p) Cash and cash equivalents

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

	As at	
	March 31, 2016	March 31, 2015
4. Share Capital		
<u>Authorised :</u>		
2,700,000 (March 31, 2015: 2,700,000) Equity shares of ₹ 10 each and	27	27
300,000 (March 31, 2015: 300,000) Class 'A' and Class 'B' Equity Shares of ₹10 each with differential voting rights	3	3
	30	30
<u>Issued, Subscribed and Paid Up :</u>		
1,373,246 (March 31, 2015: 1,373,246) Equity shares of ₹ 10 each fully paid	14	14
72,965 (March 31, 2015: 72,965) Class 'A' Equity Shares of ₹ 10 each fully paid	1	1
105,989 (March 31, 2015: 105,989) Class 'B' Equity Shares of ₹ 10 each fully paid	1	1
	16	16

a. Terms/rights attached to equity shares

1,373,246 equity shares of the face value of ₹ 10 each fully paid carry a single voting right (1 vote for every single share held)

72,965 Class 'A' equity shares of ₹10 each fully paid have differential voting rights of 2 votes for every one such share held

105,989 Class 'B' equity shares of ₹ 10 each fully paid have differential voting rights of 2 votes for every one share held and one additional vote each on:

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

4. Share Capital (contd.)

(All amounts in millions unless otherwise stated)

	As at	
	March 31, 2016	March 31, 2015
i. a change in control that has occurred due to actions by any person regarded as a Dassault Systemes Competitor as defined in the Shareholder's Agreement; or		
ii. Upon issuance of the "Notice of Increase" as defined in the Shareholders Agreement.		
Each equity share carries equal dividend rights irrespective of the class of shares to which it belongs.		
The dividend proposed by the board of Directors is subject to approval of shareholders in the ensuing General Meeting		
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company.		
The distribution will be in proportion to the number of equity shares held by the shareholders.		
b. <u>Details of shareholders holding more than 5% shares in the company and shares held by holding company</u>		
(i) <u>Equity Shares</u>		
<u>Geometric Limited (Holding Company) Refer note 35</u>		
Number of shares held	900,200	900,200
Percentage of holding in the class	66%	66%
<u>Dassault Systemes SA France</u>		
Number of shares held	385,800	385,800
Percentage of holding in the class	28%	28%
<u>Dassault Systemes Americas Corp</u>		
Number of shares held	87,246	87,246
Percentage of holding in the class	6%	6%
	1,373,246	1,373,246
(ii) <u>Class 'A' Equity Shares</u>		
<u>Dassault Systemes Americas Corp</u>		
Number of shares held	72,965	72,965
Percentage of holding in the class	100%	100%
	72,965	72,965
(iii) <u>Class 'B' Equity Shares</u>		
<u>Dassault Systemes Americas Corp</u>		
Number of shares held	105,989	105,989
Percentage of holding in the class	100%	100%
	105,989	105,989
c. <u>Aggregate number of shares issued for consideration other than cash and during the period of five years immediately preceding the reporting date:</u>		
Equity shares (issued on July 1, 2011)	87,246	87,246
Class 'A' Equity Shares (issued on July 1, 2011)	72,965	72,965
Class 'B' Equity Shares (issued on July 1, 2011)	105,989	105,989
	266,200	266,200

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

(All amounts in millions unless otherwise stated)

	As at	
	March 31, 2016	March 31, 2015
5. Reserves and Surplus		
<u>General Reserve</u>		
Balance as per last financial statements	208	156
Add: Transfer from surplus balance in the statement of profit and loss	57	52
	265	208
<u>Cash Flow Hedging Reserve</u>		
Balance as per last financial statements	391	(58)
Add/ Less : Movement during the year (net)	(384)	449
	7	391
<u>Securities Premium</u>	304	304
Capital Redemption Reserve	1	1
Capital Reserve	1	1
<u>Surplus in the statement of Profit and Loss</u>		
Balance as per last financial statements	1,333	1,413
Add : Net Profit for the year	565	518
Less : Interim Dividend	(616)	(466)
Less : Dividend Distribution Tax	(125)	(79)
Less : Adjustment pursuant to revision in useful life of assets (Net of tax impact) (Refer note 3C)	-	(1)
Less : Transfer to General Reserve	(57)	(52)
Net Surplus in the statement of Profit and Loss	1,099	1,333
	1,676	2,238
6. Deferred Tax Liability (Net)		
<u>Deferred Tax Liability</u>		
Difference in depreciation of tax books and financial books	37	43
<u>Deferred Tax Asset</u>		
Effect of expenditure debited to Statement of Profit and Loss account in the current year but allowed for tax purposes in following year	(18)	(15)
	18	28
7. Other Long Term Liabilities		
Deferred Revenue	52	61
Forward Contract Payable	4	-
	56	61
8. Trade Payables		
Trade Payables (Refer note 34)	7	9
	7	9

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

(All amounts in millions unless otherwise stated)

	As at	
	March 31, 2016	March 31, 2015
9. Other Current Liabilities		
Deferred Revenue	60	57
Retention Money	1	2
Accrued Expenses	88	89
Statutory Liabilities	34	30
Deposits from Vendors*	0	0
Advances from customers	1	-
<u>Payables to Related Parties</u>		
Geometric Limited	2	-
Geometric Americas Inc.	1	-
Capital Creditors	25	23
Others Payables	24	21
	237	222
10. Short Term Provisions		
Provision for taxation (net of advance tax)	3	-
<u>Provision for employee benefits</u>		
Gratuity	32	48
Compensated Absences	55	43
	90	91

* value is less than one million ₹

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

11. Fixed Assets (All amounts in millions unless otherwise stated)

Asset	Gross Block			Depreciation/ Amortisation				Net Block		
	As at April 1, 2015	Additions	Disposals Adjustment	As at March 31, 2016	As at April 1, 2015	Adjusted against Reserves (Refer note 3C)	For the Year	On Disposals	March 31, 2016	As at March 31, 2015
Tangible Assets:										
- Leasehold Land	388	-	-	388	23	-	5	-	27	366
- Leasehold Improvement*	0	-	-	0	0	-	0	-	0	0
- Buildings*	495	0	-	508	79	-	18	-	97	416
- Computers*	794	20	(0)	876	606	-	117	20	703	188
- Electrical Installations	142	3	3	144	87	-	17	1	103	56
- Office Equipment and EPBAX System *	215	1	1	230	129	-	34	0	163	86
- Furniture and Fixtures	144	5	5	148	76	-	14	2	89	68
- Vehicles*	12	8	8	4	10	-	2	8	4	2
Total	2,191	37	37	2,299	1,010	-	208	32	1,186	1,181
Previous year*	2,081	170	59	2,191	857	2	210	59	1,010	1,181
Intangible Assets:										
- Computer Software*	4	0	-	4	4	-	0	-	4	0
Total	4	0	-	4	4	-	0	-	4	0
Previous year*	3	0	-	4	2	-	1	-	4	0
Grand Total	2,195	37	37	2,303	1,014	-	208	32	1,190	1,181
Previous year	2,084	170	59	2,195	860	2	212	59	1,014	1,181
Capital Work-in-Progress										
										5
										21

Note : Amounts disclosed in column "Adjustment" includes reclassification of certain assets from Computers to Software and Office Equipments on the basis of it nature and use of assets

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

	As at	
	March 31, 2016	March 31, 2015
12. Non Current Investments		
Trade Investment (Valued at cost unless stated otherwise)		
Investment In Subsidiary Company		
Unquoted, fully paid		
3,010,000 (March 31, 2015 : 3,010,000) Equity shares of 3D PLM Global Services Private Limited of face value ₹10 each	30	30
6,900,000 (March 31, 2015 : NIL) Preference Shares of 3D PLM Global Services Private Limited of face value ₹ 10 each	69	-
	99	30
13. Long Term Loans And Advances		
<u>Unsecured, considered good</u>		
<u>Capital Advances</u>		
Godrej and Boyce Manufacturing Company Limited.	-	3
Other Capital Advances	2	4
<u>Rental Deposit to Related Parties*</u>	0	-
Godrej and Boyce Manufacturing Company Limited.*	0	0
Security Deposits	32	32
<u>Others</u>	-	-
Service Tax Receivable	68	75
Advance Income Tax (net of provisions for taxation)	43	41
Fringe Benefit Tax	1	1
	A	158
<u>Unsecured, considered doubtful</u>		
Service Tax Receivable	2	2
Less : Provision for doubtful advances	2	2
	B	-
	(A + B)	158
14. Other Non Current Assets		
Deposits in Banks (with remaining maturity greater than twelve months)	7	10
[Pledged with bankers for obtaining bank guarantees ₹5.4 millions (March 31, 2015: ₹ 5.7 millions)]		
Forward Contracts Receivable	-	57
	7	66

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

	As at	
	March 31, 2016	March 31, 2015
17. Cash And Bank Balances		
<u>Cash and Cash Equivalents</u>		
Cash in hand	-	-
<u>Balances with Banks</u>		
In Current Accounts	19	12
Cheques in Hand	-	-
Total- Cash and Cash Equivalents	19	12
<u>Other bank balances</u>		
In Deposit Accounts with remaining maturity of less than twelve months [Pledged with bankers for obtaining bank guarantees ₹ 1.3 Millions (March 31, 2015 : NIL)]	3	-
	22	12
18. Short Term Loans And Advances (Unsecured, Considered Good)		
Secured Considered, Good		
<u>Deposits to Related Parties</u>		
Godrej and Boyce Manufacturing Company Limited.*	-	0
<u>Receivables from Related Parties</u>		
Geometric Americas Inc	2	1
Geometric Europe GmbH*	0	-
Geometric Asia Pacific Pte*	0	0
Geometric Limited*	2	0
Prepaid expenses	7	8
Advances to vendors and employees	44	44
Advance recoverable in cash or kind	1	1
	A 56	54
Unsecured , considered doubtful		
Advances recoverable in cash or kind	1	-
Less : Provision for doubtful advances	1	-
	B -	-
	(A + B) 56	54
* value is less than one million ₹		
19. Other Current Assets (Unsecured, Considered Good)		
Forward Contracts Receivable	14	368
Accrued Interest	2	2
Unbilled Revenue	1	12
Other Receivables	20	33
	37	415

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

(All amounts in millions unless otherwise stated)

	Year Ended	
	March 31, 2016	March 31, 2015
20. Other Income		
Dividend Income on current investments	23	27
<u>Interest Income</u>		
Interest on Bank Deposits	1	1
Interest on Loan	2	-
Other Interest*	0	0
<u>Other Non Operating Income</u>		
Gain on Sale of Assets (Net)	-	5
Gain on sale of current investments (Net)	2	1
Miscellaneous Income	3	2
Shared Service Income	3	-
Excess Provision written back	2	3
Foreign Exchange Difference (net)	313	135
	350	174
21. Employee Benefit Expenses		
Salaries, Bonus and Allowances	1,758	1,598
Gratuity Expenses	32	47
Contribution to Provident and Other Funds	96	86
Staff Welfare Expenses	83	72
	1,968	1,803
22. Operating And Other Expenses		
Electricity Expenses	67	64
Facility Charges	52	41
Rates and Taxes	5	2
Rent	50	48
Lease Rent - Assets	3	4
<u>Repairs and Maintenance:</u>		
Computers	23	18
Buildings	9	5
Others	21	14
Insurance	4	4
Travelling and Conveyance Expenses	16	20
Communication Expenses	4	4
Legal and Professional Charges	18	13
Staff Recruitment Expenses	4	5
Director sitting fees*	0	-
Loss on Sale of Assets (Net)	1	-
Balances written off*	1	0
Shared Service Cost	27	29
Corporate Social Responsibility Expenses	4	-
Miscellaneous Expenses	15	14
	322	284

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

23. Capital and other commitments

Estimated amount of contracts remaining to be executed, net of advances to the extent not provided for ₹ 20 millions (March 31, 2015: ₹ 39 millions).

For commitments relating to lease arrangements, please refer note 25.

24. Pending litigation

Particulars	As at	
	March 31, 2016	March 31, 2015
Contingent liabilities :	₹	₹
Income Tax Demand (TDS)*	24	24
Income Tax Demand*	57	28
VAT Demand*	12	12
Claims against the Company not acknowledged as debts**	5	5
Total	97	69

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

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

25. Accounting for leases

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

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

Operating Lease	Year Ended	
	March 31, 2015	March 31, 2015
	₹	₹
Lease payments	56	55

Particulars	As at	
	March 31, 2016	March 31, 2015
Not later than one year	45	55
Later than one year but not later than five years	6	49

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

(All amounts in millions unless otherwise stated)

26. Derivative instruments and unhedged foreign currency exposure

Purpose		As at			
		March 31, 2016		March 31, 2015	
		Foreign Currency	INR Amount	Foreign Currency	INR Amount
Hedge of receivables*	USD	-	-	0.26	0
	EUR	1.53	3	1.85	33
Hedge of highly probable foreign currency sales	USD	24.71	1,732	25.94	1,793
	EUR	22.60	1,901	21.60	2,026
Unhedged Foreign Currency Exposure		-	-	-	-
Bank Balance	USD	0.05	3	0.04	3
	EUR	0.05	3	0.02	2
Other Payables*	USD	0.33	22	0.39	25
	CAD	0.00	0	0	-

* value is less than one million ₹

27. Related party disclosures

Names of Related parties and their Relationship

Related parties where control exists.

Holding Company	Geometric Limited (Refer Note 35)
Subsidiary Company	3D PLM Global Services Private Limited
Fellow Subsidiaries	Geometric Americas Inc. Geometric Europe GmbH Geometric Asia Pacific Pte. Ltd.

Related parties under AS 18 with whom transactions have taken place during the year.

Party having substantial interest and exercising significant influence Dassault Systemes SE

Other related parties (Affiliates of Dassault Systemes SE)	Dassault Systemes Simulia Corp. Dassault Data Services Suresness Dassault Systemes (Shanghai) Information Technology Co. Ltd. Dassault Systemes Deutschland GmbH Dassault Systemes Canada Inc. Dassault Systemes India Pvt. Ltd. Dassault Systemes Israel Dassault Systemes Italia, SRL Dassault Systemes K.K. Dassault Systemes Service, LLC Dassault Systemes Simulia Corp. Dassault Systemes Innovation Tech. Korea
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Notes to financial statements for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

27. Related party disclosures (contd.)

Other related parties (Affiliates of Dassault Systemes SE)

Dassault Systemes Americas Corp.
 Dassault Systemes Canada Innovation Technologies Inc
 Dassault Systemes Enovia Corp.
 Dassault Systemes SolidWorks Corporation
 SmarTeam Corp Ltd.
 Spatial Corporation
 Dassault Systemes UK Ltd.
 Dassault Systemes AB
 Dassault Systemes Korea Corp
 Realtime Technology AG
 Dassault Systemes Russia Corp.
 Dassault Systemes España
 Dassault Systemes Singapore
 Dassault Systemes 3DExcite GmbH

Other Related Party

Godrej and Boyce Manufacturing Company Limited.

Key Management Personnel

Mr. Sudarshan Mogasale (C.E.O. & Manager)

Related Party Transactions

Note: Corresponding previous quarter figures are given in brackets:

Nature of Transaction	Year Ended March 31, 2016				
	Holding Company	Subsidiary Company	Fellow Subsidiaries	Party Having Substantial Interest	Other Related Parties
Revenue	-	-	-	1,417	1,588
	-	-	(-)	(1,485)	(1,425)
Purchase of Fixed Assets*	-	-	-	-	8
	-	-	(-)	-	(0)
Rent Cost towards Leased Premises*	0	-	-	-	0
	(0)	-	(-)	-	(0)
Rent Income	1	-	-	-	1
	(1)	-	(-)	-	(1)
Shared Service Cost	27	-	-	-	-
	(29)	-	(-)	-	-
Shared Service Income	-	3	-	-	-
	-	-	(-)	-	-
Reimbursement of Common Cost	7	-	-	-	-
	(8)	-	(-)	-	-
Recovery of travel expenses*	0	1	-	75	43
	-	-	(-)	(86)	(59)

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

27. Related party disclosures (contd.)

(All amounts in millions unless otherwise stated)

Nature of Transaction	Year Ended March 31, 2016				
	Holding Company	Subsidiary Company	Fellow Subsidiaries	Party Having Substantial Interest	Other Related Parties
Recovery of Hardware Cost	-	-	-	37	25
	-	-	(-)	(77)	(21)
Advance Recoverable/ Recovered during the year	1	1	4	18	30
	(1)	(1)	(8)	-	-
Advance Payable*	0	1	1	-	-
	(0)	-	(-)	-	-
Interim Dividend Paid	357	-	-	153	106
	(270)	-	(-)	(116)	(80)
Loan given to subsidiary	-	40	-	-	-
	-	-	(-)	-	-
Loan given to subsidiary repaid	-	40	-	-	-
	-	-	(-)	-	-
Interest on loan (Income)	-	2	-	-	-
	-	-	(-)	-	-
Security Deposit Recovered*	-	-	-	-	0
	-	-	(-)	-	(2)
Security Deposit paid*	-	-	-	-	-
	-	-	(-)	-	(0)
* value is less than one million ₹					
Infrastructure Deposit Written Off*	-	-	-	-	-
	(-)	(-)	(-)	(-)	(0)
Other Expenses*	-	-	-	-	1
	(-)	(-)	(-)	(-)	(0)
Advances given for purchases	-	-	-	-	-
	(-)	(-)	(-)	(-)	(3)

Nature of Transaction	Year Ended March 31, 2016				
	Holding Company	Subsidiary Company	Fellow Subsidiaries	Party Having Substantial Interest	Other Related Parties
Investment in shares of the subsidiary (Preference Shares)	-	69	-	-	-
	(-)	(-)	(-)	(-)	(-)
Investment in shares of the subsidiary (Equity Shares)	-	-	-	-	-
	(-)	(30)	(-)	(-)	(-)

Nature of transaction	Year Ended	
	March 31, 2016	March 31, 2015
Managerial Remuneration: Key Management Personnel		
Sudarshan Mogasale	8	6

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

27. Related party disclosures (contd.)

(All amounts in millions unless otherwise stated)

Out of the above items transactions with other related parties and fellow subsidiaries in the excess of 10% of the total related party transactions are as under:

Transactions and Related Parties	Year Ended	
	March 31, 2016	March 31, 2015
<u>Revenue</u>		
Dassault Systemes SE	1,417	1,485
Dassault Systemes Enovia Corp.	2	3
Dassault Systemes Americas Corp	708	638
DS SolidWorks Corporation	381	315
<u>Purchase of Fixed Assets</u>	-	-
Godrej and Boyce Manufacturing Company Limited.*	8	0
Rent cost towards leased premises	-	-
Godrej and Boyce Manufacturing Company Limited.*	0	0
Geometric Limited*	0	0
<u>Rent Income</u>	-	-
Geometric Limited	1	1
Godrej and Boyce Manufacturing Company Limited	1	1
<u>Shared Service Cost</u>	-	-
Geometric Limited	27	29
<u>Shared Service Income</u>		
3D PLM Global Services Private Limited	3	-
<u>Reimbursement of common cost</u>	-	-
Geometric Limited	7	8
<u>Recovery of expenses</u>	-	-
DS SolidWorks Corporation	17	7
Dassault Systemes Americas Corp	12	2
Dassault Systemes SE	75	48
<u>Recovery of travel expenses</u>	-	-
Dassault Systemes Americas Corp	11	17
DS SolidWorks Corporation	13	11
Dassault Systemes SE	18	38
<u>Recovery of Hardware cost</u>	-	-
Dassault Systemes 3DExcite GmbH	9	-
Dassault Systemes SE	37	77
Dassault Systemes Americas Corp	9	10
<u>Advances recoverable/ recovered during the year</u>	-	-
Geometric Americas Inc.	4	6
Geometric Limited	1	1

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

27. Related party disclosures (contd.)

Transactions and Related Parties	Year Ended	
	March 31, 2016	March 31, 2015
<u>Advances Payable</u>	-	-
Geometric Limited*	0	0
Geometric Americas Inc.	1	-
3D PLM Global Services Private Limited	1	-
<u>Investment in shares of Subsidiary (Preference Shares)</u>	-	-
3D PLM Global Services Private Limited	69	-
<u>Investment in shares of Subsidiary (Equity Shares)</u>	-	-
3D PLM Global Services Private Limited	-	30
<u>Interim Dividend paid</u>	-	-
Dassault Systemes Americas Corp.	106	80
Geometric Limited	357	270
Dassault Systemes SE	153	116
<u>Loan given to subsidiary</u>	-	-
3D PLM Global Services Private Limited	40	-
<u>Loan given to subsidiary repaid</u>	-	-
3D PLM Global Services Private Limited	40	-
<u>Security Deposit recovered</u>	-	-
Godrej and Boyce Manufacturing Company Limited*	0	2
<u>Security Deposit paid</u>	-	-
Godrej and Boyce Manufacturing Company Limited.*	-	0
<u>Infrastructure Deposit Written Off</u>	-	-
Godrej and Boyce Manufacturing Company Limited.*	-	0
<u>Other Expenses</u>	-	-
Godrej and Boyce Manufacturing Company Limited*	1	0
<u>Advances given for purchases</u>	-	-
Godrej and Boyce Manufacturing Company Limited	-	3
<u>Interest of loan (Income)</u>	-	-
3D PLM Global Services Private Limited	2	-
Outstanding Balances	As on	
	March 31, 2016	March 31, 2015
1. Holding Company :		
a. <u>Other Payables</u>		
Geometric Limited	2	-
b. <u>Advances Receivable</u>		
Geometric Limited- France Branch*	0	0
Geometric Limited	1	-

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

27. Related party disclosures (contd.)

Outstanding Balances	As on	
	March 31, 2016	March 31, 2015
2. Fellow Subsidiaries :		
a. <u>Advances Receivable</u>		
Geometric Americas Inc.	2	1
Geometric Asia Pacific Pte. Ltd. (Korea Branch)*	0	0
Geometric China, Inc*	0	-
Geometric Europe, GmbH*	0	-
b. <u>Advances Payable</u>		
Geometric Americas Inc.	1	-
3. Party having substantial interest:		
a. <u>Trade Receivables</u>		
Dassault Systemes SE	115	100
b. <u>Other Receivables</u>		
Dassault Systemes SE	5	21
c. <u>Unbilled Revenue</u>		
Dassault Systemes SE*	0	1
4. Other Related Parties :		
a. <u>Trade Receivables</u>		
Dassault Data Services Suresness*	2	0
Dassault Systemes Deutschland GmbH*	-	0
Dassault Systemes Canada Innovation Technologies Inc.	5	-
Dassault Systemes India Private Limited*	1	0
Dassault Systemes Israel	-	20
Dassault Systemes España*	-	0
Spatial Corporation	-	6
Dassault Systemes Innovation Tech. Korea*	-	0
Dassault Systemes 3DExcite GmbH	7	2
Dassault Systemes UK Ltd.*	0	-
Dassault Systemes Italia, Srl*	0	-
Dassault Systemes Singapore*	0	-
b. <u>Other Receivables</u>		
Dassault Systemes Israel*	-	0
Dassault Systemes Canada Innovation Technologies Inc.*	0	-
Dassault Systemes Innovation Tech. Korea*	-	0
Dassault Systemes India Private Limited*	0	-
Dassault Systemes Simulia Corp.*	0	-
Dassault Data Services Suresness*	0	-
Dassault Systemes 3DExcite GmbH*	0	-
Godrej and Boyce Manufacturing Company Limited	1	-

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

27. Related party disclosures (contd.)

Outstanding Balances	As on	
	March 31, 2016	March 31, 2015
c. <u>Deposits</u>		
Godrej and Boyce Manufacturing Company Limited*	0	0
d. <u>Trade Payables and Other Liabilities</u>		
Dassault Systemes Americas Corp.	21	20
e. <u>Unbilled Revenue</u>		
Dassault Systemes Service, LLC	-	6
Dassault Systemes Canada Inc.*	-	0
Dassault Systemes Simulia Corp.	-	1
Dassault Systemes Solidworks Corporation*	0	-
Dassault Systemes India Private Limited	-	-
Dassault Systemes Americas Corp*	0	1
Dassault Systemes (Shanghai) Information Technology Co. Ltd.*	0	-
Dassault Systemes Canada Innovation Technologies Inc.	-	3
Dassault Systemes Singapore*	0	-
Godrej and Boyce Manufacturing Company Limited	-	1
Dassault Systemes Russia Corp.	1	-
f. <u>Advance Given</u>		
Godrej and Boyce Manufacturing Company Limited	-	3

28. Employee benefits

a. Defined Contribution Plan

Contribution to defined contribution plan, recognised in the statement of profit and loss under Employee benefit expenses, Contribution to provident and other funds, in Note 22 for the year are as under:

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Contribution to Provident Fund	75	66
Contribution to Superannuation Fund	13	13

b. Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

28. Employee benefits (contd.)

The following table summarizes the components of net benefit expenses recognized in the statement of profit and loss, the funded status and amount recognized in the Balance Sheet.

Particulars	As at	
	March 31, 2016	March 31, 2015
Gratuity		
I <u>Reconciliation of opening and closing balances of Defined Benefit obligation</u>		
Present Value of Defined Benefit obligation as at the beginning of the period/year	191	141
Interest Cost	14	13
Current Service Cost	37	34
Settlement cost / (credit)	(11)	(1)
Benefits paid	(9)	(7)
Net Actuarial Loss / (Gain)	(9)	11
Present Value of Defined Benefit obligation as at the end of the period/year	213	191
II <u>Reconciliation of fair value of plan assets</u>	-	-
Fair value of plan assets as at the beginning of the period/year	143	116
Expected return on plan assets	13	10
Net Actuarial Gain / (Loss)*	(2)	0
Amount paid on settlement	(11)	(1)
Employer's contribution	48	24
Benefits paid	(9)	(7)
Fair value of plan assets as at the end of the period/year	181	143
III <u>Actual return on plan assets</u>	11	10
IV <u>Net Liability recognised in Balance Sheet</u>	-	-
Present Value of Defined Benefit obligation	213	191
Fair value of plan assets	181	143
Net liability recognised in Balance Sheet	32	48
V <u>Actuarial assumptions</u>		
Mortality Table:	I.A.L.M 2006-08	I.A.L.M 2006-08
	ULTIMATE	ULTIMATE
Discount rate	7.60% P.A.	7.80% P.A.
Expected rate of return on Plan Assets	8.00% P.A.	8.00% P.A.
Salary escalation	11.50% P.A.	11.50% P.A.
VI <u>Expense recognised in the statement of Profit and Loss</u>		
Current Service Cost	37	34
Interest Cost	14	13
Expected Return on Plan Asset	(13)	(10)
Net Actuarial Loss / (Gain)	(6)	10
Settlement (gain) / loss*	-	(0)
Total expenses recognised in the statement of Profit and Loss, under Employee benefit expense	32	47

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

28. Employee benefits (contd.)

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

Plan Assets:

Particulars	As At	
	March 31, 2016	March 31, 2015
Investments with Insurer	100%	100%

Amounts for the current period and previous four years are as follows:

Particulars	Gratuity				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Defined Benefit Obligation	213	191	141	107	84
Plan Assets	181	143	116	90	50
Surplus/ (Deficit)	(32)	(48)	(25)	(17)	(13)
Experience adjustments on plan liabilities-(loss)/gain	12	5	(7)	3	(2)
Experience adjustments on plan assets- (loss)/gain*	(2)	0	10	6	(1)

* value is less than one million ₹

29. Additional information pursuant to the provisions of paragraph 5 of Part II of the schedule III to the Companies Act 2013

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Expenditure in foreign currency (Accrual basis)		
Onsite salary	4	6
Others	2	2
	7	9
Earnings in foreign currency (Accrual basis)		
Income from software development and sale of software	3,004	2,908
	3,004	2,908
Value of imports (C.I.F. basis)		
Capital goods	125	190
	125	190

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

(All amounts in millions unless otherwise stated)

29. Additional information pursuant to the provisions of paragraph 5 of Part II of the schedule III to the Companies Act 2013 (contd.) Auditors remuneration (As Auditors')

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
a) As Auditors		
Audit fees	4	2
b) In Other Capacity		
Other services (Certification Fees)*	0	0
c) Reimbursement of expenses*	0	0
	4	3

* value is less than one million ₹

Dividend remitted in foreign currency

Particulars	Currency	Year Ended	
		March 31, 2016	March 31, 2015
Dividend Remitted in foreign currency			
Number of non-resident Shareholders		2	2
Number of equity shares held on which dividend was due		1	1
Amount remitted	USD	2	3
	EUR	2	-

30. Earnings per share

The earnings considered in ascertaining the Company's earnings per share comprise net profit after exceptional items and tax.

The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Net profit for the year available for equity shareholders	565	518
Weighted average number of shares	1,552,200	1,552,200
Earnings per share (Basic and Diluted) in ₹*	0	0

31. Corporate social responsibility

As per Sec 135 of the Companies Act, 2013 and rules therein, the Company is required to spend atleast 2% of the average net profits of past three years towards Corporate Social Responsibility (CSR). Details of CSR expenditure are as follows:

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Gross amount required to be spent	15	14
Spent during the year in cash towards educational purposes	4	NIL

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

(All amounts in millions unless otherwise stated)

32. Segmental reporting

a) Primary Segments

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

b) Secondary Segments

Revenue

The following table shows the distribution of the Company's revenue by Geographical Market.

Region	Year Ended	
	March 31, 2016	March 31, 2015
	₹	₹
US	1,434	1,286
Europe	1,484	1,511
Asia Pacific (excluding India)	24	44
Middle East	62	67
India	1	3
Total	3005	2910

The following table shows the carrying amount of segment assets and addition to segment assets by Geographical area in which assets are located.

Particulars	Carrying amount of segment assets		Addition to fixed assets and intangible assets	
	As at	As at	For Year Ended	For Year Ended
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
US	17	17	-	-
Europe	125	125	-	-
Middle East	21	21	-	-
Asia (excluding India)*	0	0	-	-
India	1,832	1,832	145	170
Total	1,996	1,996	145	170

33. Employee stock options

Certain employees of the Company have been allotted Employee Stock Options in Geometric Limited. The Company has not incurred any expenses for issuing such options.

34. Dues to micro, small and medium scale enterprises

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act 2006".

* value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

35. Scheme of arrangement

On April 1, 2016, the Board of Director has approved the Composite Scheme of Arrangement and Amalgamation between Geometric Limited ('GL'), HCL Technologies Limited ('HCL') and 3DPLM Software Solutions Limited ('3D PLM' or 'the Company') 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 GL including its overseas subsidiaries (excluding the shares held by the GL in Company) ("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 GL on the record date.

Thereafter, the GL, 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 GL and, subject to approval by the Reserve Bank of India ('RBI'), all non-resident shareholders of the GL, 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 GL. 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 GL held by such shareholders which shall be compulsorily purchased by Dassault Systemes and/or its nominees immediately on issuance at a price of ₹ 5080.30 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 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 of the Scheme is March 31, 2016.

36. Previous year comparatives

Previous year figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date
For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W

per Govind Ahuja
Partner
Membership No:48966

Place: Mumbai
Date: April 18, 2016

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

Pallavi Pathak
DIN: 07151136
Alternate Director to Manu Parpia

Chandan Chowdhury
DIN: 00906211
Alternate Director to Didier Gaillot

Sudarshan Mogasale
PAN: AAXPM5923B
CEO and Manager



3D PLM GLOBAL SERVICES PVT. LTD.

Financial Statements for the year ended March 31, 2016

Regd. Office:

Plant 11, 3rd Floor, Pirojshanagar, Vikhroli (West), Mumbai - 400 079, India

Board's Report

To
The Members,
3D PLM Global Services Private Limited

The Directors have pleasure in presenting the Second Annual Report on the business and operations of the Company for the year ended March 31, 2016.

I. FINANCIAL STATEMENT AND RESULTS:

1. Financial Results:

Your Company's financial performance for the year under review has been encouraging and is summarised below

(All amounts in millions unless otherwise stated)

Particular's	FY16	FY15
Net Sales	354.88	3.47
Total Income from Operations	354.88	3.47
Total Expenses other than Depreciation & Finance Cost	293.81	7.55
Profit from Operations before Other Income, Finance Cost & Exceptional Items	61.07	(4.08)
Depreciation	22.34	0.16
Profit from Operations before Other Income, Finance Cost & Exceptional Items	38.73	(4.24)
Foreign Exchange Gain/ (Loss)	(1.90)	(0.01)
Other Income	1.23	-
Profit before Finance Cost & Exceptional Items	38.06	(4.25)
Finance Cost	2.34	-
Profit after Finance Cost but before Exceptional Items	35.72	(4.25)
Exceptional Items	-	-
Profit Before Tax	35.72	(4.25)
Tax Expense	0.27	-
Net Profit for the period	35.46	(4.25)
Available for appropriation	-	(4.25)
Surplus Carried Forward	35.46	(4.25)

2. Operations (Nature of Business):

The operations of your company is in the field of Software Services, IT and Engineering services and all other related areas including design, development, testing, integration, migration, up gradation, support and maintenance. Main objective of the company is to be scalable & efficient as a supplier for Dassault Systèmes, Geometric and Dassault Systèmes Partners by way of becoming Global Delivery Centre for Services on Dassault Systèmes products and deliver high quality of work at optimum cost. The core purpose of the organization is in order to accelerate, ease and ensure the realization of Dassault Systèmes' 3DEXPERIENCE platform.

3. Report On Performance Of Subsidiaries, Associates And Joint Venture Companies:

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

4. Dividend:

With a view to conserve resources, your Directors have thought it prudent not to recommend any dividend for the Financial Year under review.

5. Transfer To Reserves:

The Board of Directors has not recommended transfer of any amount of profit to reserves during the year under review. Hence, the entire amount of profit for the year under review has been carried forward to the Statement of Profit and Loss.

Board's Report (Contd.)

6. State of the Company's Affairs:

This is the first full-fledged Financial Year since we started our commercial operations during last year. During this year, we have achieved a turnover of ₹ 35.49 crores and made a profit of ₹ 3.58 crores. This was possible mainly due to the aggressive strategy to penetrate the market coupled with faster ramp up of the recruitment, training and infrastructure. The company launched new service offerings, won some new customers in Partners category and introduced "factory model" to deliver the services. The company also built and deployed a comprehensive Quality System to ensure all projects are delivered with good quality.

During the year company has added 265 permanent employees (net additions). It had voluntary employee turnover of 5% for the full year which is much lower than Industry in general.

Your directors are very hopeful for the bright future of the company and continue to grow the business in the years to come.

7. Share Capital:

During the year under review, the Company has increased its Preference Share Capital 55,00,000 and 14,00,000 6.5% redeemable preference shares of ₹ 10/- each to 3D PLM Software Solutions Ltd, the holding company, pursuant to the circular resolution passed on April 13, 2015 and June 12, 2015 respectively which was in accordance to section 175 of the companies Act, 2013.

As on March 31, 2016, the subscribed and paid-up capital of the Company is ₹ 3,01,00,000 [Rupees Three Crores and One Lakh only] divided into 30,10,000 [Thirty Lakhs and Ten Thousand] Equity Shares and ₹ 6,90,00,000 [Rupees Six Crores and Ninety Lakhs only] divided onto 69,00,000 [Sixty nine Lakhs] 6.5% Redeemable Preference Shares of ₹ 10/- each.

8. Revision of Financial Statement:

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

9. Deposits:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 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.

10. Disclosures under Section 134(3)(l) 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.

11. 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 impact on the going concern status and the Company's operations in future.

12. Particular of Contracts or Arrangement with Related Parties:

All contracts / arrangements / transactions entered by the Company during the Financial Year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transaction.

13. Particulars of Loans, Guarantees and Investment and Securities:

The Company has taken Working Capital Loan of ₹ 40 Mn from 3D PLM Software Solutions Limited and no guarantees and securities were provided during the Financial Year under review.

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

The Company has not issued during the Financial Year under review any shares with differential rights and hence no information as per provisions of Section 43(a)(ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

15. 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 furnished.

Board's Report (Contd.)

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

The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information 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 is furnished.

17. 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 is furnished.

II. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. Board of Directors & Key Managerial Personnel:

Mr. Manish Tambe as Manager and Chief Operating Officer, for a period upto 3 years, with effect from May 4, 2015 to May 3, 2018 pursuant to provisions of Section 196, 197 and other applicable provisions if any, of the Companies Act, 2013, in accordance with circular resolution passed in April 13, 2015.

Mr. Manu Parpia, Mr. Sudarshan Mogasale, Mr. Jean Balleidier and Mr. Rene Lo Negro appointed as an Independent Directors of the Company for a term of five years at Annual General Meeting held on July 15, 2015 in accordance with the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013

Ms. Sunipa Ghosh (ACS No. 22216) was appointed as Company secretary of the company pursuant to the provisions as per section 203 companies Act, 2013 and Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies Act, 2013 at the Board Meeting held on July 15, 2015.

Mr. Shashank Patkar, has resigned as director in the company pursuant to the provisions of Section 168 of the Companies Act, 2013 with respect to circular resolution passed on June 4, 2015.

Mr. Patrick Derouin was appointed as Chief Executive Officer of the Company w.e.f July 15, 2015.

2. Disclosure Statement on declaration given by Independent Directors:

The Company has received declarations form all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming their independence vis-à-vis the Company.

3. Disclosures related to Board, Committees and Policies:

a. Board Meetings:

Board meetings were held on April 13, 2015, July 15, 2015, November 4, 2015 and January 21, 2016. The necessary quorum was present at all the meetings.

b. 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 uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews.

c. 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 has 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.

d. Fraud Reporting:

During the year under review no instances of fraud were reported by the Statutory Auditors of the Company.

Board's Report (Contd.)

e. 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 of the 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.

III. AUDITORS AND REPORTS:

The matters related to Auditors and their Reports are as under:

1. Observations of Statutory Auditors on Accounts for the year ended March 31, 2016:

The observations made by the Statutory Auditors in their report for the Financial Year ended March 31, 2016 read with the explanatory notes therein are self-explanatory and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

2. Ratification of Appointment of Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. S. R. Batliboi & Associates LLP, Chartered Accountants, the Statutory Auditors of the Company have been appointed for a term of 5 years at the First Annual General Meeting held on July 15, 2015. However, their appointment as Statutory Auditors of the Company shall be required to be ratified by the Members at the ensuing (Second) 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. S. R. Batliboi & Associates LLP, Chartered Accountants as the Statutory Auditors of the Company.

Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of Annual General Meeting for seeking approval of members.

IV. OTHER DISCLOSURES

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

1. 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 I** which forms part of this Report.

Board's Report (Contd.)

2. 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 II-MGT-9** which forms part of this Report.

3. 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.

V. ACKNOWLEDGEMENTS:

Your Directors take this opportunity to thank the employees, customers, shareholders, suppliers, bankers, business partners/associates, financial institutions, various regulatory authorities and Central and State Governments for their consistent support and encouragement to the Company.

On behalf of the Board of Directors

MANU PARPIA

Chairman

DIN: 00118333

April 18, 2016

Mumbai

CIN: U72900MH2014PTC259502**Registered office:**

Plant 11, 3rd Floor Pirojshanagar,

Vikhroli (West), Mumbai 400079

Tel No.: 022 6705 6500 **Fax No.:** 022 6705 6891**E-mail:** investor-relations@geometricglobal.com**Website:** www.3dplmglobal.com**SUDARSHAN MOGASALE**

Director

DIN: 02273753

Annexure 'I' to the Board's Report

Particulars as prescribed under section 134 (3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

A. Conservation of Energy:

(i) Steps taken or impact on conservation of energy:

The Company's operations are not energy-intensive. However, significant measures are taken to reduce energy consumption by adopting various measures for optimal utilization of electricity by stringent control on area of utilization, using energy efficient computers, using energy efficient equipment, using natural lighting, additionally stringent control on air-conditioning by putting VFD and VRF's and lighting during the off working hours and days.

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

(ii) Steps taken by the company for utilizing alternate sources of energy:

The company is setting up its new facility. We are yet to evaluate the options if any available.

(iii) Capital investment on energy conservation equipment:

We are going to implement the concept of virtualization of IT Assets to reduce Computer Hardware requirements, as soon as it becomes financially viable for us. We have not implemented virtualization as of now because the volume of servers is quite less. We will definitely explore this possibility as and when needed in future.

B. Technology Absorption:

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

(i) Efforts made towards Technology Absorption:

Our aim is to become a Global Delivery Centre for Services on Dassault Systèmes products and deliver high quality of work. Therefore the main focus is on building expertise in DS products and so that good quality services are delivered. Towards this objective we provide training, conduct workshops on latest technologies for our employees, in cooperation with Dassault Systèmes.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;:

Since our company is a new entrant, it is too early to comment on the same.

(iii) In case of imported technology (imported during the last 3 years reckoned from the beginning of the Financial Year):

- | | | |
|---|---|----------------|
| a. the details of technology imported: | } | Not Applicable |
| b. the year of import: | | as no imported |
| c. whether the technology been fully absorbed? | | technology is |
| d. If not fully absorbed, areas where absorption has not taken place, and reasons thereof | | put to use. |

(iv) No expenditure incurred on Research and Development.

C. Foreign Exchange Earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

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

(in ₹ Lakhs)

Particulars	FY16	FY15
Total Foreign Exchange used	199.96	2.03
Total Foreign Exchange earned	3,512.89	34.68

Annexure 'II' to the Board's Report

Form No. MGT 9

Extract of Annual Return as on Financial Year ended on 31.03.2016

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U72900MH2014PTC259502
2.	Registration Date	November 19, 2014
3.	Name of the Company	3D PLM GLOBAL SERVICES PRIVATE LIMITED
4.	Category/Sub-category of the Company	Private Limited Company/ Non-government company
5.	Address of the Registered office & contact details	Plant 11, 3 rd Floor, Pirojshanagar, Vikhroli (West), Mumbai – 400 079 Tel No.: 022 2518 9205 Fax No.: 022 6705 6891
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

SN	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Made-to-order software, developed and supplied to a specific user	72292	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

SN	Name of the Company	Country	CIN / GLN	Holding / subsidiary/ associate	% of shares held	Applicable section
1.	3D PLM Software Solutions Limited	India	U72900MH2001PLC134244	Holding	100%	Section 2(46)

IV. SHARE HOLDING PATTERN

A) Category-wise Share Holding: (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held								% Change during the year
	as on 31-March-2015				as on 31-March-2016				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian - Bodies Corp.	-	3,010,000	3,010,000	100%	-	3,010,000	3,010,000	100%	0
(2) Foreigner - Bodies Corp.	-				-				-
Total shareholding of Promoter (A)	-	3,010,000	3,010,000	100%	-	3,010,000	3,010,000	100%	0
B. Public Shareholding	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	3,010,000	3,010,000	100%	-	3,010,000	3,010,000	100%	0

Annexure 'II' to the Board's Report (Contd.)

IV. SHARE HOLDING PATTERN (Contd.)

B) Category-wise Share Holding: (Preference Share Capital Breakup as percentage of Total Preference Capital)

Category of Shareholders	No. of Shares held								% Change during the year
	as on 31-March-2015				as on 31-March-2016				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian - Bodies Corp.	-	20,000,000	20,000,000	100%	100%	20,000,000	20,000,000	100%	
(2) Foreigner - Bodies Corp.	-				-				-
Total shareholding of Promoter (A)	-	20,000,000	20,000,000	100%	100%	20,000,000	20,000,000	100%	
B. Public Shareholding	-	-	-	-	-	-	-	-	-
2. Non-Institutions	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	-	-	-	-	20,000,000	20,000,000	100%	100%

C) Shareholding of Promoters:

SN	Shareholder's Name	Type of shares	Shareholding by the Promoters						% change in shareholding during the year
			as on 31-March-2015			as on 31-March-2016			
			No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	3D PLM Software Solutions Ltd.	Equity Shares*	3,010,000	100%	-	3,010,000	100%	-	0
	TOTAL		3,010,000	100%		3,010,000	100%	-	0

* For compliance purpose 1 shares held by Mr. Manu Parpia as Beneficiary holder.

SN	Shareholder's Name	Type of shares	Shareholding by the Promoters						% change in shareholding during the year
			as on 31-March-2015			as on 31-March-2016			
			No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	3D PLM Software Solutions Ltd	Preference Shares	-	20,000,000	100%	20,000,000	100%	-	0
	TOTAL		-	20,000,000	100%	20,000,000	100%	-	0

Annexure 'II' to the Board's Report (Contd.)

D) Change in Promoters' Shareholding:

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	-	-	-	-
	Transactions during the year				
	Allotment of Preference Shares	6,900,000	100%	6,900,000	100%
	At the end of the year	6,900,000	100%	6,900,000	100%

E) **Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):** No other shareholders

V. **INDEBTEDNESS** – The Company has not availed any loan during the year and is a debt-free company.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

None of the directors or KMP have been paid any remuneration during the year.

Remuneration to Manager as below:

(in ₹ Lakhs)

SN	Particulars of Remuneration	Manish Tambe (Manager)
1	Gross salary	2,070,404
	(a) in Salary as per provisions contained section 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	762,825
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	
2	Stock Option (nos.)*	
	i) Granted during the year	-
	ii) Exercised during the year	7,000
	iii) Balance as on March 31, 2016	21,500
3	Sweat Equity	
4	Variable Pay	535,423
5	Commission - as % of profit	
	Total (A) (Total of remuneration does not include the number of Stock Options)	3,368,652

* Stock options held are granted by Geometric Limited, holding Company of the 3D PLM Software Solutions Ltd.

Annexure 'II' to the Board's Report (Contd.)

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	N.A.				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.				
Punishment					
Compounding					

On behalf of the Board of Directors

MANU PARPIA
Chairman
DIN: 00118333

SUDARSHAN MOGASALE
Director
DIN: 02273753

April 18, 2016
Mumbai

Independent Auditor's Report

To the Members of 3D PLM Global Services Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of 3D PLM Global Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

Opinion

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

information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2016, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act; and
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

per Govind Ahuja
Partner
Membership Number: 48966

Place : Mumbai
Date: April 18, 2016

Independent Auditor's Report (contd.)

Annexure 1 to the Independent Auditors' Report Re: 3D PLM Global Services Private Limited ('the Company')

Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the Company does not own any immovable properties and accordingly, the requirements under paragraph 3 (i)(c) of the Order are not applicable to the Company.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3 (ii) of the Order are not applicable to the Company.
- (iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits from the public.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148 (1) of the Act, for the services of the Company.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues applicable to it. The provisions relating to duty of excise are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to duty of excise are not applicable to the Company.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, service tax, duty of customs and value added tax which have not been deposited on account of any dispute. The provisions relating to duty of excise are not applicable to the Company.
- (viii) The Company has neither issued any debentures nor availed any loan from banks, financial institutions or government. Therefore, the provisions of clause 3(viii) of the Order are not applicable to the Company.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not raised any money way of initial public offer or further public offer or debt instruments and term loans hence, reporting under clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.
- (xi) The Company is not a public company. Therefore, the provisions of section 197 and Schedule V to the Companies Act, 2013 are not applicable to the Company. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to information and explanation given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W

per Govind Ahuja
Partner
Membership Number: 48966

Place: Mumbai
Date: April 18, 2016

Independent Auditor's Report (contd.)

Annexure 2 to the Independent Auditor's Report of even date on the financial statements of 3D PLM Global Services Private Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of 3D PLM Global Services Private Limited

We have audited the internal financial controls over financial reporting of 3D PLM Global Services Private Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and Audit Report dated April 18, 2016 provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

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

per **Govind Ahuja**
Partner
Membership Number: 48966

Place: Mumbai
Date: April 18, 2016

Balance Sheet as at March 31, 2016

(All amounts in millions unless otherwise stated)

Particulars	Notes	As at	
		March 31, 2016	March 31, 2015
Equity and Liabilities			
Shareholders' Funds			
Share capital	4	99	30
Reserves and surplus	5	31	(4)
		130	26
Non-Current Liabilities			
Other long term liabilities	6	1	-
Current Liabilities			
Trade payables*	7	3	0
Other current liabilities	8	101	6
Short term provisions*	9	9	0
Total Equity and Liabilities		243	33
Assets			
Non-Current Assets			
Fixed assets	10		
Tangible assets		97	7
Intangible assets*		0	0
Capital work-in-progress		1	1
Long term loans and advances	11	26	6
Current assets			
Current investments	16	5	-
Trade receivables	12	26	2
Cash and Bank Balances	13	24	15
Short term loans and advances*	14	10	0
Other current assets	15	55	2
Total Assets		243	33
Summary of significant accounting policies	3		

* Value is less than one million ₹

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

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W

per Govind Ahuja

Partner

Membership No.:48966

**For and on behalf of the Board of Directors of
3D PLM Global Services Private Limited**

Manu Parpia

Director

DIN: 00118333

Sudarshan Mogasale

Director

DIN: 02273753

Place : Mumbai

Date : April 18, 2016

Statement of Profit and Loss for the year ended March 31, 2016

(All amounts in millions unless otherwise stated)

Particulars	Notes	Year Ended March 31, 2016	Period From November 19, 2014 to March 31, 2015
Income			
Revenue from operations		355	3
Other income	17	1	-
Total Revenue		356	3
Expenditure			
Employee benefit expenses	18	202	3
Operating and other expenses	19	93	4
Finance cost	20	2	-
Depreciation and amortisation expense*	10	22	0
Total Expenses		320	8
Profit / (Loss) before tax		36	(4)
Tax expenses			
Current taxes		10	-
MAT credit entitlement		(9)	-
Total tax expenses*		0	-
Profit / (Loss) for the year/period		35	(4)
Earnings Per Equity Share			
Basic and Diluted [Nominal value of the shares ₹ 10 (March 31, 2015 : ₹10)]	26	3.75	(5.63)
Summary of significant accounting policies	3		

* Value is less than one million ₹

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

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W

per Govind Ahuja

Partner

Membership No.:48966

Place : Mumbai

Date : April 18, 2016

**For and on behalf of the Board of Directors of
3D PLM Global Services Private Limited**

Manu Parpia

Director

DIN: 00118333

Sudarshan Mogasale

Director

DIN: 02273753

Cash flow statement for the year ended March 31, 2016

(All amounts in millions unless otherwise stated)

Particulars	Year ended March 31, 2016	Period From November 19, 2014 to March 31, 2015
Cash Flow from Operating Activities		
Profit / (Loss) Before Tax	36	(4)
<u>Adjustment to reconcile Profit / (loss) before tax to net cash flows</u>		
Depreciation and amortisation*	22	0
Loss on Sale of Investments*	0	-
Interest Expense	2	-
Interest Income*	(0)	-
Dividend Income	(1)	-
Unrealised loss*	(1)	0
Operating Profit / (loss) Before Working Capital Changes	59	(4)
Movement in working capital		
Increase in Other Long Term Liabilities	1	-
Increase in Trade Payables*	2	0
Increase in Other Current Liabilities	98	3
Increase in Short Term Provisions*	8	0
Increase in Long Term Loans and Advances*	(16)	(0)
Increase in Trade Receivables	(24)	(2)
Increase in Short Term Loans and Advances*	(10)	(0)
Increase in Other Current Assets	(54)	(2)
Cash Generated from in operations	64	(5)
Income Taxes Paid	(9)	-
Net Cash Flow from / (used in) Operating Activities	(A) 55	(5)
Cash Flow from Investing Activities		
Purchase of Fixed Assets including CWIP and Capital advances	(110)	(11)
Purchase of current investments (Net)	(415)	-
Proceeds from Sale/Redemption of Investments (Net)	410	-
Dividend Received	1	-
Interest Received*	0	-
Net Cash Flow from / (used in) Investing Activities	(B) (113)	(11)

* Value is less than one million ₹

Cash flow statement for the year ended March 31, 2016 (Contd.)

(All amounts in millions unless otherwise stated)

Particulars	Year ended March 31, 2016	Period From November 19, 2014 to March 31, 2015
Cash Flow from Financing Activities:		
Loans taken from Holding Company	40	-
Loans repaid	(40)	
Proceeds from Issuance of equity share capital	69	30
Interest on borrowings	(2)	-
Net Cash flow from / (used in) Financing Activities	(C) 67	30
Net Increase In Cash And Cash Equivalents (A+B+C)	9	15
Cash and Cash equivalents at the beginning of the year/period	15	-
Cash and Cash equivalents at the end of the year/period	24	15
Components of cash and cash equivalents		
Remittance in Transit	20	-
<u>Balances with Banks</u>		
In Current Accounts	4	15
Cash and Cash equivalents at the end of the year (Refer note 13)	24	15

Summary of Significant Accounting Policies

3

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

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W

per Govind Ahuja

Partner

Membership No.:48966

Place : Mumbai

Date : April 18, 2016

**For and on behalf of the Board of Directors of
3D PLM Global Services Private Limited**

Manu Parpia

Director

DIN: 00118333

Sudarshan Mogasale

Director

DIN: 02273753

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

1. Nature of operations

3D PLM Global Services Private Limited (the Company) is a wholly owned subsidiary of 3D PLM Software Solutions Limited. The Company was incorporated on November 19, 2014 and is engaged in providing Software Service, IT and Engineering services and all other related areas including design, development, testing, integration, migration, up gradation, support and maintenance. The Company acts as supplier for Dassault Systèmes and Geometric by way of becoming delivery centre for services on Dassault Systèmes products.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

3. Summary of significant accounting policies

a) Use of estimates

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

b) Tangible Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation, amortization and impairment losses if any. Cost includes all expenses related to acquisition and installation of the concerned assets and any directly attributable cost of bringing the asset to the condition of its intended use.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

(All amounts in millions unless otherwise stated)

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

c) Depreciation on Tangible Fixed Assets

Leasehold Improvements are depreciated over the period of lease.

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management.

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

Particulars/ Asset type	Years of useful life
Computers	3
Office Equipment	5
Furniture and Fixtures	10

The management has estimated, supported by independent assessment by professionals, the useful lives of the following classes of assets.

- The useful lives of servers and networking equipment forming part of computer peripherals and related equipment are estimated as 3-5 years. These lives are lower than those indicated in schedule II.

d) Intangible Assets and related amortisation

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are amortised on a straight line basis over the estimated useful economic life. Following initial recognition intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss if any. Intangible assets consist of computer software and are amortized over a period of one year. The amortisation period and amortisation method are reviewed at each financial year end.

e) Leases where the company is lessee

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

f) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on

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

which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

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

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

g) Impairment of tangible and intangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The company bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the company's cash-generating units to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued plant, property and equipment, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

(All amounts in millions unless otherwise stated)

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

h) Foreign Exchange Transactions

(i) Initial Recognition

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

(ii) Conversion

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

(iii) Exchange Differences

Exchange differences arising on the translation/settlement of foreign currency monetary items are recognised as income or expense in the period in which they arise.

i) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised :

Income from Services

Revenue from time and material contracts for software services is recognized when the related services are rendered to the customers. In case of fixed price contracts, which are generally time bound, revenue is recognized over

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

the life of the contract using proportionate completion method, on the basis of work completed.

Unbilled revenue included in other current assets represents revenues recognized for efforts incurred but not billed as at the balance sheet date. Deferred revenue included in current liabilities represents billing in excess of revenue recognized.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Other Income" in the statement of Profit and loss.

Income from reimbursable assets

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

j) Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and the tax laws used to compute are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years.

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

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

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain,

(All amounts in millions unless otherwise stated)

as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. MAT credit is recognized as an asset only to the extent there is convincing evidence that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the guidance note on Accounting for credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as "MAT Credit Entitlement" asset. The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down asset to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

k) Retirement and Employee Benefits

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

The Company operates a gratuity plan which is a defined benefit plan. The cost of providing benefits is determined on the basis of an actuarial valuation at each year end. The actuarial valuation is carried out using the projected unit credit method. Actuarial gain and losses, if any, are recognized in full, in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not

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

deferred. The company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

l) Provisions

A provision is recognised when the Company embodying economic benefits has a present obligation as a result of past event; it is probable that an outflow of resources of the amount of the obligation will be required to settle the obligation, and reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at each reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

m) Segment Reporting

The Company is engaged in providing Software Service, IT and Engineering services and all other related areas including design, development, testing, integration, migration, up gradation, support and maintenance. Accordingly, in terms of AS 17 on Segment Reporting, its operations are considered to constitute one single primary segment. The Secondary segments are geographical areas by location of customers.

n) 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

(All amounts in millions unless otherwise stated) attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

o) Contingent liabilities

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

p) Cash and cash equivalents

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

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

(All amounts in millions unless otherwise stated)

Particulars	As at	
	March 31, 2016	March 31, 2015
4. Share Capital		
<u>Authorised shares:</u>		
3,010,000 (March 31, 2015 : 3,010,000) Equity shares of ₹ 10 each and	30	30
20,000,000 (March 31, 2015 : 20,000,000) Preference shares of ₹ 10 each	200	200
	230	230
<u>Issued shares:</u>		
3,010,000 (March 31, 2015 : 3,010,000) Equity shares of ₹ 10 each and	30	30
20,000,000 (March 31, 2015 : 20,000,000) Preference shares of ₹ 10 each	200	200
	230	230
<u>Issued, subscribed and fully paid-up shares:</u>		
3,010,000 (March 31, 2015 : 3,010,000) Equity shares of ₹ 10 each fully paid	30	30
6,900,000 (March 31, 2015 : NIL) Preference shares of ₹ 10 each and	69	-
	99	30

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Reconciliation of Equity Share

Equity Shares outstanding at the beginning of the (period/year)	3	-
Equity Shares issued during the (period/year)	-	3
Shares bought back during the (period/year)	-	-
Shares outstanding at the end of the (period/year)	3	3

Reconciliation of Preference Share

Preference Shares outstanding at the beginning of the (period/year)	-	-
Preference Shares issued during the (period/year)	7	-
Shares bought back during the (period/year)	-	-
Shares outstanding at the end of the (period/year)	7	-

b. Terms/rights attached to the shares of the Company

Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Terms/rights attached to preference shares

During the year ended 31 March 2016, the company issued 6,900,000 Non-Cumulative Preference share (NCPS) of ₹10 each fully paid-up. NCPS carry non-cumulative dividend @ 6.5% p.a. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The holder of NCPS is not entitled to vote. Shares issued to them are redeemable within a period of 5 years after the expiry of 3 years from the date of issue.

In the event of liquidation of the company before redemption of equity shares, the holders of NCPS will have priority over equity shares in the payment of dividend and repayment of capital.

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

(All amounts in millions unless otherwise stated)

	As at	
	March 31, 2016	March 31, 2015
4. Share Capital (Contd.)		
c. Details of shareholders holding more than 5% shares in the Company and shares held by the Holding Company		
<u>Equity Shares</u>		
<u>3D PLM Software Solutions Limited (Holding Company)</u>		
Number of shares held	3	3
Percentage of holding in the class	1	1
	3	3
<u>Preference Shares</u>		
<u>3D PLM Software Solutions Limited (Holding Company)</u>		
Number of shares held	7	-
Percentage of holding in the class	1	-
	7	-
5. Reserves and Surplus		
<u>Surplus/(Deficit) in the statement of Profit and Loss</u>		
Balance as per last financial statements	(4)	-
Profit / (Loss) for the year/period	35	(4)
Net Deficit in the statement of Profit and Loss	31	(4)
6. Other Long Term Liabilities		
Deferred Revenue	1	-
	1	-
7. Trade Payables*		
Trade Payables (Refer note 27)	3	0
	3	0
8. Other Current Liabilities		
Deferred Revenue	4	-
Retention Money*	2	0
Accrued Expenses	45	2
Statutory Liabilities	6	1
Advances from customers	42	-
Others Payables	1	4
	101	6
9. Short Term Provisions		
Provision for taxation (net of advance tax)*	0	-
Provision for employee benefits	-	-
Gratuity*	5	0
Compensated absences*	4	0
	9	0

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

10. Fixed Assets

Asset	Gross Block			Depreciation/Amortisation			Net Block			
	As at April 1, 2015	Additions	Disposals	As at March 31, 2016	As at April 1, 2015	For the Year	On Dispsals	Upto March 31, 2016	As at March 31, 2016	As at March 31, 2015
Tangible Assets:										
- Leasehold Improvement*	4	44	-	48	0	8	-	8	40	4
- Computers*	3	17	-	20	0	5	-	5	14	2
- Office Equipment and EPBAX System*	1	36	-	37	0	6	-	6	30	1
- Furniture and Fixtures	-	13	-	13	-	1	-	1	12	-
Total	7	110	-	117	0	20	-	20	97	7
Previous year *	-	7	-	7	-	0	-	0	7	-
Intangible Assets:										
- Computer Software *	0	2	-	2	0	2	-	2	0	0
Total *	0	2	-	2	0	2	-	2	0	0
Previous year*	-	0	-	0	-	0	-	0	0	-
Grand Total	7	112	-	120	0	22	-	23	97	7
Previous year *	-	7	-	7	-	0	-	0	7	-
Capital Work in Progress	-	-	-	-	-	-	-	-	1	1

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

	Year ended March 31, 2016	Period From November 19, 2014 to March 31, 2015
17. Other Income		
Dividend Income on current investments	1	-
<u>Interest Income</u>		
Other Interest*	0	-
	1	-
18. Employee Benefit Expenses		
Salaries, Bonus and Allowances	181	3
Gratuity expenses*	5	0
Contribution to Provident and other funds*	9	0
Staff welfare expenses*	8	0
	202	3
19. Operating And Other Expenses		
Electricity Expenses	10	-
Facility Charges	4	-
Rates and Taxes*	0	2
Rent	26	1
Lease Rent - Assets	4	-
Repairs and Maintenance:	-	-
Computers*	3	0
Others*	0	0
Insurance*	0	-
IT recharge cost	6	-
Travelling and Conveyance Expenses*	2	0
Communication Expenses*	1	0
Legal and Professional Charges*	16	0
Staff Recruitment Expenses	1	-
Royalty Payments	1	-
Loss on Sale of Investments (Net)*	0	-
Loss on Exchange Fluctuation (Net)*	2	0
Shared Service Cost	14	-
Miscellaneous Expenses*	3	0
	93	4
20. Finance Cost		
Interest Expense	2	-
	2	-

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

21. Capital and other commitments

Estimated amount of contracts remaining to be executed, net of advances to the extent not provided for ₹ 5 million. (March 31, 2016: ₹ 73 millions)

For commitments relating to lease arrangements, please refer note 22.

22. Accounting for leases

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

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

Operating Lease	Year ended March 31, 2016 ₹	Period from November 19, 2014 to March 31, 2015 ₹
Lease payments	28	1

Operating Lease	As at March 31, 2016	As at March 31, 2015
Minimum Lease Payments		
Not later than one year	33	6
Later than one year but not later than five years	85	26

23. Derivative instruments and unhedged foreign currency exposure

Purpose	As at March 31, 2016		As at March 31, 2015	
	Foreign Currency	INR Amount	Foreign Currency	INR Amount
Trade Receivables	EUR	-	23,133	1,558,954
	JPY	10	-	-
	USD	-	5,904	368,292
Other Receivables	EUR	2	-	-
	JPY	-	-	-
Other Payables	EUR	-	-	-

24. Related party disclosures

Names of Related parties and their Relationship

Related parties where control exists.

Ultimate Holding Company	Geometric Limited
Holding Company	3D PLM Software Solutions Limited
Fellow Subsidiaries	Geometric Americas Inc. Geometric Europe GmbH Geometric Asia Pacific Pte. Ltd.

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

(All amounts in millions unless otherwise stated)

24. Related party disclosures (contd.)

Related parties under AS 18 with whom transactions have taken place during the year.

Party having substantial interest and exercising significant influence	Dassault Systemes SE
Other related parties (Affiliates of Dassault Systemes SE)	Dassault Systemes Deutschland GmbH
	Dassault Systemes Service, LLC
	Dassault Systemes 3DExcite GmbH
	Dassault Data Services Suresness
	Dassault Systemes Korea Corp
	Dassault Systemes España S.L.U
	Dassault Systemes India Pvt. Ltd.
	DS Canada Inc.
	Dassault Systemes UK
Other Related Party	Godrej and Boyce Manufacturing Company Limited.
Key Management Personnel	Mr. Manish Tambe (C.O.O. & Manager)

Related Party Transactions

Nature of Transaction	Year Ended March 31, 2016				
	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Party Having Substantial Interest	Other Related Parties
Revenue	2	-	70	111	168
	-	-	-	(1)	(2)
Purchase of Fixed Assets	-	-	-	-	11
	-	-	-	-	-
Shared Service Cost	11	3	-	10	1
	-	-	-	-	-
Reimbursement of Common Cost	1	1	-	-	-
	(-)	(-)	-	-	-
IT recharge cost	-	-	-	6	-
	(-)	(-)	(-)	(-)	-
Recovery of Expenses	-	-	-	-	1
	(-)	(-)	(-)	(-)	(-)
Recovery of Hardware Cost*	-	-	-	0	3
	(-)	(-)	(-)	(-)	(-)
Advance Recoverable/ Recovered during the year*	1	1	0	1	6
	(0)	(1)	(-)	(-)	(-)
Advance Payable*	0	1	-	-	-
	(0)	(1)	(-)	(-)	(-)
Increase in Preference Share Capital	-	69	-	-	-
	-	-	(-)	(-)	(-)

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

24. Related party disclosures (contd.)

Nature of Transaction	Year Ended March 31, 2016				
	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Party Having Substantial Interest	Other Related Parties
Loan taken	-	40	-	-	-
	-	-	(-)	(-)	(-)
Loan repaid	-	40	-	-	-
	-	-	(-)	(-)	(-)
Interest on loan (Expense)	-	2	-	-	-
	-	-	(-)	(-)	(-)
Other Expenses*	1	1	-	-	0
	(-)	(-)	(-)	(-)	-
Advances given for purchases*	-	-	-	-	4
	(-)	(-)	(-)	(-)	0

Nature of transaction	Year Ended	
	March 31, 2016	March 31, 2015
Managerial Remuneration: Key Management Personnel		
Mr. Manish Tambe	3	-

Out of the above items transactions with other related parties and fellow subsidiaries are as under:

Transactions and Related Parties	Year ended March 31, 2016	Period From November 19, 2014 to March 31, 2015
<u>Revenue</u>		
Dassault Systemes Deutschland GmbH*	-	0
Dassault Systemes 3DExcite GmbH	-	2
Dassault Systemes SE	111	1
Dassault Systemes Service, LLC	70	1
<u>Purchase of fixed assets</u>	-	-
Godrej & Boyce Mfg. Co. Ltd.,	11	-
<u>Shared Service Cost</u>		
3D PLM Software Solutions Limited	3	-
Geometric Limited	11	-
Dassault Systèmes SE	10	-
<u>Reimbursement of common cost</u>	-	-
Geometric Limited	1	-
<u>IT Recharge cost</u>	-	-
Dassault Systèmes SE	6	-
<u>Reimbursement of travel and Others</u>	-	-
3D PLM Software Solutions Limited	1	-

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

24. Related party disclosures (contd.)

Transactions and Related Parties	Year ended March 31, 2016	Period From November 19, 2014 to March 31, 2015
<u>Recovery of expenses</u>	-	-
Dassault Systemes 3DExcite GmbH	1	-
Dassault Systemes K.K*	0	-
<u>Recovery of travel expenses</u>	-	-
3D PLM Software Solutions Limited	1	-
Dassault Systemes 3DExcite GmbH	2	-
Dassault Systemes Korea Corp	2	-
Dassault Systèmes SE	1	-
<u>Recovery of Hardware</u>	-	-
Dassault Systemes 3DExcite GmbH	3	-
<u>Issue of Preference Share Capital</u>	-	-
3D PLM Software Solutions Limited	69	-
<u>Interest on Loan</u>	-	-
3D PLM Software Solutions Limited	2	-
<u>Loan taken from Holding Company</u>	-	-
3D PLM Software Solutions Limited	40	-
<u>Loan repaid</u>	-	-
3D PLM Software Solutions Limited	40	-
<u>Capital Advance</u>	-	-
Godrej & Boyce Mfg. Co. Ltd.,	4	-
<u>Other Expenses</u>	-	-
Godrej & Boyce Mfg. Co. Ltd.,*	0	-
Outstanding Balances		
	As at March 31, 2016	As at March 31, 2015
1. Holding Company :		
a. <u>Trade Receivables</u>		
Geometric Limited	1	-
b. <u>Advances Receivable</u>		
Geometric Limited	2	-
c. <u>Unbilled Revenue</u>		
Geometric Limited	1	-
2. Fellow Subsidiaries :		
a. <u>Trade Receivables</u>		
Geometric Asia Pacific Pte. Ltd. (Japan Branch)	7	-
Geometric, Sas	1	-

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

24. Related party disclosures (contd.)

Outstanding Balances	As at March 31, 2016	As at March 31, 2015
b. <u>Advances Received</u>		
Geometric Americas Inc.	2	-
c. <u>Unbilled Revenue</u>		
Geometric Asia Pacific Pte. Ltd. (Japan Branch)	1	-
Geometric, SAS	6	-
Geometric Americas Inc.	8	-
3. Party having substantial interest :		
a. <u>Trade Receivables</u>		
Dassault Systemes SE	14	1
b. <u>Unbilled Revenue</u>		
Dassault Systemes SE*	10	0
c. <u>Other Receivables</u>		
Dassault Systemes	1	-
2. Other Related Parties :		
a. <u>Trade Receivables</u>		
Dassault Systemes Deutschland GmbH*	-	0
Dassault Systemes Service, LLC*	-	0
Dassault Systemes 3DExcite GmbH	-	1
Dassault Data Services Suresness	3	-
Dassault Systemes España S.L.U*	0	-
b. <u>Unbilled Revenue</u>		
Dassault Systemes Deutschland GmbH*	-	0
Dassault Systemes Service, LLC*	9	0
Dassault Systemes 3DExcite GmbH	3	1
Dassault Data Services Suresness	1	-
Dassault Systemes Korea Corp*	0	-
Dassault Systemes España S.L.U	1	-
Dassault Systemes UK*	0	-
Dassault Systemes Canada Inc.	1	-
Dassault Systemes Israel	1	-
Dassault Systemes K.K.*	0	-
Dassault Systemes Americas Corp.	5	-
c. <u>Other Receivables</u>		
Dassault Systemes 3DExcite GmbH	2	-

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

24. Related party disclosures (contd.)

Outstanding Balances	As at March 31, 2016	As at March 31, 2015
d. <u>Advances received</u>		
Dassault Systemes 3DExcite GmbH	12	-
Dassault Systemes India Private Limited*	0	-
Dassault Systemes Americas Corp.	3	-
Dassault Systemes Canada Inc.	3	-
Dassault Systemes Service, LLC	22	-

25. Employee benefits

a. Defined Contribution Plan

Contribution to defined contribution plan, recognised in the statement of profit and loss account under Employee cost, Contribution to provident and other funds, in Note 18 for the period are as under:

Particulars	Year ended March 31, 2016	Period From November 19, 2014 to March 31, 2015
Contribution to Provident Fund*	8	0
Contribution to Superannuation Fund*	1	0

b. Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance company in the form of a qualifying insurance policy.

The following table summarizes the components of net benefit expenses recognized in the statement of profit and loss, the funded status and amount recognized in the Balance Sheet.

Particulars	Year ended March 31, 2016	Period From November 19, 2014 to March 31, 2015
Gratuity		
I <u>Reconciliation of opening and closing balances of Defined Benefit obligation</u>		
Present Value of Defined Benefit obligation as at the beginning of the period/ year	1	-
Acquisition Adjustments	17	1
Interest Cost	1	-
Current Service Cost*	3	0
Net Actuarial Loss / (Gain)*	(0)	(0)
Present Value of Defined Benefit obligation as at the end of the period/year	22	1
II <u>Reconciliation of fair value of plan assets</u>		
Fair value of plan assets as at the beginning of the period/year	1	-
Acquisition Adjustments	17	1
Expected return on plan assets*	1	0
Net Actuarial Gain / (Loss)*	(1)	(0)
Employer's contribution*	0	-
Fair value of plan assets as at the end of the period/year	18	1

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

25. Employee benefits (contd.)

Particulars	Year ended March	Period From
	31, 2016	November 19, 2014 to March 31, 2015
III <u>Actual return on plan assets</u>	(1)	-
IV <u>Net Liability recognised in Balance Sheet</u>	-	-
Present Value of Defined Benefit obligation	22	1
Fair value of plan assets	18	1
Net liability recognised in Balance Sheet*	5	0
V <u>Actuarial assumptions</u>		
Mortality Table:	I.A.L.M 2006-08 ULTIMATE	I.A.L.M 2006-08 ULTIMATE
Discount rate	7.90% P.A.	7.80% P.A.
Expected rate of return on Plan Assets	8.00% P.A.	8.00% P.A.
Salary escalation	10.00% P.A.	10.00% P.A.
VI <u>Expense recognised in the statement of Profit and Loss</u>		

Particulars	Year ended	Period From
	March 31, 2016	November 19, 2014 to March 31, 2015
Current Service Cost*	3	0
Acquisition (gain)/Loss*	-	0
Interest Cost	1	-
Expected Return on Plan Asset*	(1)	(0)
Net Actuarial Loss / (Gain)*	1	(0)
Total expenses recognised in the statement of Profit and Loss, under Employee benefit expense*	5	0

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

Plan Assets:

Particulars	As at	
	March 31, 2016	March 31, 2015
Investments with Insurer	100%	100%

Amounts for the current period and previous year are as follows:

Particulars	Gratuity	
	March 31, 2016	March 31, 2015
Defined Benefit Obligation	22	1
Plan Assets	18	1
Surplus/ (Deficit)*	(5)	(0)
Experience adjustments on plan liabilities-(loss)/gain*	0	-
Experience adjustments on plan assets- (loss)/gain	1	-

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

26. Additional information pursuant to the provisions of paragraph 5 of Part II of the schedule III to the Companies Act 2013

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Expenditure in foreign currency (Accrual basis)		
Royalty payments	1	-
Others*	19	0
	20	0
Earnings in foreign currency (Accrual basis)		
Income from software development and sale of software	351	3
	351	3
Value of imports (C.I.F. basis)		
Capital goods	62	-
	62	-

Auditors remuneration (As Auditors')

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
a) As Auditors		
Audit fees*	1	0
b) In Other Capacity	-	-
Other services (Certification Fees)*	0	0
c) Reimbursement of expenses*	0	-
	1	0

Earnings per share

The earnings considered in ascertaining the Company's earnings per share comprise net profit after exceptional items and tax.

The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year.

Particulars	Year Ended	
	March 31, 2016	March 31, 2015
Net profit / (loss) for the year/ period available for equity shareholders	35	(4)
Weighted average number of shares	9	1
Earnings per share (Basic and Diluted) in ₹*	0	(0)

27. Dues to micro, small and medium scale enterprises

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act 2006".

* Value is less than one million ₹

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

(All amounts in millions unless otherwise stated)

28. Segmental reporting

a) Primary Segments

The Company is engaged in providing Software Service, IT and Engineering services and all other related areas including design, development, testing, integration, migration, up gradation, support and maintenance. Accordingly, in terms of AS 17 on Segment Reporting, its operations are considered to constitute one single primary segment. The Secondary segments are geographical areas by location of customers.

b) Secondary Segments

Revenue

The following table shows the distribution of the Company's revenue by Geographical Market.

Region	Year ended March 31, 2016 ₹	Period From November 19, 2014 to March 31, 2015 ₹
US	124	1
Europe	195	3
Asia Pacific (excluding India)	32	-
Middle East	1	-
India	3	-
Total	355	3

The following table shows the carrying amount of segment assets and addition to segment assets by Geographical area in which assets are located.

Particulars	Carrying amount of segment assets and Intangible assets		Addition to fixed assets and intangible assets	
	As at March 31, 2016	As at March 31, 2015	Year ended March 31, 2016	For Period From November 19, 2014 to March 31, 2015
US	24	1	-	-
Europe	41	3	-	-
Middle East	1	-	-	-
Asia	9	-	-	-
India	155	29	112	7
Total	229	33	112	7

29. Previous years comparatives

Previous year / period figures have been regrouped/reclassified, where necessary, to conform to this year's classification.

As per our report of even date

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W

per Govind Ahuja
Partner
Membership No.:48966

Place : Mumbai
Date : April 18, 2016

For and on behalf of the Board of Directors of
3D PLM Global Services Private Limited

Manu Parpia
Director
DIN: 00118333

Sudarshan Mogasale
Director
DIN: 02273753