

Nucleus Software Exports Ltd.

Consolidated Balance Sheet as at 30 September 2005

	Schedule	As at 30 September 2005 (Rupees Crore)	As at 30 September 2004 (Rupees Crore)	As at 31 March 2005 (Rupees Crore)
Sources of funds				
Shareholders' funds				
Share capital	1	16.09	16.09	16.09
Share application money pending allotment		0.11	0.03	0.03
Reserves and surplus	2	85.49	58.18	68.15
Deferred tax liability (refer note 2, schedule 17)		-	-	-
		101.69	74.30	84.28
Application of funds				
Fixed assets				
Gross block	3	46.84	40.72	43.62
Less: Accumulated depreciation		(18.27)	(15.21)	(15.89)
Net block		28.57	25.52	27.73
Add: Capital work in progress (including capital advances)		0.27	1.14	0.65
		28.84	26.65	28.39
		-	-	-
Investments	4	56.92	35.79	48.71
		-	-	-
Deferred tax asset (refer note 2, schedule 17)		0.13	0.30	0.17
Current assets, loans and advances				
Sundry debtors	5	23.29	18.70	19.22
Cash and bank balances	6	18.36	32.78	26.65
Loans and advances	7	4.17	2.85	3.66
Other current assets	8	6.50	2.83	2.75
		52.32	57.16	52.27
Less: Current liabilities and provisions				
Current liabilities	9	33.33	43.68	38.29
Provisions	10	3.19	1.94	6.98
		36.52	45.62	45.27
Net current assets		15.80	11.54	7.01
		-	-	-
Miscellaneous expenditure	11	-	0.02	-
		-	-	-
		101.69	74.30	84.28

Notes to the accounts

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The schedules referred to above form an integral part of the consolidated financial statements.

Nucleus Software Exports Ltd.

Schedules forming part of the consolidated financial statements

Consolidated Balance Sheet as at 31 December 2004

	As at 30 September 2005 (Rupees Crore)	As at 30 September 2004 (Rupees Crore)	As at 31 March 2005 (Rupees Crore)
SCHEDULE 1:			
Share capital			
Authorised capital			
20,000,000 (20,000,000;20,000,000) equity shares of Rs.10 each	20.00	20.00	20.00
Issued, subscribed and paid up			
Issued			
16,095,612 (16,093,612;16,093,612) equity shares of Rs.10 each	16.10	16.09	16.09
Subscribed and paid up			
16,095,612 (16,093,612;16,093,612) equity shares of Rs.10 each	16.09	16.09	16.09
Of the above:	-	-	-
16,095,612 (16,093,612;16,093,612) equity shares of Rs.10 each	-	-	-
16,095,612 (16,093,612;16,093,612) equity shares of Rs.10 each	-	-	-
16,095,612 (16,093,612;16,093,612) equity shares of Rs.10 each	-	-	-
Less: Allotment money in Arrears	-	-	-
28,800 (Nil, Nil) ESOS issued	-	-	-
Add: 2,800 (2,800; 2,800) forfeited equity shares pending for reissue	0.00	0.00	0.00
Employees Stock Option Outstanding	-	-	-
Less :Deferred Employees Compensation Expenses	-	-	-
	-	-	-
	16.09	16.09	16.09
SCHEDULE 2:			
	-	-	-
	-	-	-
Reserves and surplus			
	-	-	-
General reserve			
	-	-	-
Balance as at 1 April	34.15	24.15	24.15
Add: Transferred from Profit and Loss Account	-	-	10.00
Less: Deferred-tax provision upto 31 March 2001	-	-	-
Less: Amount utilised for issue of 2,637,050 bonus shares of Rs.10 each	-	-	-
	-	-	-
	34.15	24.15	34.15
Securities premium account			
	-	-	-
	-	-	-
Balance as at 1 April	16.17	24.05	24.05
Add : On conversion of stock options issued to employees	0.02	0.16	0.16
Less: Amount utilised for issuance of 8,045,406 bonus shares of Rs 10 each	-	8.05	8.05
	-	-	-
	16.19	16.17	16.17
Capital reserve account			
	-	-	-
	-	-	-
Balance as at 1 April	0.15	0.15	0.15
Add: Amount forfeited against employees stock option plan	0.00	-	-
	-	-	-
	0.15	0.15	0.15

Employee stock options	-	-	-
Balance as at 1 April	0.23	0.15	0.15
Add: Options granted during the period / year	0.33	0.20	0.22
Less: Reversal on forfeiture of stock options granted	0.01	-	-
Less: Transferred to securities premium on exercise of stock options	0.02	0.14	0.14
	0.53	0.21	0.23
Less: Deferred employee compensation	(0.33)	(0.16)	(0.11)
	0.20	0.05	0.12
Foreign currency translation reserve	-	-	-
Balance as at 1 April	0.05	-	-
Add: addition during the year	(0.13)	-	0.05
	(0.08)	-	0.05
Profit and Loss Account	34.88	17.67	17.51
	-	-	-
	85.49	58.18	68.15

Schedules forming part of the consolidated financial statements

	As at 30 September 2005 (Rupees Crore)	As at 30 September 2004 (Rupees Crore)	As at 31 March 2005 (Rupees Crore)
SCHEDULE 4:			
Investments			
Long term investments			
Equity shares - Non trade and unquoted			
10,040,000 (Nil) equity shares of Rs 10 each, fully paid up, in GMAC Financial Services India Limited	13.69	-	13.69
[Of the above, 80,000 (Nil) equity shares are held by nominees on behalf of the Company]	-	-	-
25,000 (Nil; Nil) equity shares of Rs 10 each, fully paid up, in Ujjivan Financial Services Pvt. Ltd.	0.25	-	-
	-	-	-
	13.94	-	13.69
Current investments			
Nil (3,764,682; Nil) units of face value of Rs. 10 each of Alliance Cash Manager-Institutional Plan-Growth	-	3.90	-
Nil (17,048; 10,317) units of face value of Rs. 1,000 each of Templeton India Treasury Management - Growth	-	2.70	1.65
4,322,224 (3,568,789; 2,066,606) units of face value of Rs. 10 each of HDFC Cash management Fund-Saving Plan-Growth	5.97	4.67	2.75
Nil (3,314,286; 460,889) units of face value of Rs. 10 each of HSBC Cash Fund -Growth	-	0.90	0.50
1,202,390 (Nil; 1,202,390) units of face value of Rs. 10 each of Kotak Liquid- Institutional Plan -Growth	1.58	-	1.58
Nil (2,407,515; Nil) units of face value of Rs. 10 each of HSBC Cash Fund - Institutional Plan - Dividend	-	5.00	-
3,605,681 (Nil; 3,605,681) units of face value of Rs. 10 each of J M High Liquidity Fund -Institutional Plan-Growth	3.90	-	3.90
Nil (500,000; 500,000) units of face value of Rs. 10 each of Reliance Fixed Term Scheme-Annual Plan -3- Growth	-	0.50	0.50

	-	-	-
Nil (17,331; Nil) units of face value of Rs. 1000 each of UTI Liquid Advantage Fund-Institutional Plan-Growth	-	2.02	-
	-	-	-
Nil (13,231; Nil) units of face value of Rs. 1,000 each of Templeton India Treasury Management - Dividend	-	2.00	-
	-	-	-
254,087 (Nil; 254,087) units of face value of Rs. 10 each of Birla Cash Plus-Institutional Plan-Growth	0.45	-	0.45
	-	-	-
Nil (500,000; 500,000) units of face value of Rs. 10 each of Birla FMP Yearly GR. 14 Plan B-Growth	-	0.50	0.50
	-	-	-
Nil (1,948,408; 1,229,103) units of face value of Rs. 10 each of DSP Merrill Lynch Liquidity Fund-Daily Dividend	-	2.00	1.23
	-	-	-
Nil (3,703,721; 4,714,328) units of face value of Rs. 10 each of Birla Cash Plus-Institutional Plan-Dividend	-	4.00	5.09
	-	-	-
Nil (Nil; 2,269,873) units of face value of Rs. 10 each of HDFC Cash management Fund-Saving Plan-Dividend	-	-	2.41
	-	-	-
3,635,141 (Nil; 3,635,141) units of face value of Rs. 10 each of HSBC Cash Fund - Institutional Plan - Growth	4.00	-	4.00
	-	-	-
Nil (Nil; 2,017,680) units of face value of Rs. 10 each of DSP Merrill Lynch Floating Rate Fund-Daily Dividend	-	-	2.02
	-	-	-
5,874,919 (4,991,275; 5,812,723) units of face value of Rs. 10 each of Deutsche Insta Cash Plus Fund-Institutional Plan-Growth	6.00	5.00	5.93
	-	-	-
500,000 (Nil; 500,000) units of face value of Rs. 10 each of UTI Fixed Maturity Plan-YFMP 11/2004-Growth	0.50	-	0.50
	-	-	-
1,000,000 (Nil; Nil) units of face value of Rs. 10 each of UTI Fixed Maturity Plan-YFMP 07/05-Growth	1.00	-	-
	-	-	-
2,000,000 (Nil; 2,000,000) units of face value of Rs. 10 each of Prudential ICICI FMP Series 5-Institutional-Growth	2.00	-	2.00
	-	-	-
10,000,000 (Nil; Nil) units of face value of Rs. 10 each of Reliance Fixed Maturity Fund-SeriesII-Annual Paln-I-Growth	1.00	-	-
	-	-	-
1,228,350 (Nil; Nil) units of face value of Rs. 10 each of DSP Merrill Lynch Liquidity Fund-Daily Growth	2.00	-	-
	-	-	-
2,985,857 (Nil; Nil) units of face value of Rs. 10 each of SBI Magnum Institutional Income Fund-Saving-Growth	3.20	-	-
	-	-	-
1,229,594 (Nil; Nil) units of face value of Rs. 10 each of Reliance Liquid Fund-Treasury Plan-Institutional -Growth	2.00	-	-
	-	-	-
1,975,869 (Nil; Nil) units of face value of Rs. 10 each of ABN Amro Cash Fund-Institutional-Growth	3.10	-	-
	-	-	-
951,565 (Nil; Nil) units of face value of Rs. 10 each of ING Vysya Liquid Fund Institutional-Growth	1.00	-	-
	-	-	-
32,225 (Nil; Nil) units of face value of Rs. 1000 each of UTI Liquid Cash Plan Institutional-Dividend	3.27	-	-
	-	-	-
8,973 (Nil; Nil) units of face value of Rs. 1000 each of UTI Liquid Cash Plan Institutional-Growth	1.00	-	-
	-	-	-
849,193 (Nil; Nil) units of face value of Rs. 10 each of Prudential ICICI Institutional Liquid Plan-Dividend	1.01	-	-
	-	-	-
Nil (2,600,184; Nil) units of face value of Rs. 10 each of Principal Cash management Fund-Institutional-Dividend	-	2.60	-
	-	-	-
	42.98	35.79	35.02
	-	-	-
	-	-	-
	56.92	35.79	48.71

Notes:

- Investments in mutual funds include unutilised proceeds raised by preferential issue of equity shares.
- Net asset value (NAV) of current investments Rs. 442,073,403 (Rs 362,445,288; 355,639,033) as at 30 September 2005.
- Refer note 7, schedule 16 for details of investments purchased and sold during the period ended 30 September 2005.

Schedules forming part of the consolidated financial statements

	As at 30 September 2005 (Rupees Crore)	As at 30 September 2004 (Rupees Crore)	As at 31 March 2005 (Rupees Crore)
SCHEDULE 5:			
Sundry debtors			
(Unsecured)			
Debts outstanding for a period exceeding six months			
- Considered good	0.44	0.71	0.60
- Considered doubtful	1.82	1.70	2.00
	<u>2.27</u>	<u>2.41</u>	<u>2.59</u>
	-	-	-
Less: Provision for doubtful debts	(1.82)	(1.70)	(2.00)
	<u>0.44</u>	<u>0.71</u>	<u>0.60</u>
	-	-	-
Other debts (considered good)	22.84	17.99	18.62
	-	-	-
	<u><u>23.29</u></u>	<u><u>18.70</u></u>	<u><u>19.22</u></u>

SCHEDULE 6:**Cash and bank balances**

Cash in hand [including cheques in hand Rs 3,267,878 (Rs 755,000)]	0.03	0.05	0.39
Balances with scheduled banks:	-	-	-
- in current accounts	8.81	23.42	3.77
- in fixed deposit accounts	9.52	9.30	12.74
Balance with non scheduled bank*:	-	-	-
- in current account	-	-	-
Citibank-U.K.	-	-	0.02
Citibank-Singapore	-	-	2.93
PNC Bank-USA	-	-	0.41
Bank of Tokyo Mitshubishi -Japan	-	-	0.46
Shinsei Bank - Japan	-	-	1.09
Citibank -Hong Kong	-	-	0.02
ANZ Bank - Australia	-	-	0.38
Citibank -Singapore	-	-	0.26
- in fixed deposit accounts	-	-	-
ANZ Bank - Australia	-	-	0.00
Remittance in transit	-	-	4.17
	-	-	-
	<u>18.36</u>	<u>32.78</u>	<u>26.65</u>

*Maximum amount outstanding during the year

- in current accounts	-	-	-
Citibank-U.K.	0.25	-	0.25
Citibank-Singapore	16.09	-	16.09
PNC Bank-USA	0.41	-	1.75
Bank of Tokyo Mitshubishi -Japan	1.99	-	1.99
Shinsei Bank - Japan	6.79	-	6.79
Citibank -Hong Kong	0.03	-	0.03
ANZ Bank - Australia	0.32	-	0.44
- in fixed deposit accounts	-	-	-
ANZ Bank - Australia	0.03	-	0.03
	-	-	-

SCHEDULE 7:	-	-	-
Loans and advances	-	-	-
(Unsecured, considered good)	-	-	-
	-	-	-
Advances recoverable in cash or in kind or for value to be received*	1.94	1.06	1.41
Security deposits	1.28	1.27	1.29
Advance tax [net of provision Nil (Rs 20,243,122)]	-	-	-
Balance with government authorities	-	-	-
Prepaid expenses	0.95	0.51	0.96
	-	-	-
	4.17	2.85	3.66

*includes loan given by Nucleus Software Solutions Pte Ltd., Singapore to its director amounting to SGD 2,000 (Rs 53,080) (Previous year SGD 38,000 (Rs 991,420)).

SCHEDULE 8:

Other current assets

Service income accrued but not due	5.89	2.79	2.39
Interest accrued but not due	0.62	0.04	0.36
	-	-	-
	6.50	2.83	2.75

Schedules forming part of the consolidated financial statements

	As at 30 September 2005 (Rupees Crore)	As at 30 September 2004 (Rupees Crore)	As at 31 March 2005 (Rupees Crore)
SCHEDULE 9:			
Current liabilities			
Sundry creditors*	9.74	9.53	7.94
Withholding tax	0.73	1.09	0.98
Advances from customers	21.20	31.69	27.73
Unclaimed dividend	0.09	0.12	0.05
Other liabilities	1.57	1.26	1.31
Book overdraft	-	-	0.28
	-	-	-
	33.33	43.68	38.29

* There are no amounts payable to small scale industrial undertakings as defined under section 3(j) of the Industries (Development and Regulation) Act, 1951.

SCHEDULE 10:

Provisions

Gratuity	0.96	0.81	0.86
Leave encashment	0.85	0.87	0.79
Taxation [Net of advance tax Rs 19,131,991 (Nil)]	1.27	0.25	0.74
Fringe benefit tax	0.11	-	-
Dividend	-	-	4.02
Dividend tax	-	-	0.56
	-	-	-
	3.19	1.94	6.98