

Nucleus Software Exports Ltd.

Consolidated Balance Sheet as at 31 December 2005

	Schedule	As at 31 December 2005 (Rupees Crore)	As at 31 December 2004 (Rupees Crore)	As at 31 March 2005 (Rupees Crore)
Sources of funds				
Shareholders' funds				
Share capital	1	16.11	16.09	16.09
Share application money pending allotment		0.08	0.03	0.03
Reserves and surplus	2	94.73	64.11	68.15
Deferred tax liability (refer note 2, schedule 17)				
		110.92	80.23	84.28
Application of funds				
Fixed assets				
Gross block	3	48.13	41.95	43.62
Less: Accumulated depreciation		(19.13)	(15.06)	(15.89)
Net block		29.00	26.89	27.73
Add: Capital work in progress (including capital advances)		1.07	0.35	0.65
		30.07	27.24	28.39
Investments	4	61.42	49.71	48.71
Deferred tax asset (refer note 2, schedule 17)				
		0.07	0.32	0.17
Current assets, loans and advances				
Sundry debtors	5	18.62	13.36	19.22
Cash and bank balances	6	26.85	26.41	26.65
Loans and advances	7	4.05	3.02	3.66
Other current assets	8	5.31	2.62	2.75
		54.83	45.40	52.27
Less: Current liabilities and provisions				
		-	-	-
Current liabilities	9	32.45	40.14	38.29
Provisions	10	3.04	2.30	6.98
		35.49	42.44	45.27
		-	-	-
Net current assets		19.35	2.96	7.01
Miscellaneous expenditure	11			
		110.92	80.23	84.28
Notes to the accounts	18			

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 31 December 2005 (Rs. Cr.)	As at 31 December 2004 (Rs. Cr.)	As at 31 March 2005 (Rs. Cr.)
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			
16,104,812 (16,093,612;16,093,612) equity shares of Rs.10 each	16.10	16.09	16.09
Subscribed and paid up			
16,104,812 (16,093,612;16,093,612) equity shares of Rs.10 each	16.10	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	-	-	-
	16.11	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 each	0.13	0.16	0.16
	-	8.05	8.05
	16.30	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	0.11	0.14	0.14
	0.44	0.21	0.23
Less: Deferred employee compensation	(0.28)	(0.12)	(0.11)
	0.17	0.09	0.12
Foreign currency translation reserve	-	-	-
Balance as at 1 April	0.05	-	-
Add: addition during the year	0.23	-	0.05
	0.28	-	0.05
	-	-	-
Profit and Loss Account	43.69	23.56	17.51
	-	-	-
	94.73	64.11	68.15

Schedules forming part of the consolidated financial statements

	As at 31 December 2005 (Rs. Cr.)	As at 31 December 2004 (Rs. Cr.)	As at 31 March 2005 (Rs. Cr.)
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SCHEDULE 4:

Investments

Long term investments

Equity shares - Non trade and unquoted

Financial Services India Limited of the Company]	13.69	13.69	13.69
Financial Services Pvt. Ltd.	0.25	-	-
	13.94	13.69	13.69

Current investments

Investments in bonds and mutual funds - Non trade and unquoted

India Treasury Management - Growth	-	1.65	1.65
Liquid Fund -Growth	-	-	-
HDFC Cash management Fund-Saving Plan-Growth	5.07	3.50	2.75
Fund -Growth	-	0.50	0.50
Liquid- Institutional Plan -Growth	-	1.58	1.58
- Institutional Plan - Dividend	-	1.03	-
High Liquidity Fund -Institutional Plan-Growth	-	3.90	3.90
Fixed Term Scheme-Annual Plan -3- Growth	-	0.50	0.50
Plus-Institutional Plan-Growth	-	0.45	0.45
Yearly GR. 14 Plan B-Growth	-	0.50	0.50
Merrill Lynch Liquidity Fund-Daily Dividend	-	1.22	1.23
Cash Plus-Institutional Plan-Dividend	-	5.04	5.09
Cash management Fund-Saving Plan-Dividend	-	1.50	2.41
Cash Fund - Institutional Plan - Growth	-	4.00	4.00
Merrill Lynch Floating Rate Fund-Daily Dividend	-	2.00	2.02

Deutsche Insta Cash Plus Fund-Institutional Plan-Growth	0.97	5.93	5.93
Maturity Plan-YFMP 11/2004-Growth	-	0.50	0.50
Maturity Plan-YFMP 07/05-Growth	1.00	-	-
Maturity Plan-YFMP 07/05-Growth	2.00	-	-
Prudential ICICI FMP Series 5-Institutional-Growth	2.00	2.00	2.00
Maturity Fund-SeriesII-Annual Paln-I-Growth	1.00	-	-
Lynch Liquidity Fund-Daily Growth	4.00	-	-
Institutional Income Fund-Saving-Growth	3.20	-	-
Fund-Treasury Plan-Institutional -Growth	2.00	-	-
Cash Fund-Institutional-Growth	3.10	-	-
Liquid Fund Institutional-Growth	1.50	-	-
Cash Plan Institutional-Growth	2.99	-	-
management Fund-Institutional-Dividend	-	0.21	-
ICICI Institutional Liquid Plan-Growth	2.00	-	-
Institutional plus-Cumulative	1.50	-	-
Fund-Institutional-Dividend	0.20	-	-
Cash manager-Institutional Plan-Growth	1.00	-	-
Fund Serires-13 Months (Oct 05)-Growth	0.75	-	-
Maturity-16th Plan A-Growth	0.80	-	-
Institutional plus-Dividend	0.60	-	-
Fund-Dividend	1.80	-	-
Institutional Premium-Dividend	5.00	-	-
Institutional Premium-Growth	5.00	-	-
	47.48	36.02	35.02
	61.42	49.71	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. 483,673,484 (Rs 362,768,806; 355,639,033) as at 31 December 2005.
- Refer note 7, schedule 16 for details of investments purchased and sold during the period ended 31 December 2005.

Schedules forming part of the consolidated financial statements

	As at 31 December 2005 (Rs. Cr.)	As at 31 December 2004 (Rs. Cr.)	As at 31 March 2005 (Rs. Cr.)
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SCHEDULE 5:

Sundry debtors

(Unsecured)

Debts outstanding for a period exceeding six months

- Considered good	0.60	0.85	0.60
- Considered doubtful	1.78	2.14	2.00
	2.38	2.99	2.59
	-	-	-
Less: Provision for doubtful debts	(1.78)	(2.14)	(2.00)
	0.60	0.85	0.60
	-	-	-

Other debts (considered good)

18.02	12.51	18.62
-	-	-
18.62	13.36	19.22

SCHEDULE 6:**Cash and bank balances**

Cash in hand [including cheques in hand Rs 3,267,878 (Rs 755,000)]	0.04	0.05	0.39
Balances with scheduled banks:	-	-	-
- in current accounts	12.96	13.88	3.77
- in fixed deposit accounts	10.98	12.48	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	2.87	-	4.17
	-	-	-
	26.85	26.41	26.65

*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*	1.76	1.25	1.41
Security deposits	1.40	1.32	1.29
Advance tax [net of provision Nil (Rs 20,243,122)]	-	-	-
Balance with government authorities	-	-	-
Prepaid expenses	0.89	0.45	0.96
	-	-	-
	4.05	3.02	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	5.14	2.42	2.39
Interest accrued but not due	0.17	0.20	0.36
	-	-	-
	5.31	2.62	2.75

Schedules forming part of the consolidated financial statements

	As at 31 December 2005 (Rs. Cr.)	As at 31 December 2004 (Rs. Cr.)	As at 31 March 2005 (Rs. Cr.)
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SCHEDULE 9:

Current liabilities

Sundry creditors*	9.55	7.94	7.94
Withholding tax	0.97	0.78	0.98
Advances from customers	20.36	30.40	27.73
Unclaimed dividend	0.07	0.05	0.05
Other liabilities	1.50	0.97	1.31
Book overdraft	-	-	0.28
	-	-	-
	32.45	40.14	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	1.06	0.95	0.86
Leave encashment	0.94	1.00	0.79
Taxation [Net of advance tax Rs 19,131,991 (Nil)]	0.91	0.35	0.74
Fringe benefit tax	0.13	-	-
Dividend	-	-	4.02
Dividend tax	-	-	0.56
	-	-	-
	3.04	2.30	6.98