

Nucleus Software Exports Ltd.

Consolidated Cash Flow Statement for the quarter ended 30 June 2009

	For the quarter ended 30 June 2009	For the quarter ended 30 June 2008	For the year ended 31 March 2009
A. Cash flow from operating activities			
Net profit before tax	116,076,547	74,782,443	348,543,239
<i>Adjustment for:</i>			
Depreciation	31,982,684	33,737,092	132,770,459
Exchange difference on translation of foreign currency accounts	16,572,713	57,457,896	39,862,501
Dividend received from non trade investments	(2,080,426)	(4,181,450)	(14,906,748)
Interest on fixed deposits	(16,647,096)	(348,424)	(35,617,650)
Profit on sale of investments	-	(51,051,725)	(66,988,868)
Amortisation of employees compensation expenses	180,971	1,665,764	3,220,672
Loss on sale of fixed assets (net)	-	-	7,614,637
Advances and other current assets written off	228,978	-	4,846,684
Provision for doubtful debts / advances	2,187,491	943,031	48,260,777
Operating profit before working capital changes	<u>148,501,862</u>	<u>113,004,627</u>	<u>467,605,703</u>
Decrease / (increase) in debtors	55,693,469	(23,530,213)	(147,080,667)
Decrease / (increase) in loans and advances	(3,690,422)	(173,171,963)	(3,805,308)
Decrease / (increase) in other current assets	(9,571,646)	(87,102,990)	71,359,468
(Decrease) / increase in current liabilities	<u>(16,519,477)</u>	<u>139,906,888</u>	<u>78,684,156</u>
Direct taxes paid	174,413,785	(30,893,651)	466,763,352
Fringe benefit tax paid	(22,797,907)	(7,291,261)	(84,710,563)
	-	(1,800,000)	(6,880,686)
Net cash from operating activities (A)	151,615,878	(39,984,912)	375,172,103
B. Cash flow from investing activities			
Purchase of fixed assets/capital work in progress	(10,394,589)	(134,935,840)	(214,959,374)
Sale of fixed assets	-	-	20,305,092
Purchase of current investments	(241,493,259)	(499,720,495)	(1,858,919,660)
Proceeds on sale of current investments	139,412,833	789,967,099	2,509,956,771
Proceeds on sale of non trade investments	-	-	158,732,400
Interest on fixed deposits	6,897,108	209,694	10,036,440
Tax paid	(5,557,810)	(137,568)	(15,415,620)
Dividend received from non trade investments	2,080,426	4,181,450	14,906,748
Net cash from/ (used in) investing activities (B)	(109,055,291)	159,564,340	624,642,797
C. Cash flow from financing activities			
Dividend paid (including corporate dividend tax thereon)	-	-	(113,603,399)
Advance pursuant to employee stock option scheme	-	-	360,000
Net cash used in financing activities (C)	-	-	(113,243,399)
Net (decrease) / increase in cash and cash equivalents	42,560,587	119,579,429	886,571,501
Opening cash and cash equivalents	1,061,360,509	175,019,463	175,019,463
Effect of exchange rate change	1,822,070	692,571	(230,455)
Closing cash and cash equivalents *	1,105,743,166	295,291,464	1,061,360,509

*include fixed deposits amounting to Rs. 6,910,449 (Rs.5,365,165) under lien with bank on account of guarantees issued on behalf of the Company and other fixed deposits amounting to Rs. 678,685,000 (Rs. 713,577,049)

Notes:

- The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' prescribed under Companies (Accounting Standard) Rules, 2006.
- Cash and cash equivalents consist of cash in hand, remittance in transit, balances in current accounts and fixed deposits with scheduled banks / non scheduled banks.

As per our report of even date attached

For B S R & Co.

Chartered Accountants

Vikram Advani

Partner

Membership No.: 091765

For and on behalf of the Board of Directors

Janki Ballabh

Chairman

Vishnu R Dusat

Managing Director

P K Sanghi

Chief Financial Officer

Poonam Bhasin

Company Secretary