

Nucleus Software Exports Ltd.

Consolidated Cash Flow Statement for the quarter ended 30 June 2005

	For the quarter ended		For the year ended
	30 June 2005	30 June 2004	31 March 2005
	(Rs. Cr.)	(Rs. Cr.)	(Rs. Cr.)
A. Cash flow from operating activities			
Net profit before tax	9.46	3.15	22.20
<i>Adjustment for:</i>	-	-	-
Depreciation	1.25	0.64	3.54
Exchange difference on translation of foreign currency accounts	(0.15)	0.05	(0.62)
Dividend income from investments	(0.09)	(0.05)	(0.32)
Interest income	(0.19)	(0.00)	(0.40)
Profit on sale of investments	(0.23)	(0.14)	(1.15)
Amortisation of employees compensation expenses	0.05	0.02	0.13
Interest expense	-	-	-
Loss on sale of fixed assets (net)	0.01	-	0.00
Loss on assets discarded	0.01	-	0.03
Bad debts / advances written off	0.14	-	0.46
Advances and other current assets written off	0.28	-	0.45
Provision for doubtful debts / advances	0.06	(0.05)	-
Provision for gratuity and leave encashment	0.09	(0.06)	0.07
Miscellaneous expenditure written off	-	-	-
Operating profit before working capital changes	10.67	3.57	24.39
	-	-	-
Decrease / (increase) in debtors	(6.98)	(1.77)	(7.08)
Decrease / (increase) in loans and advances	(0.35)	0.30	(0.55)
Decrease / (increase) in other current assets	(2.07)	(0.39)	0.28
(Decrease) / increase in current liabilities	(1.52)	2.88	29.12
	(0.24)	4.59	46.16
Direct taxes paid	(0.13)	0.15	(0.40)
<i>Net cash from operating activities (A)</i>	(0.37)	4.74	45.75
B. Cash flow from investing activities	-	-	-
Purchase of fixed assets/capital work in progress	(1.56)	(3.91)	(13.19)
Sale of fixed assets	0.02	-	0.01
Sale / (Purchase) of current investments (net)	(6.82)	1.12	0.65
Miscellaneous expenses	-	(0.02)	-
Purchase of long term investment	-	-	(13.69)
Interest received	0.12	0.01	0.08
Dividend received from investments	0.09	0.05	0.32
<i>Net cash used in investing activities (B)</i>	(8.14)	(2.75)	(25.83)
C. Cash flow from financing activities	-	-	-
Repayment of loans	-	-	-
Interest paid	-	-	-
Dividend paid	-	-	(2.24)
Proceeds from employee stock option exercised	-	-	0.02
Receipt from share application money	0.06	0.03	0.03
<i>Net cash used in financing activities (C)</i>	0.06	0.03	(2.19)
	-	-	-
Net increase in cash and cash equivalents	(8.46)	2.02	17.74
Cash and cash equivalents opening balance	26.65	8.89	8.89
Exchange difference on translation of foreign currency accounts	(0.06)	(0.02)	0.02
Cash and cash equivalent closing balance	18.13	10.89	26.65

Notes:

1. 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' issued by the Institute of Chartered Accountants of India.
2. Cash and cash equivalents consist of cash on hand and balances with scheduled banks / non-scheduled banks.
3. The previous year's figures have been recasted/restated, wherever necessary, to conform the current year's presentation.