

Nucleus Software Exports Ltd.

Consolidated Profit and Loss Account for the quarter ended 30 June 2005

	Schedule	For the quarter ended 30 June 2005 (Rs. Cr.)	For the quarter ended 30 June 2004 (Rs. Cr.)	For the year ended 31 March 2005 (Rs. Cr.)
Sales and services	12	32.84	20.92	103.14
Software development expenses	13	16.81	13.68	59.71
Gross profit		16.04	7.25	43.43
Selling and marketing expenses	14	2.92	1.56	8.22
General and administration expenses	15	2.33	1.32	8.14
Operating profit before finance charges, depreciation and withholding tax		10.78	4.36	27.07
Finance charges				
Depreciation	3	1.25	0.64	3.54
Withholding taxes charged off		0.69	0.82	3.92
Operating profit after finance charges, depreciation and withholding tax		8.84	2.90	19.61
Other income	16	0.62	0.26	2.59
Profit before taxation		9.46	3.15	22.20
Provision for income tax - current		0.71	0.16	1.30
- fringe benefit		0.11	-	-
- deferred		0.06	0.06	0.15
Provision for wealth tax		-	-	0.00
Profit after taxation		8.59	2.94	20.75
Profit available for appropriation				
Profit for the year		8.59	2.94	20.75
Add: Balance brought forward		17.51	11.35	11.35
Total amount available		26.10	14.29	32.10
Final dividend		-	-	4.02
Dividend tax		-	0.01	0.56
Transferred to general reserve		-	-	10.00
Balance carried forward to schedule 2		26.10	14.28	17.51
Earnings per share (equity shares, par value Rs. 10 each) (refer note 10, schedule 17)				
Basic		5.34	1.83	12.90
Diluted		5.33	1.83	12.88
Number of shares used in computing earnings per equity share				
Basic		16,084,116	16,062,812	16,082,144
Diluted		16,103,962	16,093,963	16,106,121

Notes to the accounts

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

Nucleus Software Exports Ltd.

Schedules forming part of the consolidated financial statements

	For the quarter ended 30 June 2005 (Rs. Cr.)	For the quarter ended 30 June 2004 (Rs. Cr.)	For the year ended 31 March 2005 (Rs. Cr.)
SCHEDULE 12:			
Sales and services			
Software development services and products (refer note 3, schedule 17)	32.84	20.92	103.14
	32.84	20.92	103.14
SCHEDULE 13:			
Software development expenses			
Salaries and allowances	10.20	8.23	36.20
Contribution to provident and other funds	0.41	0.28	1.34
Directors' remuneration	0.18	0.09	0.41
Employee's stock compensation expenses	0.04	0.02	0.11
Staff welfare	0.21	0.20	0.80
Conveyance	0.10	0.09	0.37
Communication	0.39	0.27	1.49
Rent, rates and taxes	0.49	0.63	2.06
Legal and professional	0.14	0.26	0.88
Repair and maintenance	-	-	-
- Building	0.01	0.00	0.04
- Others	0.10	0.07	0.38
Training and recruitment	0.14	0.17	0.51
Printing and stationery	0.01	0.01	0.03
Insurance	0.09	0.07	0.31
Software and other development charges	0.09	0.21	0.67
Cost of software purchased for delivery to clients	0.19	0.22	0.40
Travelling	2.85	1.98	9.98
Advertisement	(0.01)	0.01	0.04
Consultancy charges	0.79	0.36	1.80
Power and fuel	0.26	0.30	1.14
IT expenses	0.07	0.13	0.33
Miscellaneous expenses	0.05	0.08	0.42
	16.81	13.68	59.71
SCHEDULE 14:			
Selling and marketing expenses			
Salaries and allowances	1.12	0.54	2.92
Contribution to provident and other funds	0.04	0.02	0.11
Directors' remuneration	0.18	0.11	0.59
Employee's stock compensation expenses	0.01	0.00	0.01
Staff welfare	0.11	0.02	0.15
Conveyance	0.03	0.02	0.10
Communication	0.12	0.11	0.39
Rent, rates and taxes	0.11	0.11	0.40
Legal and professional	0.11	-	0.05
Repair and maintenance	-	-	-
- Building	0.00	0.00	0.00
- Others	0.01	0.01	0.04
Training and recruitment	0.02	0.00	0.02
Printing and stationery	0.01	0.01	0.03
Insurance	0.01	0.01	0.04
Travelling	0.80	0.44	2.23
Advertisement and business promotion	0.14	0.08	0.50
Consultancy charges	-	-	-
Power and fuel	0.02	0.02	0.10
Conference, exhibition and seminar	0.01	0.02	0.25
IT expenses	0.01	0.01	0.02
Commission on sales	0.06	0.03	0.19
Miscellaneous expenses	0.01	0.01	0.07
	2.92	1.56	8.22

Nucleus Software Exports Ltd.

Schedules forming part of the consolidated financial statements

	For the quarter ended 30 June 2005 (Rs. Cr.)	For the quarter ended 30 June 2004 (Rs. Cr.)	For the year ended 31 March 2005 (Rs. Cr.)
SCHEDULE 15:			
General and administration expenses			
Salaries and allowances	0.63	0.47	2.60
Contribution to provident and other funds	0.03	0.03	0.15
Directors' remuneration	0.11	0.07	0.40
Employee's stock compensation expenses	0.00	0.00	0.01
Staff welfare	0.03	0.01	0.11
Conveyance	0.03	0.03	0.16
Communication	0.11	0.10	0.43
Rent, rates and taxes	0.07	0.06	0.33
Legal and professional	0.26	0.19	1.02
Repair and maintenance	-	-	-
- Building	0.00	0.00	0.01
- Others	0.03	0.01	0.10
Training and recruitment	0.01	0.02	0.13
Printing and stationery	0.06	0.04	0.19
Loss on sale of fixed assets (net)	0.01	-	0.01
Loss on discarded assets	0.01	-	0.03
Insurance	0.01	0.01	0.04
Bank charges	0.05	0.03	0.16
Public issue expenses written off	-	-	-
Preliminary expenses written off	-	-	-
Travelling	0.09	0.05	0.14
Advertisement	0.02	0.02	0.03
Consultancy charges	0.02	0.02	0.08
Power and fuel	0.08	0.05	0.26
Conference, exhibition and seminar	-	0.00	0.03
IT expenses	0.00	0.01	0.04
Bad debts written off	0.14	-	0.18
Advances/ other current assets written off	0.28	-	0.28
Provision for doubtful debts/advances/other current assets	0.06	(0.05)	0.45
Miscellaneous expenses	0.16	0.13	0.79
Loss on foreign exchange fluctuation on consolidation (net)	-	-	-
	2.33	1.32	8.14

SCHEDULE 16:

Other income

Dividend received from non-trade investments	0.09	0.05	0.32
Gain on foreign exchange fluctuation (net)	0.15	(0.07)	0.46
Interest [Gross of tax deducted at source Rs.66,586 (Rs 225,792)]	0.19	0.00	0.40
Profit on sale of investments (net)	0.23	0.14	1.15
Profit on sale of assets	-	-	0.01
Miscellaneous income	0.20	0.04	0.25
Gain on foreign exchange fluctuation on consolidation (net)	(0.25)	0.10	0.01
	0.62	0.26	2.59