

Nucleus Software Exports Ltd.

Consolidated Profit and Loss Account for the quarter ended 30 June 2007

	Schedule	For the quarter ended		For the year ended
		30 June 2007 (Rupees Crore)	30 June 2006 (Rupees Crore)	31 March 2007 (Rupees Crore)
Sales and services	11	66.66	49.76	221.19
Software development expenses	12	41.55	29.09	125.11
Gross profit		25.10	20.67	96.08
Selling and marketing expenses	13	4.82	3.21	17.93
General and administration expenses	14	5.46	3.05	14.87
Operating profit before depreciation and withholding tax		14.83	14.42	63.28
Depreciation	3	2.48	1.45	6.88
Withholding taxes charged off		0.34	0.90	4.68
Operating profit after depreciation and withholding tax		12.00	12.07	51.72
Other income	15	2.68	2.18	5.62
Profit before taxation		14.68	14.25	57.34
Provision for tax - current income tax		1.73	0.68	0.95
-MAT credit entitlement		(1.31)	-	-
- fringe benefit tax		0.16	0.09	0.61
- deferred tax charge (refer note 2, schedule 16)		0.09	0.08	0.40
- income tax for earlier year		-	0.01	0.23
Provision for wealth tax		-	-	0.01
Profit after taxation		14.01	13.40	55.15
Profit available for appropriation		-	-	-
Profit for the year		14.01	13.40	55.15
Add: Balance brought forward		76.88	38.17	38.17
Total amount available for appropriation		90.89	51.57	93.31
Final dividend		-	-	-
Interim dividend		-	-	5.64
Corporate dividend tax		-	-	0.79
Transferred to general reserve		-	-	10.00
Balance carried forward to the Balance Sheet		90.89	51.57	82.52
Earnings per share (par value Rs. 10 each) (refer note 10, schedule 16)				
Basic		8.67	8.32	34.22
Diluted		8.49	8.29	33.85
Number of shares used in computing earnings per equity share				
Basic		16,160,312	16,104,812	16,113,654
Diluted		16,508,959	16,166,424	16,293,013

Significant accounting policies and notes to the accounts

16

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

	For the quarter ended		For the year ended
	30 June 2007	30 June 2006	31 March 2007
	(Rupees Crore)	(Rupees Crore)	(Rupees Crore)
SCHEDULE 11:			
Sales and services			
Software development services and products	66.66	49.76	221.19
	-	-	-
	66.66	49.76	221.19
SCHEDULE 12:			
Software development expenses			
Salaries and allowances	24.73	17.58	78.14
Contribution to provident and other funds	0.84	0.76	3.73
Directors' remuneration (including stock compensation expenses Rs. 1,396,831 (Nil))	0.27	0.22	0.97
Employee's stock compensation expenses	0.13	0.07	0.43
Staff welfare	0.52	0.35	1.51
Conveyance	0.27	0.15	0.96
Communication	0.46	0.69	2.03
Rent	2.28	0.49	2.35
Legal and professional	0.40	0.23	1.34
Repair and maintenance	-	-	-
- Building	0.01	0.00	0.03
- Others	0.13	0.08	0.52
Training and recruitment	0.23	0.59	2.23
Printing and stationery	0.08	0.02	0.09
Insurance	0.12	0.11	0.42
Software and other development charges	0.16	0.14	0.73
Cost of software purchased for delivery to clients	2.42	0.51	1.51
Travelling	4.33	3.44	15.28
Advertisement	0.00	0.01	0.03
Consultancy charges	3.23	3.07	9.64
Power and fuel	0.72	0.44	2.06
Conference, exhibition and seminar	0.00	0.01	0.01
IT expenses	0.16	0.06	0.48
Miscellaneous expenses	0.07	0.06	0.63
	-	-	-
	41.55	29.09	125.11
SCHEDULE 13:			
Selling and marketing expenses			
Salaries and allowances	2.28	1.37	7.43
Contribution to provident and other funds	0.06	0.04	0.22
Directors' remuneration (including stock compensation expenses Rs. 1,396,831 (Nil))	0.27	0.22	0.97
Employee's stock compensation expenses	0.01	-	0.03
Staff welfare	0.08	0.05	0.37
Conveyance	0.11	0.04	0.29
Communication	0.12	0.10	0.42
Rent	0.21	0.11	0.57
Legal and professional	0.09	0.02	0.25
Repair and maintenance	-	-	-
- Building	0.00	0.00	0.00
- Others	0.01	0.01	0.04
Training and recruitment	0.05	0.02	0.08
Printing and stationery	0.18	0.03	0.13
Insurance	0.01	0.01	0.03
Travelling	0.73	0.46	2.75
Advertisement and business promotion	0.34	0.17	0.86
Power and fuel	0.04	0.02	0.10
Conference, exhibition and seminar	0.04	0.04	0.93
IT expenses	0.01	0.00	0.02
Commission on sales	0.18	0.49	2.35
Marketing survey expenses	-	-	-
Miscellaneous expenses	0.01	0.01	0.08
	-	-	-
	4.82	3.21	17.93

Nucleus Software Exports Ltd.

Schedules forming part of the consolidated financial statements

	For the quarter ended		For the year ended
	30 June 2007	30 June 2006	31 March 2007
	(Rupees Crore)	(Rupees Crore)	(Rupees Crore)
SCHEDULE 14:			
General and administration expenses			
Salaries and allowances	2.29	1.28	6.19
Contribution to provident and other funds	0.09	0.07	0.32
Directors' remuneration (including stock compensation expenses Rs. 698,414 (Nil))	0.20	0.15	0.70
Employee's stock compensation expenses	0.02	-	0.03
Staff welfare	0.05	0.03	0.19
Conveyance	0.07	0.05	0.34
Communication	0.07	0.03	0.26
Rent,	0.04	0.03	0.17
Rates and Taxes	0.06	0.03	0.39
Legal and professional	0.47	0.45	1.44
Repair and maintenance	-	-	-
- Building	0.00	0.00	0.01
- Others	0.05	0.04	0.19
Training and recruitment	0.03	0.02	0.16
Printing and stationery	0.04	0.05	0.27
Loss on sale of fixed assets (net)	-	-	-
Loss on discarded assets	-	-	-
Insurance	0.02	0.01	0.08
Bank charges	0.05	0.06	0.29
Travelling	0.13	0.00	0.23
Advertisement	0.15	0.00	0.10
Consultancy charges	0.01	0.02	0.11
Power and fuel	0.06	0.01	0.13
Conference, exhibition and seminar	0.01	0.03	0.04
IT expenses	0.01	0.00	0.04
Bad debts written off	-	0.16	-
Advances/ other current assets written off	-	-	0.16
Provision for doubtful debts, advances and other current assets	0.00	0.31	2.27
Provision for Contingency	-	-	-
Loss on foreign exchange fluctuation	1.31	-	-
Loss on foreign exchange fluctuation on consolidation (net)	(0.07)	-	-
Miscellaneous expenses	0.28	0.17	0.77
	-	-	-
	5.46	3.05	14.87
	-	-	-
SCHEDULE 15:			
	-	-	-
	-	-	-
Other income			
	-	-	-
Dividend received from non-trade investments	0.25	0.18	1.20
Gain on foreign exchange fluctuation (net)	-	-	0.29
Interest on fixed deposit [Gross of tax deducted at source Rs.913,379 (Rs 1,399,539)]	0.02	0.17	0.23
Profit on sale of investments	1.95	1.20	2.33
Profit on sale of fixed assets (net)	0.05	0.01	0.02
Miscellaneous income	0.41	0.63	1.45
Gain on foreign exchange fluctuation on consolidation (net)	-	(0.04)	0.10
	-	-	-
	2.68	2.18	5.62