

Nucleus Software Exports Ltd.
Consolidated Profit and Loss Account for the year ended 31 March 2006

	Schedule	For the year ended 31 March 2006 (Rupees crore)	For the year ended 31 March 2005 (Rupees crore)
Sales and services	11	148.05	103.14
Software development expenses	12	80.50	59.71
Gross profit		67.55	43.43
		-	-
Selling and marketing expenses	13	11.75	8.22
General and administration expenses	14	10.68	8.14
Operating profit before depreciation and withholding tax		45.13	27.07
		-	-
Depreciation	3	4.76	3.54
Withholding taxes charged off		3.24	3.92
Operating profit after depreciation and withholding tax		37.13	19.61
		-	-
Other income	15	3.07	2.59
Profit before taxation		40.20	22.20
Provision for income tax current		2.69	1.30
fringe benefit		0.43	-
deferred		0.14	0.15
earlier year tax		0.15	-
Provision for wealth tax		0.01	0.00
Profit after taxation		37.08	20.75
Profit available for appropriation			
Profit for the year		37.08	20.75
Add: Balance brought forward		17.51	11.35
		-	-
Total amount available		54.59	32.10
		-	-
Final dividend		5.64	4.02
Dividend tax		0.79	0.56
Transferred to general reserve		10.00	10.00
		-	-
Balance carried forward to the Balance Sheet		38.17	17.51
Earnings per share (equity shares, par value Rs. 10 each) (refer note 10, schedule 17)			
Basic		23.04	12.90
Diluted		22.98	12.88
Number of shares used in computing earnings per equity share			
Basic		16,097,694	16,082,144
Diluted		16,137,555	16,106,121

Significant accounting policies and notes to the accounts 16

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 year ended 31 March 2006 (Rupees crore)	For the year ended 31 March 2005 (Rupees crore)
SCHEDULE 11:		
Sales and services		
Software development services and products	148.05	103.14
	-	-
	148.05	103.14

SCHEDULE 12:

Software development expenses

Salaries and allowances	45.17	36.20
Contribution to provident and other funds	1.97	1.34
Directors' remuneration	0.70	0.41
Employee's stock compensation expenses	0.17	0.11
Staff welfare	1.08	0.80
Conveyance	0.50	0.37
Communication	1.30	1.49
Rent, rates and taxes	1.87	2.06
Legal and professional	0.52	0.88
Repair and maintenance	-	-
Building	0.04	0.04
Others	0.40	0.38
Training and recruitment	0.92	0.51
Printing and stationery	0.07	0.03
Insurance	0.28	0.31
Software and other development charges	1.07	0.67
Cost of software purchased for delivery to clients	1.28	0.40
Travelling	13.82	9.98
Advertisement	0.01	0.04
Consultancy charges	7.58	1.80
Power and fuel	1.08	1.14
Conference, exhibition and seminar	0.00	-
IT expenses	0.26	0.33
Miscellaneous expenses	0.41	0.42
	-	-
	80.50	59.71

SCHEDULE 13:

Selling and marketing expenses

Salaries and allowances	5.80	2.92
Contribution to provident and other funds	0.15	0.11
Directors' remuneration	0.70	0.59
Employee's stock compensation expenses	0.01	0.01
Staff welfare	0.34	0.15
Conveyance	0.15	0.10
Communication	0.43	0.39
Rent, rates and taxes	0.56	0.40
Legal and professional	0.08	0.05
Repair and maintenance	-	-
Building	0.00	0.00
Others	0.04	0.04
Training and recruitment	0.08	0.02
Printing and stationery	0.03	0.03
Insurance	0.05	0.04
Travelling	1.85	2.23
Advertisement and business promotion	0.67	0.50
Power and fuel	0.11	0.10
Conference, exhibition and seminar	0.21	0.25
IT expenses	0.02	0.02
Commission on sales	0.22	0.19
Marketing survey expenses	0.14	-
Miscellaneous expenses	0.08	0.07
	-	-
	11.75	8.22

Nucleus Software Exports Ltd.

Schedules forming part of the consolidated financial statements

For the year ended	For the year ended
31 March 2006	31 March 2005
(Rupees crore)	(Rupees crore)

SCHEDULE 14:

General and administration expenses

Salaries and allowances	3.36	2.60
Contribution to provident and other funds	0.17	0.15
Directors' remuneration	0.44	0.40
Employee's stock compensation expenses	0.01	0.01
Staff welfare	0.16	0.11
Conveyance	0.18	0.16
Communication	0.50	0.43
Rent,	0.12	0.19
Rates and Taxes	0.20	0.14
Legal and professional	1.98	1.02
Repair and maintenance	-	-
Building	0.02	0.01
Others	0.12	0.10
Training and recruitment	0.15	0.13
Printing and stationery	0.20	0.19
Loss on sale of fixed assets (net)	-	0.01
Loss on discarded assets	0.02	0.03
Insurance	0.04	0.04
Bank charges	0.24	0.16
Travelling	0.22	0.14
Advertisement	0.11	0.03
Consultancy charges	0.55	0.08
Power and fuel	0.31	0.26
Conference, exhibition and seminar	0.04	0.03
IT expenses	0.02	0.04
Bad debts written off	0.20	0.18
Advances/ other current assets written off	0.59	0.28
Provision for doubtful debts/advances/other current assets	0.10	0.45
Loss on foreign exchange fluctuation on consolidation (net)	0.23	-
Miscellaneous expenses	0.62	0.79
	-	-
	10.68	8.14

SCHEDULE 15:

Other income

Dividend received from nontrade investments	0.27	0.32
Gain on foreign exchange fluctuation (net)	-	0.47
Interest [Gross of tax deducted at source Rs.1,399,539 (Rs 66,586)]	0.71	0.40
Profit on sale of investments (net)	1.30	1.15
Profit on sale of assets	0.00	0.01
Miscellaneous income	0.78	0.25
	-	-
	3.07	2.59