

NUCLEUS SOFTWARE EXPORTS LIMITED
CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011

	Schedule	Year ended 31 March 2011 (Rupees)	Year ended 31 March 2010 (Rupees)
Sales and services	11	2,704,806,127	2,917,826,623
Software development expenses	12	1,834,007,562	1,961,659,740
Gross profit		870,798,565	956,166,883
Selling and marketing expenses	13	302,140,399	226,660,258
General and administration expenses	14	263,850,026	188,721,272
Operating profit before depreciation		304,808,140	540,785,353
Depreciation	3	92,806,435	113,346,204
Operating profit after depreciation		212,001,705	427,439,149
Other income	15	94,002,948	96,202,601
Gain / (Loss) on foreign exchange fluctuation (net)		(7,353,124)	(80,260,054)
Profit before taxation		298,651,529	443,381,696
Withholding taxes charged off		26,933,131	4,256,080
Provision for tax - current income tax		64,249,645	89,830,448
- MAT credit entitlement (refer note 8, schedule 16)		(35,197,875)	(21,487,450)
- fringe benefit tax		-	332,155
- deferred tax charge/(credit) (refer note 2, schedule 16)		(22,432,442)	(13,618,752)
- income tax for earlier year		1,693,181	-
Provision for wealth tax		31,038	61,714
Profit after taxation		263,374,851	384,007,501
Profit available for appropriation			
Profit for the year		263,374,851	384,007,501
Add: Balance brought forward		1,602,858,186	1,359,320,935
Total amount available for appropriation		1,866,233,037	1,743,328,436
Proposed dividend		80,989,444	80,925,060
Corporate dividend tax		34,731,917	13,441,069
Transferred to general reserve		45,762,230	46,104,121
Balance carried forward to the Balance Sheet		1,704,749,446	1,602,858,186
Earnings per share (par value Rs. 10 each) (refer note 14, schedule 16)			
Basic		8.13	11.86
Diluted		8.13	11.86
Number of shares used in computing earnings per equity share			
Basic		32,381,700	32,370,024
Diluted		32,398,359	32,374,213

Significant accounting policies and notes to the accounts 16

The schedules referred to above form an integral part of the consolidated Profit & Loss account

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

For and on behalf of the Board of Directors

JITENDRA AGARWAL
Partner

Janki Ballabh
Chairman

Vishnu R Dusat
Managing Director

P K Sanghi
Chief Financial Officer

Poonam Bhasin
Company Secretary

Place: Gurgaon
Date: 01 May 2011

Place: Noida
Date: 01 May 2011

NUCLEUS SOFTWARE EXPORTS LIMITED
SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Year ended 31 March 2011 (Rupees)	Year ended 31 March 2010 (Rupees)
SCHEDULE 11:		
Sales and services		
Software development services and products	2,704,806,127	2,917,826,623
SCHEDULE 12:		
Software development expenses #		
Salaries and allowances	1,123,259,843	1,166,718,863
Contribution to provident and other funds	62,016,256	61,759,749
Directors' remuneration	4,616,000	10,232,000
Employee's stock compensation expenses (net)	-	-
Staff welfare	17,629,004	15,843,373
Conveyance	9,375,679	13,595,886
Communication	17,944,329	19,119,233
Rent	71,841,995	103,444,017
Rates and taxes	9,803	-
Legal and professional	48,070,631	32,727,100
Repair and maintenance	-	-
- Building	1,375,147	2,107,256
- Others	14,863,621	12,784,268
Training and recruitment	15,817,382	5,303,982
Printing and stationery	2,270,577	1,310,989
Insurance	6,024,824	6,570,942
Software and other development charges	127,817,188	76,265,562
Cost of software purchased for delivery to clients	61,257,869	114,579,188
Travelling	134,536,004	160,192,442
Advertisement	298,267	367,990
Consultancy charges	67,580,924	116,309,154
Power and fuel	23,269,643	22,820,835
Conference, exhibition and seminar	278,006	3,147
Information technology expenses	15,578,383	13,647,435
Miscellaneous expenses	8,276,187	5,956,329
	1,834,007,562	1,961,659,740
# refer note 18, schedule 16		
SCHEDULE 13:		
Selling and marketing expenses		
Salaries and allowances	160,088,819	107,255,227
Contribution to provident and other funds	3,935,786	2,773,680
Directors' remuneration	4,616,000	10,232,000
Staff welfare	4,165,187	4,351,488
Conveyance	1,905,305	2,969,405
Communication	6,427,482	8,459,180
Rent	14,731,944	13,372,633
Legal and professional	29,566,112	13,253,214
Repair and maintenance	-	-
- Building	72,191	110,624
- Others	851,028	667,139
Training and recruitment	1,717,760	474,896
Printing and stationery	344,166	454,606
Insurance	732,467	443,064
Travelling	38,880,528	35,901,953
Advertisement and business promotion	8,163,496	5,291,412
Power and fuel	2,744,901	2,120,834
Conference, exhibition and seminar	10,597,169	8,927,827
Information technology expenses	1,152,355	699,152
Commission to channel partners	8,798,293	6,084,101
Miscellaneous expenses	2,649,410	2,817,823
	302,140,399	226,660,258

NUCLEUS SOFTWARE EXPORTS LIMITED
SCHEDULES FORMING PART OF THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Year ended 31 March 2011 (Rupees)	Year ended 31 March 2010 (Rupees)
SCHEDULE 14:		
General and administration expenses #		
Salaries and allowances	118,162,348	91,855,189
Contribution to provident and other funds	7,301,729	4,893,107
Directors' remuneration	5,383,440	7,150,960
Staff welfare	2,779,826	2,817,231
Conveyance	2,185,806	2,290,177
Communication	2,966,268	3,280,479
Rent	3,296,589	2,360,063
Rates and Taxes	2,596,519	2,628,885
Legal and professional	17,348,241	29,049,702
Repair and maintenance		
- Building	3,456,513	991,680
- Others	3,441,793	3,971,822
Training and recruitment	1,668,286	1,454,764
Printing and stationery	1,806,964	1,539,899
Loss on sale of fixed assets (net)	229,281	-
Insurance	505,399	624,438
Bank charges	2,927,433	3,684,307
Travelling	3,785,051	2,915,266
Advertisement	830,969	555,269
Consultancy charges	1,036,773	-
Power and fuel	2,124,926	1,961,279
Conference, exhibition and seminar	425,651	346,794
Information technology expenses	1,387,357	1,366,960
Advances and other current assets written off	8,031,279	245,787
Provision for doubtful debts /advances / other current assets*	40,236,812	15,202,481
Customer claim	22,157,950	-
Miscellaneous expenses	7,776,823	7,534,733
	<u>263,850,026</u>	<u>188,721,272</u>

refer note 18, schedule 16

*includes bad debts written off Rs. 5,417,241 (Rs. 11,267,818)

SCHEDULE 15:

Other income

Dividend received from non-trade investments	61,325,014	17,139,311
Interest on fixed deposits [gross of tax deducted at source Rs. 440,385 (Rs. 951,201; Rs 3,442,140; Rs. 5,872,682)	25,965,711	51,763,376
Profit on sale of investments		
- Current non trade investments	-	9,264
Profit on sale of fixed assets (net)	-	2,233,965
Reversal of employee's stock compensation expense (net)	1,973,593	4,160,326
Miscellaneous income	5,839,276	18,261,928
Gain on foreign exchange fluctuation on consolidation(net)	(1,100,646)	2,634,431
	<u>94,002,948</u>	<u>96,202,601</u>