



NUCLEUS SOFTWARE EXPORTS LTD.

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of Nucleus Software Exports Limited will be held on Saturday the 8th July 2006 at 10.00 A.M. at FICCI Auditorium, Federation House, Tansen Marg, New Delhi-110 001 to transact the following business:

ORDINARY BUSINESS:

1. To review, consider and adopt the Audited Balance Sheet as at March 31, 2006 and Profit and Loss account for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Lt. Gen. T. P. Singh (Retd.), who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in place of Mr. Sanjiv Sarin, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration. M/s BSR & Co. Chartered Accountants, the retiring Auditors are eligible for reappointment.

SPECIAL BUSINESS:

6. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Vishnu R Dusad as Managing Director of the Company, whose office shall not be liable to retirement by rotation under the Companies Act, for a period of five years with effect from January 1, 2007, on the remuneration by way of salary, perquisites and allowances, as set out below:

Salary	:	Rs.250,000/- p.m.
Special Allowance	:	Rs.100,000/- p.m.

Perquisites

- a. Housing: Furnished accommodation to be provided by the Company, and if the Company's accommodation is not provided, the Managing Director shall be entitled to the House Rent Allowance subject to the ceiling of 60% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- b. Medical Reimbursement: Reimbursement of medical expenses incurred including premium paid on health insurance policies, whether in India or abroad, for self and family including hospitalization, surgical charges, nursing charges and domiciliary charges for self and family.
- c. Leave Travel Concession: For self and family every year incurred in accordance with the Rules of the Company.
- d. Club Fees: Fees of clubs, subject to the maximum of three clubs.



- e. Personal Accident Insurance/Group Life Insurance: Premium shall be paid as per the Rules of the Company.
- f. Provident Fund/Pension: Contribution to Provident Fund and Pension Fund to the extent such contribution, either singly or put together are exempt under the Income Tax Act, 1961.
- g. Gratuity: Gratuity payable shall be in accordance with the provisions of the Payment of Gratuity Act.
- h. Use of Car with Driver: The Company shall provide the Managing Director a car with driver for business and personal use.
- i. Telephone Facility at Residence: Telephone facility shall be provided at the Managing Director's residence. All personal long distance calls shall be billed by the Company to the Managing Director
- j. Leave with full pay and allowances shall be allowed per the Rules of the Company.

Commission : Such remuneration by way of commission in addition to the salary, perquisites and allowances payable, calculated with reference to the net profits of the Company in a particular financial year as may be determined by the Board of Directors of the Company at the end of each financial year subject to the overall ceilings stipulated in Sec 198 and 309 of the Act.

The aggregate remuneration inclusive of salary, special allowance , perquisites and commission payable to Mr.Vishnu R Dusad shall always be subject to the overall ceiling laid down in Section 198 and 309 and other applicable provisions of the Companies Act.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the tenure of the Managing Director, remuneration by way of salary and perquisites shall be paid as minimum remuneration subject to the limits specified under Section II of Part II of Schedule XIII to the Companies Act, 1956 (including any statutory modifications or re-enactment thereof, for the time being in force) or such other limits as prescribed by the Government from time to time as minimum remuneration.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to do all such acts, deeds and things and execute all such documents, instruments as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution."

- 7. To consider and, if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 81 (1A) and other applicable provisions of the Companies Act, Memorandum and Articles of Association of the Company and the Regulation/Guidelines prescribed by the Securities and Exchange Board of India, the Reserve Bank of India or any relevant authority, from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed by them while granting such permissions, consent, authority and approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company to create, issue, offer and allot 1,000,000 (One million) stock options convertible into 1,000,000 (One million) equity shares of Rs.10/- each and that these equity shares shall be issued and allotted to the permanent employees of the Company including Indian working Directors other than Promoter Directors under Employee Stock Option Scheme-2006 on the terms and conditions as set out in explanatory statement and formulated by the Company as per Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.



RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the consent and authority be and is hereby given to the Compensation Committee of the Board of Directors to do all acts, deeds, matters and things and execute all such deeds, documents and writings as it may in its discretion deem fit and proper.

RESOLVED FURTHER THAT the Compensation Committee be and is hereby authorized to settle all questions, difficulties or doubts that may arise in relation to the implementation of the scheme (including to amend or modify any of the terms thereof) and to the shares issued herein without being required to seek further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by authority of this resolution.

RESOLVED FURTHER THAT the maximum number of options that can be granted to each of the eligible Directors of the Company under the scheme shall not exceed 50,000 options in a financial year and 250,000 stock options in aggregate.

RESOLVED FURTHER THAT the equity shares to be issued as stated aforesaid shall rank pari- passu with all the existing equity shares of the Company for all purposes."

8. To consider and, if thought fit, to pass , with or without modifications, as a Special Resolution the following :

"RESOLVED THAT pursuant to the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, and the regulations / guidelines as prescribed by the Reserve Bank of India or any relevant authority, from time to time, to the extent applicable and subject to such approvals, consents, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed by them while granting such permissions, authority and approval of the members of the Company be and is hereby accorded to grant the options to any identified employee of the subsidiaries under Employee Stock Option Scheme-2006.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the consent and authority be and is hereby given to the Compensation Committee of the Board of Directors to do all acts, deeds, matters and things and execute all such deeds, documents and writings as it may in its discretion deem fit and proper."

9. To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 163 of the Companies Act, 1956, consent of the Company be and is hereby accorded to keep the Register and Index of members of the Company, returns and copies of certificates and documents at the office of M/s. Karvy Computershare Private Limited, 105-108, Arunachal Building, 19 Connaught Place, Barakhamba Road, New Delhi-110 001 the Registrar and Share Transfer agents of the Company."

10. To consider and, if thought fit, to pass, with or without modifications, the following Resolution as a Special Resolution:

"RESOLVED that in partial modification of Special Resolution no. 5 passed at the thirteenth Annual General Meeting of the Company held on July 31, 2002 for the Employee Stock Option Scheme-2002 (ESOP Scheme-2002) and in accordance with the Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended to date and all other applicable provisions of the Companies Act, 1956, if any, consent, authority and approval of the members of the Company be and is hereby accorded to incorporate the modifications as contained here-in below in the salient features of ESOP Scheme-2002 :



NUCLEUS SOFTWARE EXPORTS LTD.

Maximum Number of Options to be issued per Employee :

The maximum number of options which may be granted to a single employee shall be 50,000 under ESOP Scheme-2002.

**By Order of the Board
For Nucleus Software Exports Ltd.**

**Place : NOIDA
Dated : April 27, 2006**

**(Poonam Bhasin)
Company Secretary**

NOTES:

1. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto.
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited at the registered office/corporate office of the Company not less than 48 hours before the meeting.
3. Members/Proxies should bring duly filled attendance slips attached herewith for attending the meeting.
4. The Register of Members and Share Transfer Books shall remain closed from July 1, 2006 to July 8, 2006 (both days inclusive).
5. The information required to be provided under the Listing Agreement entered in to by the Company with the Stock Exchanges regarding the Directors proposed to be reappointed is given in the annexure to the Notice.
6. Members may please note that the Registrar and Share Transfer Agent of the Company has been changed from M/s. RCMC Share Registry Private Limited to M/s. Karvy Computershare Private Limited, with effect from 15th March 2006. Members may send their request for transfer of shares, change of address etc either to the Company or newly appointed share transfer agent M/s. Karvy Computershare Private Limited at above-mentioned address.
7. The Dividend on Equity Shares recommended by the Board of Directors for the financial year ended March 31, 2006, if approved at the meeting, will be payable to those shareholders whose names appear on the Register of Members of the Company on July 1, 2006, being the first day of Book-Closure and to those whose names appear as beneficial owner in the records of National Securities Depositories Ltd and Central Depository Services (India) Limited on close of business as on June 30, 2006.
8. Members whose shareholding(s) are in electronic mode are requested to direct changes relating to address, bank mandate and Electronic Clearing Service (ECS) details to their respective Depository participants.
9. Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (D.P) ID number on all correspondence with the Company.
10. Members who are holding shares in more than one folio are requested to intimate to the Company the detail of all folio numbers for consolidation into a single folio.
11. Members/Proxy holders are requested to bring their copies of the Annual Report with them to the Annual General Meeting, as extra copies will not be provided.



12. Members who wish to claim dividends, which remain unclaimed, are requested to either correspond with the Company's Secretarial Dept. at the Company's Corporate Office address or at the Company's Registrar and Share Transfer Agent's address- M/s. Karvy Computershare Private Limited, Karvy House, #46, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034. Members are requested to note that dividend not encashed or claimed within seven years from the date of declaration of dividend shall be transferred to Investor Education and Protection Fund of the Central Government as per section 205A(5) read with Section 205C of the Companies Act, 1956.
13. Members are requested to send their queries to the Company, if any, on accounts and operations of the Company at least ten days before the meeting so that the same could be suitably answered at the meeting.
14. **MEMBERS MAY NOTE THAT NO GIFTS/GIFTS COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING. FURTHER PLEASE NOTE THAT SNACK BOXES SHALL NOT BE ALLOWED TO BE TAKEN INSIDE THE AUDITORIUM.**

EXPLANATORY STATEMENT AS REQUIRED BY SEC 173 (2) OF THE COMPANIES ACT, 1956

Item No. 6

Mr. Vishnu R Dusad, Managing Director of the Company was appointed to the post initially on January 1, 1997 for a period of 5 years and subsequently reappointed as Managing Director w.e.f. January 1, 2002 for a period of 5 years. His present term expires on December 31, 2006.

In terms of Corporate Governance guidelines of the Company and pursuant to the approval of Remuneration Committee, the Board of Directors of the Company at its meeting held on April 26, 2006 have re-appointed Mr. Vishnu R Dusad as Managing Director of the Company for a further period of five years w.e.f. January 1, 2007 subject to the approval of the shareholders.

In compliance with the requirements of Section 302 of the Companies Act, 1956, an abstract of the terms of re-appointment together with Memorandum of Interest was circulated to members on May 11, 2006. A brief profile of Mr. Vishnu R Dusad is provided under "Annexure to the Notice".

Mr. Vishnu R Dusad is concerned or interested in the resolution. No other Director is directly or indirectly concerned or interested.

Item No. 7

The Company instituted an ESOP scheme - 1999 in year 2000, ESOP scheme 2002 in year 2002 and ESOP scheme 2005 in year 2005. These schemes were duly approved by the Board of Directors and Members in their respective meetings. The 1999 scheme provides for the issue of 170,000 options convertible into equity shares, 2002 scheme provides for 225,000 options convertible into equity shares and ESOP Scheme 2005 provides for 600,000 options convertible into equity shares to be granted to eligible employees/Directors.

Till date 160,756 options have been issued under ESOP-1999, 63,250 options under ESOP-2002 and 167,000 options have been issued under ESOP-2005. Keeping in view the plans of the Company and the increase in manpower, it is considered desirable to formulate a new Stock Option Scheme and seek approval of the members of the Company.

In compliance with the requirements of the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("ESOP Guidelines"), as amended from time to time the Scheme is being placed before the Shareholders for their approval.

The Compensation Committee which administers the ESOP-1999, ESOP-2002 and ESOP 2005 will also be responsible for administering the Employee Stock Option Scheme -2006 (ESOP-2006) as per Securities and



NUCLEUS SOFTWARE EXPORTS LTD.

Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, hereinafter referred as guidelines. For this purpose passing of a Special Resolution by the members of the Company is necessary pursuant to Section 81 of the Companies Act, 1956.

The details of the Scheme are as follows:

- (a) Under the Scheme the employees will be given an option to acquire a certain number of shares of the face value of Rs.10/- each.
- (b) The Compensation Committee shall formulate detailed terms and conditions of the Scheme, administer, and supervise the same. Subject to the provisions of the Scheme, and subject to the approval of relevant authorities, the Compensation Committee shall:
- Determine the quantum of option to be granted under the Scheme per employee and in aggregate;
 - Determine the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - Determine the exercise period under which the employees should exercise the option;
 - Provide the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - Determine the right of an employee to exercise all options vested in him at one time or at various points of time within the exercise period;
 - Determine the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions;
 - Grant, vest and exercise of option in case of employees who are on long leave;
 - Determine the procedure for cashless exercise of options.
- (c) The Salient Features of the Scheme are as follows:

(i) Total Options to be granted

The maximum number of shares which shall be subject to options under the Scheme shall be 1,000,000 Equity Shares of Rs.10/- each.

(ii) Identification of the Class of Employees Entitled to the Scheme

The Compensation Committee reserves the right to offer options to eligible Employees/Directors, subject to the appraisal process as provided under the Scheme.

(iii) Grant of Options

The Compensation Committee may, on such dates as it shall determine, grant to such eligible Employees/Directors as it may in its absolute discretion, options of the Company on the terms and conditions and the consideration as it may decide.

(iv) Requirements and Period of Vesting

The Employees should be in continuous employment from the date of grant till the date of vesting of stock options. As regards Directors, they should continue to be Directors of the Company from the date of grant till the date of vesting of stock options. Re-appointment of Directors upon retirement by rotation shall be deemed to be continuity in tenure for the above purposes.

Vesting of options shall commence within such period as may be prescribed by the Compensation



Committee, being not less than one year and not more than five years from the date of grant of options.

The Company shall have the freedom to specify the lock-in period for the shares issued pursuant to exercise of option.

(v) Exercise Price

The options shall be granted at the Market Price.

"Market Price" means the latest available closing price, prior to the date of the meeting of the Compensation Committee in which options are granted, on the stock exchange on which the shares of the Company are maximum traded.

(vi) Exercise Period and the Process of Exercise

The options granted under the Scheme shall be exercisable at such times and under such circumstances as determined by the Compensation Committee from time to time. The options shall be deemed to have been exercised when an Employee makes an application in writing to the Company for the issuance of Equity Shares against the options vested in him. The exercise of option is permitted up to a period of 2 years after the vesting period which shall lapse if not exercised within such period.

(vii) Appraisal Process for Determining the Eligibility of Employees

The appraisal process for determining the Employees to whom the option shall be granted, shall be based upon the performance of the Employees as indicated by the annual performance appraisal, minimum period of service, the status of the Employees in the Company and the present and potential contribution of the Employee to the success of the Company, and other factors deemed relevant by the Compensation Committee.

In case of Directors, the eligibility would depend on the period for which the office of Director is held by him and such other factors as the Compensation Committee may think appropriate.

The Compensation Committee at its discretion may extend the benefits of the Scheme to a new entrant also.

(viii) Maximum Number of Options to be Issued Per Employee

The maximum number of options granted to an employee shall be 100,000 under the scheme.

(ix) Accounting Policies and Disclosures

The Company will conform with the disclosures and the accounting policies prescribed by SEBI and other regulatory authorities from time to time.

(x) Method to be Used to Value the Options

The Company shall use the intrinsic value method to value its options.

The difference between the employee compensation cost computed under intrinsic value method and the employee compensation cost that shall have been recognized if it had used the fair value of the options, shall be disclosed in the Directors' Report and the impact of this difference on profits and on EPS of the Company shall also be disclosed in the Directors' Report.



The document containing the salient features of ESOP -2006, the duties and responsibilities of the option holders as also the benefits and the procedures to be followed after taking into consideration the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, is available for inspection at the registered office of the Company during the business hours on all working days.

The Board of Directors recommend the resolution for approval of members.

The Directors of the Company are interested to the extent of their shareholding in the Company and to the extent they may be eligible under the scheme.

Item No. 8

The Board also proposes to extend the benefits of this scheme to the employees of the wholly owned subsidiaries of the Company.

As per SEBI guidelines a separate resolution is required to be passed if the benefits of the ESOS are to be extended to the employees of the subsidiaries.

Your Directors recommend the resolution under Item No. 8 of the Notice of the Annual General Meeting.

The Directors of the Company are interested to the extent of their shareholding in the Company and to the extent of their Directorship in the subsidiary Companies.

Item No. 9

In terms of Section 163 of the Companies Act, 1957, the Company is required to maintain the register of members, index of members, returns and copies of certificates at the registered office of the Company. However Section 163 provides that these documents can be kept in any other place within the city, town or village in which the registered office of the Company is situated, provided that the same is approved by the members at the general meeting by way of Special Resolution.

The Company's Registrar and Share Transfer Agent has been changed from M/s RCMC Share Registry Private Limited to M/s Karvy Computershare Private Limited, with effect from 15th March 2006.

To meet the day to day requirements for shareholders queries and other activities relating to transfers etc, it is imperative that these documents are shifted to Company's new Registrar and Share Transfer Agents office address at -

M/s Karvy Computershare Private Limited,
105-108, Arunachal Building,
19 Connaught Place, Barakhamba Road,
New Delhi-110 001

Your Directors recommend the resolution under Item No. 9 of the Notice of the Annual General Meeting.

None of the Director is concerned or interested in the resolution under Item No. 9 of the Notice.

Item No. 10

The members of the Company at the thirteenth Annual General Meeting of the Company held on July 31, 2002 had approved the Employee Stock Option Scheme-2002 (ESOP Scheme-2002). The options are to be issued under the respective scheme to eligible employees and non-executive Directors of the Company. The Compensation Committee (constituted by the Board) is authorized for administration and superintendence



NUCLEUS SOFTWARE EXPORTS LTD.

of the abovementioned schemes and to do all acts, deeds, matters and things for the purpose as it may deem fit and proper.

The existing provision in the ESOP Scheme-2002 specifies that the maximum number of shares which shall be subject to options under the Scheme shall be 225,000 Equity shares of Rs.10/- each.

It is required under The Securities Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, to also specify the maximum number of options to be granted to an eligible employee. The Company hereby recommends that necessary amendment be made to include grant of maximum number of 50,000 options to an eligible employee under ESOP Scheme-2002.

Your Directors recommend the resolution under Item No. 10 of the Notice of the Annual General Meeting.

None of the Director is concerned or interested in the resolution under Item No. 10 of the Notice.

ANNEXURE A

PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT

Lt. Gen. T. P. Singh (Retd.)

Lt. Gen. T. P. Singh joined the Board of Directors of the Company in December 1994 and was unanimously appointed Chairman of the Board in December 1996.

Lt. Gen. T. P. Singh retired from the Army in 1993 after completing 39 years of commissioned service.

In the HR field, he has handled large number of officers and men including civilians of all grades. He established himself as an expert in formulation of training policies and in their implementation during various tenure as an Instructor including one as a Commandant of the School of Artillery, an institute awarding a recognized degree of M Tech.

In the organizational field, he has proven himself by being awarded the Ati Vashist Seva Medal for work involved in framing the future structure of the Indian Artillery. Later he was awarded the Param Vashist Seva Medal for his contribution as a senior member of the Experts Committee set up to recommend structural reorganization and management process streamlining for the Indian Army.

The General worked on the Investment Committee of the Army Group Insurance Scheme where investments worth crores were processed. This involved knowledge of industrial environment and long term trends.

As the Chairman, he has contributed immensely in guiding the Company on the path of success and transforming it into a world-class, next generation organization.

He has played a pivotal role in framing strategic roadmap for Nucleus and analyzing the business opportunities available.

Presently Lt. Gen. T P Singh (Retd.) is holding 3,000 Equity Shares, 0.02% of the paid up capital of the Company.

Mr. Vishnu R Dusad

Mr. Vishnu R. Dusad is one of the founders of Nucleus Software Exports Ltd. and has served as a Director since the inception of the Company. Mr. Dusad completed his Bachelors Degree in Technology from the Indian Institute of Technology (IIT), Delhi and has been associated with the development of the software industry in India since 1983 as an entrepreneur. He was appointed Managing Director of the Company in January 1997. During his tenure, Nucleus has focused on developing software products for the BFSI vertical.



NUCLEUS SOFTWARE EXPORTS LTD.

His commitment to vision of the group has contributed in the growth of Nucleus since its inception. Having first hand experience of the system development and implementation processes for major Indian and multinational clients, he has been able to understand the requirements of the customers and prospective clients effectively. This has helped in ensuring customer loyalty over long periods of time.

Nucleus has under his leadership seen growth and expansion. Through streamlining and standardization of operations, processes and procedures and ensuring that the products and services offered by the Company are one of the best, he has carved a special brand for Nucleus.

As Managing Director of Nucleus Software Exports Ltd, since 1997, he has successfully steered the Company in the right direction. He believes in creating an institution, which will deliver long-term returns to shareholders.

Presently Mr. Vishnu R. Dusad is holding 1,801,746 Equity Shares, 11.19% of the paid up capital of the Company.

Mr. Sanjiv Sarin

Mr. Sanjiv Sarin is a postgraduate from IIT Delhi with a MBA from XLRI, Jamshedpur. He is currently working as Managing Director of Medical Systems India Pvt. Ltd. Earlier he was posted in Singapore for a period of two and half years (1995-97) as Regional Manager (Asia), with Medison Co. Ltd, a Korean Multinational. Mr. Sanjiv Sarin joined the Board of Directors of the Company in June 2001. Presently Mr. Sanjiv Sarin is holding 4,200 Equity Shares, 0.03% of the paid up capital of the Company.

Mr. Sanjiv Sarin has more than 24 years of experience in various areas of management including marketing, team building, organization development and managing new products.

NUCLEUS SOFTWARE EXPORTS LTD.

Registered Office : 33-35, Thyagraj Nagar Market, New Delhi-110 003

PLEASE FILL THE ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.
Joint shareholders may obtain additional Attendance Slip on request.

ATTENDANCE SLIP

DP.ID
Client.ID

Regd. Folio No.

NAME AND ADDRESS OF THE SHAREHOLDER

No. of Share(s) held:

I hereby record my presence at the **SEVENTEENTH ANNUAL GENERAL MEETING** of the Company held on Saturday, July 8, 2006 at 10.00 a.m. at FICCI Auditorium, Federation House, Tansen Marg, New Delhi-110001.

Signature of the Shareholder or Proxy

..... TEAR HERE

NUCLEUS SOFTWARE EXPORTS LTD.

Registered Office : 33-35, Thyagraj Nagar Market, New Delhi-110 003

PROXY FORM

DP.ID
Client.ID

Regd. Folio No.

I/We..... of
.....being a member/members of Nucleus Software Exports
Ltd. hereby appoint..... of
..... or failing him
..... of

as my/our proxy to vote for me/us and on my/our behalf at the **SEVENTEENTH ANNUAL GENERAL MEETING** of the Company to be held on Saturday, July 8, 2006 at 10.00 a.m. or at any adjournment thereof.

Signed.....day of.....2006.

Affix a Rs.1 Revenue Stamp

Note: The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.