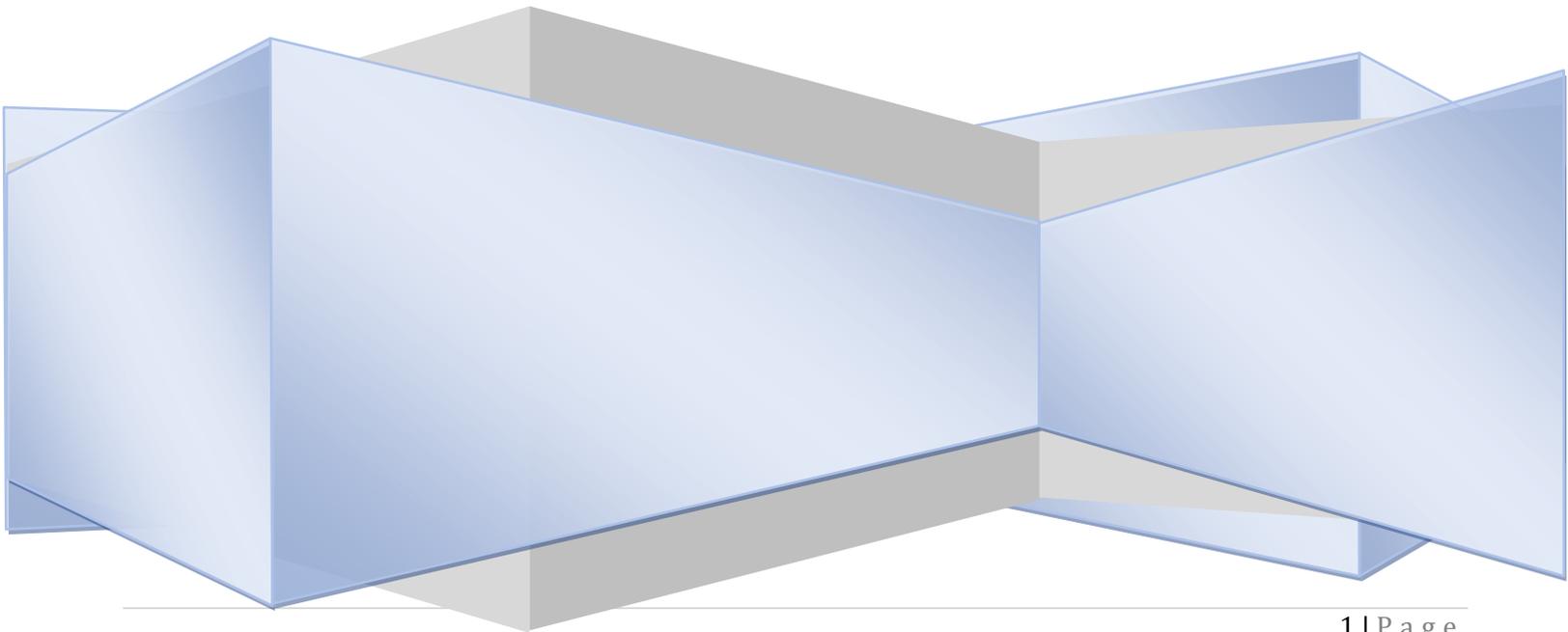


**NUCLEUS
SOFTWARE**

Quarterly Report

June 30, 2015



FINANCIAL HIGHLIGHTS

Rs. in Crore except per share data

Nucleus Software Exports Limited.

FINANCIAL HIGHLIGHTS

Particulars	Consolidated Performance			
	For the Quarter ended			For the Year Ended
	June 30, 2015	March 31, 2015	June 30, 2014	March 31, 2015
Revenue from Operations	84.82	100.90	79.43	353.14
Operating Profit (EBITDA)	4.27	24.61	10.13	65.31
Profit after Tax (PAT)	6.79	20.64	11.65	64.71
EBITDA Margin	5%	24%	13%	18%
PAT Margin	8%	20%	15%	18%
EPS	2.10	6.37	3.60	19.98

At the end of the Period	As at		
	June 30, 2015	March 31, 2015	June 30, 2014
Share Capital	32.39	32.39	32.39
Reserves and Surplus	413.43	405.98	375.36
Net Worth	445.82	438.37	407.74
Total Assets	560.97	556.32	530.36
Net Fixed Assets	56.47	58.95	63.13
Current Assets	396.34	407.88	413.20
Cash and Cash Equivalents	262.74	281.25	295.33
Working Capital	286.25	294.66	302.88
Market Capitalisation	771.87	547.61	674.23
No. of Shareholders	16,218	15,545	14,888
No. of Shares (Face Value of Rs.10.00)	32,383,724	32,383,724	32,383,724

Notes:

- 1.) Market Capitalisation is calculated by considering the closing market price of the scrip at the close of the quarter which is Rs. 238.35 at June 30, 2015, Rs. 169.10 at March 31, 2015, Rs. 208.20 at June 30, 2014.
- 2.) While calculating the figures of group, intergroup transactions have been ignored.
- 3.) Previous year figures have been regrouped/ reclassified wherever necessary.

Nucleus Software Exports Limited.

FINANCIAL HIGHLIGHTS

Particulars	Consolidated Performance			
	For the Quarter ended			For the Year Ended
	June 30, 2015	March 31, 2015	June 30, 2014	March 31, 2015
Revenue from Operations	13.71	16.30	12.90	64.98
Operating Profit (EBITDA)	0.69	3.98	1.65	12.02
Profit after Tax (PAT)	1.10	3.34	1.89	11.91
EBITDA Margin	5%	24%	13%	18%
PAT Margin	8%	20%	15%	18%
EPS	0.34	1.03	0.58	3.68
US \$/ INR Exchange Rate*	63.59	62.39	61.55	54.35

At the end of the Period	As at		
	June 30, 2015	March 31, 2015	June 30, 2014
Share Capital	5.09	5.18	5.38
Reserves and Surplus	64.95	64.96	62.37
Net Worth	70.04	70.14	67.75
Total Assets	88.13	89.01	88.13
Net Fixed Assets	8.87	9.43	10.49
Current Assets	62.27	65.26	68.66
Cash and Cash Equivalents	41.28	45.00	49.07
Working Capital	44.97	47.15	50.33
Market Capitalisation	121.27	87.62	112.04
US \$/ INR Exchange Rate#	63.65	62.50	60.18

Note:

- 1.) Market Capitalisation is calculated by considering the closing market price of the scrip at the close of the quarter which is Rs. 238.35 at June 30, 2015, Rs. 169.10 at March 31, 2015, Rs. 208.20 at June 30, 2014.
- 2.) While Calculating the figures of group, intergroup transactions have been ignored.
- 3.) Previous year figures have been regrouped/ reclassified wherever necessary.
- 4.) * The Revenue and expenditure items have been translated at an average US \$ / INR rate, mentioned here for the respective years.
- 5.) # The Balance Sheet items have been translated at year end US \$ / INR rate, mentioned here for the respective years.

LETTER TO THE SHAREHOLDERS

Dear Shareholder,

I take this opportunity to present to you a brief report on the performance of your Company for the first quarter ended of the financial year 2015-16.

First the financial performance, consolidated revenue for the quarter was Rs. 84.82 crore against Rs.79.43 crore in the corresponding quarter of the previous year. The consolidated EBITDA was Rs. 4.27 crore in comparison to Rs. 10.13 crore in the corresponding quarter of the previous year. Consolidated net profit was Rs. 6.79 crore in comparison to Rs. 11.65 crore in the corresponding quarter of the previous year. EPS for the quarter was Rs. 2.10 against Rs. 3.60 in the corresponding quarter of the previous year.

The Product business revenue was Rs. 62.79 crore against Rs. 56.39 crore in the corresponding quarter of the previous year. The Company continues to focus and invest on development of niche Banking Products.

The Company continues to enjoy a high level of liquidity. 'Cash and Bank balances' and 'Current Investments' were at Rs. 262.74 crore as on June 30, 2015 against Rs. 319.70 crore as on June 30, 2014. We had a hedging position of US\$ 9.75 million, June 30, 2015 at an average rate of Rs. 65.26.

We have won 1 new product orders worldwide and 7 product module has been successfully implemented. Customer satisfaction through experience in products implementation and customer care remains our primary focus.

The Manpower numbers are at 1,581 as on June 30, 2015. HR focus for the quarter remained on enhancing domain and management competencies in the organization. This quarter has been very important to us as we have been focussing on increasing our organisational capability. We have kept a special focus on increasing the diversity at our workplace in hiring these numbers from different institutes and different academic streams.

The first quarter has seen us make good progress on our transformation journey. We will continue the pace of strategic investments as we expand our operations globally, and I am confident that these will pay off as we move forward. Q1 saw the latest version of our lending product suite, FinnOne Neo, go live at a commercial bank. We released new versions of our key products, and continued to grow our marketing and sales activities around the world. Additionally, we continued to build our leadership team with new senior appointments to further advance our growth strategy.

Vishnu R Dusad

Managing Director & Chief Executive Officer

Date: July 30, 2015

FINANCIAL STATEMENTS OF NUCLEUS SOFTWARE EXPORTS LTD.

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF NUCLEUS SOFTWARE EXPORTS LIMITED

Report on the Interim Financial Statements

We have audited the accompanying interim financial statements of **NUCLEUS SOFTWARE EXPORTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 30 June, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the quarter then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Interim Financial Statements

The Company's Management is responsible for the preparation of these interim financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 on Interim Financial Reporting specified under the Companies Act, 1956 (which is deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid interim financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 30 June, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the quarter ended on that date and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the quarter ended on that date.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 015125N)

SAMEER ROHTAGI
Partner
(Membership No. 094039)

Noida,
30 July, 2015

BALANCE SHEET

NUCLEUS SOFTWARE EXPORTS LIMITED BALANCE SHEET AS AT 30 JUNE, 2015

	Notes Ref.	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
<u>EQUITY AND LIABILITIES</u>			
1. SHAREHOLDERS' FUNDS			
a. Share capital	2.1	323,852,240	323,852,240
b. Reserves and surplus	2.2	3,764,454,252	3,623,139,377
		4,088,306,492	3,946,991,617
2. NON-CURRENT LIABILITIES			
Long-term provisions	2.3	36,211,702	35,021,563
3. CURRENT LIABILITIES			
a. Trade payables	2.4	300,192,920	235,020,362
b. Other current liabilities	2.5	685,483,823	704,522,536
c. Short-term provisions	2.6	190,489,537	207,369,476
		1,176,166,280	1,146,912,374
		5,300,684,474	5,128,925,554
<u>ASSETS</u>			
1. NON-CURRENT ASSETS			
a. Fixed assets			
- Tangible assets	2.7	317,368,022	327,889,509
- Intangible assets	2.7	73,196,219	85,868,663
- Capital work in progress		8,470,000	7,920,000
		399,034,241	421,678,172
b. Non-current investments	2.8	1,029,663,240	824,663,240
c. Deferred tax assets (net)	2.9	12,612,403	9,613,446
d. Long-term loans and advances	2.10	190,399,168	208,785,706
e. Other non-current assets	2.11	10,954,186	11,294,974
		1,642,663,238	1,476,035,538
2. CURRENT ASSETS			
a. Current investments	2.12	699,634,018	882,071,487
b. Trade receivables	2.13	840,513,192	769,564,876
c. Cash and cash equivalents	2.14	1,610,043,841	1,629,819,091
d. Short-term loans and advances	2.15	122,654,059	135,888,728
e. Other current assets	2.16	385,176,126	235,545,834
		3,658,021,236	3,652,890,016
		5,300,684,474	5,128,925,554

See accompanying notes forming part of the financial statements

1 & 2

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

For and on behalf of the Board of Directors

Chartered Accountants

JANKI BALLABH

Chairman

VISHNU R DUSAD

Managing Director &
Chief Executive Officer

SAMEER ROHATGI

Partner

ASHISH NANDA

Global Head - Finance & Accounts

POONAM BHASIN

AVP (Secretarial) &
Company Secretary

Place : Noida

Date : 30 July, 2015

Place : Noida

Date : 30 July, 2015

PROFIT & LOSS

NUCLEUS SOFTWARE EXPORTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED 30 JUNE, 2015

	Notes Ref.	Quarter ended 30 June, 2015 (Rupees)	Quarter ended 30 June, 2014 (Rupees)
1. REVENUE FROM OPERATIONS			
Income from software product and services	2.17	674,521,146	595,356,295
2. OTHER INCOME	2.18	165,568,172	61,326,434
3. TOTAL REVENUE (1+2)		840,089,318	656,682,729
4. EXPENSES			
a. Employee benefits expense	2.19	410,831,610	342,882,282
b. Operating and other expenses	2.20	257,589,206	161,152,777
c. Finance cost	2.21	1,273,823	1,009,171
d. Depreciation and amortisation expense	2.7	27,326,401	25,933,712
TOTAL EXPENSES		697,021,040	530,977,942
5. PROFIT BEFORE TAX (3-4)		143,068,278	125,704,787
6. TAX EXPENSE			
a. Current tax expense	2.23	22,600,000	23,300,000
b. MAT credit entitlement	2.23	(4,100,000)	(800,000)
Net current tax expense		18,500,000	22,500,000
c. Deferred tax credit	2.9	(2,998,957)	(1,847,407)
NET TAX EXPENSE		15,501,043	20,652,593
7. PROFIT FOR THE QUARTER (5-6)		127,567,235	105,052,194
8. EARNINGS PER EQUITY SHARE	2.28		
Equity shares of Rupees 10 each			
a. Basic		3.94	3.24
b. Diluted		3.94	3.24
Number of shares used in computing earnings per share			
a. Basic		32,383,724	32,383,724
b. Diluted		32,383,724	32,383,724

See accompanying notes forming part of the financial statements 1 & 2

In terms of our report attached

For **DELOITTE HASKINS & SELLS**

Chartered Accountants

SAMEER ROHATGI
Partner

Place : Noida
Date : 30 July, 2015

For and on behalf of the Board of Directors

JANKI BALLABH
Chairman

VISHNU R DUSAD
Managing Director &
Chief Executive Officer

ASHISH NANDA
Global Head - Finance
& Accounts

POONAM BHASIN
AVP (Secretarial) &
Company Secretary

Place : Noida
Date : 30 July, 2015

CASH FLOW STATEMENT

NUCLEUS SOFTWARE EXPORTS LIMITED CASH FLOW STATEMENT FOR THE QUARTER ENDED 30 JUNE , 2015

Notes Ref.	For the Quarter Ended 30 June, 2015 (Rupees)	For the Quarter ended 30 June, 2014 (Rupees)
A. Cash flow from operating activities		
Net profit before tax	143,068,278	125,704,787
Adjustment for:		
Depreciation and amortisation expense	27,326,401	25,933,712
Exchange gain on translation of foreign currency accounts (net)	798,609	(1,771,225)
Dividend received from non-trade investments	(8,568,996)	(16,169,122)
Dividend received from subsidiary	(85,000,000)	-
Interest on fixed deposits and others	(46,409,481)	(21,276,791)
Interest on loan to subsidiaries	(53,417)	(98,638)
Net gain on sale of investments	(3,555,715)	(16,000,507)
Profit on sale of fixed assets (net)	648,916	-
Provision for doubtful debts/advances/other current assets	3,664,978	5,469,856
Provisions written back	(8,869,511)	(5,753,899)
Operating profit before working capital changes	23,050,062	96,038,173
Adjustment for (increase) / decrease in operating assets		
- Trade receivables	(69,674,021)	(136,627,934)
- Short-term loans and advances	13,910,499	(7,610,132)
- Long-term loans and advances	135,704	47,371
- Other current assets	(26,419,845)	11,001,932
- Other non-current assets	340,788	(20,401)
Adjustment for increase / (decrease) in operating liabilities		
- Trade payables	68,374,977	95,326,735
- Other current liabilities	(19,936,095)	12,686,879
- Short-term provisions	424,362	1,773,217
- Long-term provisions	1,190,139	5,009,186
	(8,603,430)	77,625,026
Net income tax paid	7,776,228	(20,676,298)
Net cash from / (used in) operating activities (A)	(827,202)	56,948,728
B. Cash flow from investing activities		
Purchase of fixed assets	(7,508,510)	(33,410,384)
Proceeds from sale of fixed assets	1,397,891	-
Purchase of current investments	(611,731,229)	(1,086,644,338)
Proceeds from sale of current investments	627,724,413	1,104,232,299
Purchase of long term investments in Bonds & mutual funds	(35,000,000)	-

Investments in subsidiaries		-	(5,500,973)
Loans to subsidiaries (net)		(115,000)	8,807,153
Bank balance not considered as cash and cash equivalents - placed		(66,400,000)	(655,468,738)
Bank balance not considered as cash and cash equivalents - matured		54,091,878	671,955,211
Interest on fixed deposits and others (net)		8,603,083	9,212,813
Income tax paid		(12,125,393)	(5,634,841)
Dividend received from non-trade investments		8,568,996	16,169,122
Net cash from / (used in) investing activities (B)		(32,493,871)	23,717,324
Net increase / (decrease) in cash and cash equivalents (A+B)		(33,321,073)	80,666,052
Opening cash and cash equivalents	2.14	93,382,175	47,918,367
Exchange difference on translation of foreign currency bank accounts		1,240,835	1,763,300
Closing cash and cash equivalents	2.14	61,301,937	130,347,719
See accompanying notes forming part of the financial statements In terms of our report attached	1 & 2		

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

For and on behalf of the Board of Directors

JANKI BALLABH
Chairman

VISHNU R DUSAD
Managing Director &
Chief Executive
Officer

SAMEER ROHATGI
Partner

ASHISH NANDA
Global Head - Finance &
Accounts

POONAM BHASIN
AVP (Secretarial) &
Company Secretary

Place : Noida
Date : 30 July, 2015

Place : Noida
Date : 30 July, 2015

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1:

1.1 Company Overview

Nucleus Software Exports Limited ('Nucleus' or 'the Company') was incorporated on 9 January, 1989 in India as a private limited company. It was subsequently converted into a public limited company on 10 October, 1994. The Company made an initial public offer in August 1995. As at 30 June, 2015, the Company is listed on two stock exchanges in India namely National Stock Exchange and Bombay Stock Exchange. The Company has wholly owned subsidiaries in Singapore, USA, Japan, Netherlands, Australia and India. The Company's business consists of software product development and marketing and providing support services mainly for corporate business entities in the banking and financial services sector.

1.2. Significant accounting policies

(i) Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("2013 Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

(ii) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Examples of such estimates include estimates of expected contract costs to be incurred to complete contracts, provision for doubtful debts, future obligations under employee retirement benefit plans and estimated useful life of fixed assets. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the year in which the results are known/ materialise.

(iii) Inventories

Inventories are valued at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale.

(iv) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or

future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(v) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

(vi) Depreciation and amortisation

Depreciation on fixed assets, except leasehold land and leasehold improvements, is provided on the straight-line method based on useful lives of respective assets as estimated by the management taking into account nature of the asset, the estimated usage of the asset and the operating conditions of the asset. Leasehold land is amortised over the period of lease. The leasehold improvements are amortised over the remaining period of lease or the useful lives of assets, whichever is shorter. Depreciation is charged on a pro-rata basis for assets purchased / sold during the year.

The management's estimates of the useful lives of the various fixed assets are as follows:

Asset category	Useful life (in years)
Tangible asset	
Building	30
Plant and machinery (including office equipment)	5
Computers	4/3
Vehicles	5
Furniture and fixtures	5
Temporary wooden structures (included in furniture and fixtures)	1
Intangible asset	
Software	3

With effect from 1 April, 2014, the Company has revised the useful life in respect of computers and data processing units (end use devices such as laptops, desktops etc) from 4 years to 3 years. (also see note 2.7 (iii))

(vii) Revenue recognition

Revenue from software development services comprises income from time and material and fixed price contracts.

Revenue from time and material contracts is recognised as the services are rendered.

Revenue from fixed price contracts and sale of license and related customisation and implementation is recognised in accordance with the percentage completion method calculated based on output method. Provision for estimated losses, if any, on uncompleted contracts are recorded in the year in which such losses become certain based on the current estimates.

Revenue from sale of licenses, where no customisation is required, are recognised upon delivery of these licenses which constitute transfer of all risks and rewards.

Revenue from annual technical service contracts is recognised on a pro rata basis over the period in which such services are rendered.

Revenue from sale of goods is recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales exclude sales tax and value added tax.

Service income accrued but not due represents revenue recognised on contracts to be billed in the subsequent period, in accordance with terms of the contract.

(viii) Other income

Profit on sale of investments is determined as the difference between the sales price and the carrying value of the investment upon disposal of investments.

Interest income is accounted on accrual basis.

Dividend income is recognised when the right to receive the same is established.

(ix) Expenditure

The cost of software purchased for use in software development and services is charged to cost of revenues in the year of acquisition. Expenses are accounted for on accrual basis and provisions are made for all known losses and liabilities.

(x) Tangible assets and capital work in progress

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. Fixed assets are stated at the cost of acquisition including any directly attributable expenditure on making the asset ready for its intended use. Fixed assets under construction and cost of assets not ready to use before the year end, are disclosed as capital work-in-progress.

(xi) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

(xii) Foreign exchange transactions

Foreign exchange transactions are recorded at the exchange rates prevailing at the date of transaction. Realised gains and losses on foreign exchange transactions during the year are recognised in the Statement

of Profit and Loss. Monetary assets and monetary liabilities that are determined in foreign currency are translated at the exchange rate prevalent at the date of balance sheet. The resulting difference is recorded in the Statement of Profit and Loss.

The Company uses foreign exchange forward contracts and options to hedge its exposure for movement in foreign exchange rates. The use of these foreign exchange forward contracts and options reduces the risk or cost to the Company and the Company does not use the foreign exchange forward contracts or options for trading or speculation purposes.

The Company follows Accounting Standard (AS) 30 – “Financial Instruments: Recognition and Measurement” to the extent that the adoption does not conflict with existing mandatory accounting standards and other authoritative pronouncements, Company law and other regulatory requirements.

(xiii) Investments

Investments are classified into long-term and current investments based on the intent of management at the time of acquisition. Long-term investments including investment in subsidiaries are stated at cost and provision is made to recognise any decline, other than temporary, in the value of such investments. Current investments are stated at the lower of cost and the fair value.

(xiv) Employee stock option based compensation

The excess of market price of underlying equity shares as of the date of the grant of options over the exercise price of the options given to employees under the employee stock option plan is recognised as deferred stock compensation cost and is amortised on graded vesting basis over the vesting period of the options.

(xv) Employee benefits

Employee benefits include provident fund, gratuity and compensated absences.

Defined contribution plans

The Company’s contribution to provident fund is considered as defined contribution plans and is charged as an expense as they fall due based on the amount of contribution required to be made.

Defined benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each year end. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the year in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These

benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the year in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the year in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date.

(xvi) Post Sales client support and warranties

The Company provides its clients with fixed period warranty for correction of errors and support on its fixed price product orders. Revenue for such warranty period is allocated based on the estimated effort required during warranty period.

(xvii) Operating leases

Lease payments under operating lease are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(xviii) Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

(xix) Taxation

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred

tax assets are recognised only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realise such assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

(xx) Research and development

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilised for research and development are capitalised and depreciated in accordance with the policies stated for Fixed Assets.

(xxi) Impairment

Management periodically assesses using external and internal sources whether there is an indication that an asset may be impaired. Impairment occurs where the carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sales price or present value as determined above. An impairment loss is reversed only to the extent that the assets carrying amount does not exceed the carrying amount that would have been determined net of depreciation or amortization, if no impairment loss had been recognized.

(xxii) Provision and contingencies

The Company recognises a provision when there is a present obligation as a result of a past event and it is probable that it would involve an outflow of resources and a reliable estimate can be made of the amount of such obligation. Such provisions are not discounted to their present value and are determined based on the management's estimation of the obligation required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect management's current estimates.

A disclosure for a contingent liability is made where it is more likely than not that a present obligation or possible obligation may result in or involve an outflow of resources. When no present or possible obligation exists and the possibility of an outflow of resources is remote, no disclosure is made.

Contingent assets are not recognised in the financial statements.

(xxiii) Hedge accounting

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to highly probable forecast transactions. The Company designates such forward contracts in a cash flow hedging relationship by applying the hedge accounting principles set out in "Accounting Standard 30 Financial Instruments: Recognition and Measurement". These forward contracts are stated at fair value at each reporting date. Changes in the fair value of these forward contracts that are designated and effective as hedges of future cash flows are recognised directly in "Hedging reserve account" under Reserves and surplus, net of applicable deferred income taxes and the ineffective portion is recognised immediately in the Statement of Profit and Loss. Amounts accumulated in the "Hedging reserve

account” are reclassified to the Statement of Profit and Loss in the same periods during which the forecasted transaction affects profit and loss. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in “Hedging reserve account” is retained until the forecasted transaction occurs. If the forecasted transaction is no longer expected to occur, the net cumulative gain or loss recognised in “Hedging reserve account” is immediately transferred to the Statement of Profit and Loss.

(xxiv) Derivative contracts

The Company enters into derivative contracts in the nature of forward contracts with an intention to hedge its existing assets and liabilities, firm commitments and highly probable transactions. Derivative contracts which are closely linked to the existing assets and liabilities are accounted as per the policy stated for Foreign Currency Transactions and Translations.

Derivative contracts designated as a hedging instrument for highly probable forecast transactions are accounted as per the policy stated for Hedge Accounting.

All other derivative contracts are marked-to-market and losses are recognised in the Statement of Profit and Loss. Gains arising on the same are not recognised, until realised, on grounds of prudence.

(xxv) Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

(xxvi) Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is reasonable certainty in availing / utilising the credits.

(xxvii) Operating cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

NOTES FORMING PART OF THE ACCOUNTS FOR THE QUARTER ENDED 30 JUNE, 2015

2 NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 JUNE, 2015

2.1 SHARE CAPITAL

Particulars	As at	As at
	30 June, 2015	31 March, 2015
	(Rupees)	(Rupees)
a. Authorised		
Equity shares		
40,000,000 (40,000,000) equity shares of Rs. 10 each	400,000,000	400,000,000
b. Issued, Subscribed and Paid-Up		
Issued		
32,386,524 (32,386,524) equity shares of Rs. 10 each	323,865,240	323,865,240
Subscribed and Paid-Up		
32,383,724 (32,383,724) equity shares of Rs. 10 each, fully paid up	323,837,240	323,837,240
Add: 2,800 (2,800) forfeited equity shares pending reissue (see note (iv) below)	15,000	15,000
	323,852,240	323,852,240

Refer notes (i) to (v) below :-

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period :-

Particulars	Opening balance	Allotted under Employee Stock Option Plans	Closing balance
a. For the quarter ended 30 June, 2015			
- Number of shares	32,383,724	-	32,383,724
- Amount	323,837,240	-	323,837,240
b. For the year ended 31 March, 2015			
- Number of shares	32,383,724	-	32,383,724
- Amount	323,837,240	-	323,837,240

(ii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Number of shares held by shareholders holding more than 5% of the aggregate shares in the Company :-

Particulars	As at 30 June, 2015		As at 31 March, 2015	
	(Number)	(Percentage)	(Number)	(Percentage)
Karmayogi Holdings Private Limited	9,000,000	27.79%	9,000,000	27.79%
Nucleus Software Engineers Private Limited	2,385,882	7.37%	2,385,882	7.37%
Madhu Dusad	3,066,248	9.47%	3,066,248	9.47%
Fidelity Puritan Trust- Fidelity Low-Priced Stock Fund	2,200,000	6.79%	2,200,000	6.79%

(iv) Details of forfeited shares

Particulars	As at 30 June, 2015		As at 31 March, 2015	
	(Number)	(Rupees)	(Number)	(Rupees)
Equity shares with voting rights	2,800	15,000	2,800	15,000

(v) **Employees Stock Option Plan (“ESOP”)**

- a. Employee Stock Option Scheme and SEBI (Share Based Employee Benefits) Regulations, 2014, is effective for regulation of all schemes by the Company for the benefits for its employees dealing in shares, directly or indirectly from October 28, 2014. In accordance with these Guidelines, the excess of the market price of the underlying equity shares as of the date of grant of options over the exercise price of the option, including up-front payments, if any, is to be recognized and amortised on graded vesting basis over the vesting period of the options.
- b. The Company currently has three ESOP schemes; ESOP scheme - 2005 (instituted in 2005), ESOP scheme - 2006 (instituted in 2006) and ESOP Scheme - 2015 (instituted in 2015). These schemes were duly approved by the Board of Directors and Shareholders. The 2005 scheme provides for 600,000 options, 2006 scheme provides for 1,000,000 options and 2015 scheme provides for 500,000 options to eligible employees. As per ESOP scheme 2015, equity shares would be transferred to eligible employees on exercise of options through Nucleus Software Employee Welfare Trust. These schemes are administered by the Compensation Committee comprising three members, the majority of whom are independent directors.
- c. There are no options granted, forfeited and exercised during the quarter / year under ESOP Scheme 2005, ESOP Scheme 2006 and ESOP Scheme 2015.

Particulars	As at	As at
	30 June, 2015	31 March, 2015
	(Rupees)	(Rupees)
2.2 RESERVES AND SURPLUS		
a. Capital reserve		
Opening balance	8,900,230	8,900,230
Add : Amount forfeited against employees stock option plan	-	-
Closing balance	8,900,230	8,900,230
b. Securities premium account		
Opening balance	21,901,489	21,901,489
Add : Premium on conversion of stock options issued to employees	-	-
Closing balance	21,901,489	21,901,489
c. Hedging reserve [see note 2.33]		
Opening balance	6,487,284	28,143,036
Add / (Less) : Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the quarter / year	(3,556,660)	(21,655,752)
Closing balance	2,930,624	6,487,284
d. General reserve		
Opening balance	822,708,220	822,708,220
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	822,708,220	822,708,220
e. Surplus in Statement of Profit and Loss		
Opening balance	2,763,142,154	2,350,576,372
Add: Profit for the quarter / year	127,567,235	607,447,795
Less : Appropriations		
- Proposed final dividend on equity shares [see note (i) below]	-	(161,918,620)
- Tax on dividend charge [see note 2.37]	17,304,300	(32,963,393)
Closing balance	2,908,013,689	2,763,142,154
	3,764,454,252	3,623,139,377

Note :

- (i) The Board of Directors recommended a Final Dividend of Rs. 5 per share (on equity share of par value of Rs. 10 each) at their Board meeting held on May 7, 2015, which was approved by shareholders through poll in Annual General Meeting held on 08 July 2015.

Particulars	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
2.3 LONG-TERM PROVISIONS		
Provision for employee benefits		
- Provision for compensated absences	36,211,702	35,021,563
	36,211,702	35,021,563
2.4 TRADE PAYABLES		
a. Trade Payables		
- Micro and small enterprises (see note below)	-	-
- Others	221,652,064	215,790,355
b. Due to subsidiaries (see note 2.29)	78,540,856	19,230,007
	300,192,920	235,020,362
Note :		
The Company has no amounts payable to Micro and Small Enterprises as defined in section 7(1) of the Micro, Small and Medium Enterprises Development Act, 2006, to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.		
2.5 OTHER CURRENT LIABILITIES		
a. Advance from customers	259,545,805	283,932,617
b. Deferred revenue	286,638,733	275,322,389
c. Unpaid dividends	2,716,979	2,720,113
d. Payable for purchase of fixed assets	1,123,802	1,903,333
e. Other payables - statutory liabilities	29,513,319	31,365,101
f. Book overdraft	2,957,693	15,401,797
g. Provision for gratuity (see note 2.32)	10,000,507	2,570,248
h. Due to subsidiary (see note 2.29 & 2.35)	92,986,985	91,306,938
	685,483,823	704,522,536
2.6 SHORT-TERM PROVISIONS		
a. Provision for employee benefits		
- Provision for compensated absences	12,911,825	12,487,463
b. Provision for proposed equity dividend	161,918,620	161,918,620
c. Provision for tax on proposed dividend (see note 2.37)	15,659,092	32,963,393
	190,489,537	207,369,476

NUCLEUS SOFTWARE EXPORTS LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.7 Fixed Assets (At Cost)

PARTICULARS	GROSS BLOCK				ACCUMULATED DEPRECIATION			NET BLOCK	
	As at 1 April, 2015	Additions	Deductions / adjustments	As at 30 June, 2015	As at 1 April, 2015	Depreciation for the quarter	Deductions / adjustments	As at 30 June, 2015	As at 31 March, 2015
Tangible assets									
Freehold land	3,360,720 (3,360,720)	- (-)	- (-)	3,360,720 (3,360,720)	- (-)	- (-)	- (-)	3,360,720 (3,360,720)	3,360,720 (3,360,720)
Leasehold land	66,395,000 (66,395,000)	- (-)	- (-)	66,395,000 (66,395,000)	9,638,766 (8,886,523)	188,062 (752,243)	- (-)	56,566,172 (56,756,234)	56,756,234 (57,508,477)
Leasehold improvements	7,148,689 (7,148,689)	- (-)	- (-)	7,148,689 (7,148,689)	7,148,689 (7,148,689)	- (-)	- (-)	- (-)	- (-)
Buildings	241,471,493 (241,471,493)	- (-)	- (-)	241,471,493 (241,471,493)	75,419,643 (67,370,594)	2,012,271 (8,049,059)	- (-)	164,039,579 (166,051,850)	166,051,850 (174,100,909)
Plant and equipment	114,921,634 (115,799,872)	- (611,475)	- (1,489,713)	114,921,634 (114,921,634)	109,724,076 (109,457,894)	437,606 (1,755,895)	- (1,489,713)	4,759,932 (5,197,558)	5,197,558 (6,341,978)
Office equipment	30,176,531 (29,886,632)	278,423 (289,899)	- (-)	30,454,954 (30,176,531)	27,513,159 (26,064,859)	348,637 (1,448,300)	- (-)	2,993,158 (2,663,372)	2,663,372 (3,821,773)
Computer equipment	304,742,997 (261,022,979)	4,552,126 (54,448,651)	- (10,728,633)	309,295,123 (304,742,997)	228,843,716 (205,925,429)	9,092,235 (33,559,804)	- (10,641,517)	71,359,172 (75,899,281)	75,899,281 (55,097,550)
Vehicles	24,430,689 (19,428,067)	- (9,539,057)	3,169,741 (4,536,435)	21,260,948 (24,430,689)	7,076,952 (5,104,721)	1,163,288 (4,508,032)	1,122,934 (2,535,801)	14,143,642 (17,353,737)	17,353,737 (14,323,346)
Furniture and fixtures	36,388,385 (36,211,435)	- (176,950)	- (-)	36,388,385 (36,388,385)	35,781,628 (35,539,147)	63,130 (242,481)	- (-)	543,627 (606,757)	606,757 (672,288)
Intangible assets									
Software	829,036,138 (780,724,887)	4,830,549 (65,066,032)	3,169,741 (16,754,781)	830,696,946 (829,036,138)	501,146,629 (465,497,846)	13,305,229 (50,315,814)	1,122,934 (14,667,031)	317,368,022 (327,889,509)	327,889,509 (315,227,041)
Total	1,134,315,399 (1,067,948,768)	6,179,277 (63,121,412)	3,169,741 (18,055,380)	1,137,324,935 (1,134,315,399)	720,557,227 (628,633,856)	27,326,401 (106,590,402)	1,122,934 (14,667,031)	390,564,241 (413,758,172)	413,758,172 (124,087,871)

Note:

(i) Figures in bracket pertain to previous year ended 31 March 2015/2014.

Particulars	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
2.8 NON-CURRENT INVESTMENTS (at cost)		
- Trade		
Investments in equity instruments of wholly owned subsidiaries (unquoted)		
a. 625,000 (625,000) equity shares of Singapore Dollar 1 each, fully paid up, in Nucleus Software Solutions Pte. Ltd., Singapore	16,319,950	16,319,950
b. 1,000,000 (1,000,000) equity shares of US Dollar 0.35 each, fully paid up, in Nucleus Software Inc., USA	16,293,150	16,293,150
Less: Provision for diminution in value of investment in Nucleus Software Inc., USA	(16,293,150)	(16,293,150)
c. 200 (200) equity shares of Japanese Yen 50,000 each, fully paid up, in Nucleus Software Japan Kabushiki Kaisha	4,092,262	4,092,262
d. 1,000,000 (1,000,000) equity shares of Rs 10 each, fully paid up, in VirStra i-Technology Services Limited, India [Of the above, 6 (6) equity shares are held by nominees on behalf of the Company]	10,000,000	10,000,000
e. 4,000 (4,000) equity shares of Euro 100 each, fully paid up, in Nucleus Software Netherlands B.V., Netherlands	24,242,000	24,242,000
Less: Provision for diminution in value of investment in Nucleus Software Netherlands B.V., Netherlands	(24,242,000)	(24,242,000)
f. 10,000,000 (10,000,000) equity shares of Rs. 10 each, fully paid up, in Nucleus Software Limited, India [Of the above, 6 (6) equity shares are held by nominees on behalf of the Company]	100,000,000	100,000,000
g. 100,000 (1) equity shares 1 AUD each, fully paid in Nucleus Software Australia Pty. Ltd., Australia	5,501,028	5,501,028
	135,913,240	135,913,240
- Other investments		
Investment in equity instruments (Unquoted)		
250,000 (250,000) equity shares of Rs. 10 each, fully paid up, in Ujjivan Financial Services Private Limited	2,500,000	2,500,000
Investment in bonds (quoted)		
a. Indian Railway Finance Corporation Limited - Tranche 1 Series IA (see note 2.38) (Net of adjustment to the carrying amount of investments amounting to Rs. 9,350,000)	90,650,000	90,650,000
b. Indian Infrastructure Finance Company Limited - Tranche 1 Series 1A	50,000,000	50,000,000
c. 8.09% Power Finance Corporation Tax Free Bonds 2021	45,600,000	45,600,000
d. 7.51% Power Finance Corporation Tax Free Bonds 2021	50,000,000	50,000,000
e. Indian Railway Finance Corporation Ltd.- Tranche 1 Series I	200,000,000	200,000,000
f. Indian Railway Finance Corporation Limited - Tranche 1 Series IB	100,000,000	100,000,000
Investment in Preference Shares		
a. Investment - 8.15% L&T Preference Shares- 2020	35,000,000	-
Investment in mutual funds (quoted)		
a. HDFC FMP 1128D March 2015(1) Direct Growth	50,000,000	50,000,000
b. ICICI Prudential FMP Series 72 -368 Days Plan A Growth	50,000,000	50,000,000
c. ICICI Prudential FMP Series 76-1108 Days Plan V-Direct-Growth	50,000,000	50,000,000
d. HDFC FMP 370D June 2014 (2) Series 31 – Growth Option	10,000,000	-
e. ICICI Prudential FMP Series 74 -369 Days Plan T Growth	100,000,000	-
f. Reliance Fixed Horizon Fund- XXVI- Series 31- Growth Option	50,000,000	-
g. UTI Fixed Term Income Fund-Series XIX-VIII (368 Days) Growth	10,000,000	-
	891,250,000	686,250,000
Aggregate amount of non-current investments	1,029,663,240	824,663,240
Aggregate amount of quoted investment	891,250,000	686,250,000
Aggregate market value of quoted investments	928,471,640	701,240,000
Aggregate amount of unquoted investments	138,413,240	138,413,240

2.9 DEFERRED TAX ASSET (Net)

Particular	Opening as at 1 April, 2015 (Rupees)	(Credited)/ Charge during the year (Rupees)	Closing as at 30 June, 2015 (Rupees)
a. Deferred tax assets			
Provision for compensated absences, gratuity and other employee benefits	16,441,924	(364,680)	16,806,604
Provision for doubtful debts / service income accrued but not due	25,131,463	(1,107,718)	26,239,181
	41,573,387	(1,472,398)	43,045,785
b. Deferred tax liabilities			
On difference between book balance and tax balance of fixed assets	31,959,941	(1,526,559)	30,433,382
c. Net deferred tax asset	9,613,446	(2,998,957)	12,612,403

Particulars	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
2.10 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)		
a. Loans to subsidiaries (see note 2.29) (also see note (i) below)	80,110,221	80,110,221
b. Security deposits	12,973,227	12,602,866
c. Loans and advances to employees - Staff Loans	1,052,321	556,867
d. Prepaid expenses	4,172,686	5,174,204
e. Balances with government authorities - Advance tax [net of provision of Rs. 469,914,715 (Rs. 447,314,715)]	92,090,713	110,341,548
	190,399,168	208,785,706

Loans and advances in the nature of loans given to subsidiaries :

Name of the party	Repayment Schedule	Amount outstanding as at 30 June, 2015 (Rupees)	Maximum balance outstanding during the period (Rupees)
a. Nucleus Software Limited, India	Payable on demand after 31 March 2018	80,110,221 (80,110,221)	80,110,221 (85,950,634)
b. Nucleus Software Inc., USA	5 yearly instalments (December 2011 to December 2015)	6,365,000 (6,250,000)	6,365,000 (12,352,000)

Particulars	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
2.11 OTHER NON CURRENT ASSETS (Unsecured, considered good)		
a. Long-term bank deposits (See note below)	1,675,000	1,675,000
b. Interest accrued but not due on bank deposits	616,117	571,129
c. Unamortised premium on tax free bonds	8,663,069	9,048,845
	10,954,186	11,294,974

Note :-

Long-term bank deposits represent deposits under lien with banks and are restricted from being settled for more than 12 months from the Balance Sheet Date.

2.12 Current investments - Non trade (At the lower of cost and fair value)

a. Investment in mutual funds

Name	Units as at 30 June, 2015	Value of units as at 30 June, 2015	Units as at 31 March, 2015	Value of units as at 31 March, 2015
	(Numbers)	(Rupees)	(Numbers)	(Rupees)
- Liquid Schemes of Mutual Funds (Unquoted)				
a. Axis Liquid Fund- Direct Plan- Daily Dividend Reinvestment	8,736	8,739,235	125,906	125,944,642
b. Birla Sunlife Cash Plus Fund-Direct-Daily Dividend-Reinvestment Option	2,333,506	233,805,601	-	-
c. IDFC Banking Debt Fund Regular Plan- Dividend	2,316,839	23,872,012	2,316,839	23,396,133
d. IDFC Cash Fund Direct Plan- Daily Dividend Reinvestment	132,964	133,055,315	107,418	107,476,268
e. Kotak Floater Short Term Fund-Direct Plan-Daily Dividend-Reinvestment Option	237,430	240,189,300	101,572	102,751,856
f. Kotak Liquid Scheme Plan A- Direct Plan-Daily Dividend-Reinvestment Option	24,079	29,444,432	175,002	213,993,857
g. Reliance Liquid Fund-Treasury Plan-Direct Plan-Daily Dividend-Reinvestment Option	19,969	30,528,123	5,566	8,508,730
- Fixed Maturity Plans/Interval Plans (Quoted)				
h. HDFC FMP 370D June 2014 (2) Series 31 – Growth Option	-	-	1,000,000	10,000,000
i. HDFC FMP 371D June 2014 (1) Series 31 – Growth Option	-	-	3,000,000	30,000,000
j. HDFC Banking and PSU Debt Fund-Direct Plan-Growth	-	-	9,078,941	100,000,000
k. ICICI Prudential FMP Series 74 -369 Days Plan T Growth	-	-	10,000,000	100,000,000
l. Reliance Fixed Horizon Fund- XXVI- Series 31- Growth Option	-	-	5,000,000	50,000,000
m. UTI Fixed Term Income Fund-Series XIX-VIII (368 Days) Growth	-	-	1,000,000	10,000,000
		699,634,018		882,071,487
Aggregate market value of quoted investment		699,634,018		896,494,723

Particulars	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
2.13 TRADE RECEIVABLES (Unsecured)		
a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Considered good	74,145,536	53,811,188
- Considered doubtful	46,681,792	45,045,829
	120,827,328	98,857,017
Less: Provision for doubtful trade receivables	(46,681,792)	(45,045,829)
	74,145,536	53,811,188
b. Other Trade receivables		
- Considered good	766,367,656	715,753,688
- Considered doubtful	3,093,600	2,394,000
	769,461,256	718,147,688
Less: Provision for doubtful trade receivables	(3,093,600)	(2,394,000)
	766,367,656	715,753,688
Total	840,513,192	769,564,876

Particulars	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
2.14 CASH AND CASH EQUIVALENTS		
A. Cash and cash equivalents (As per AS 3 Cash Flow Statements)		
a. Cash on hand	6,573	2,316
b. Remittance in transit	-	2,572,498
c. Balances with scheduled banks:		
- in current accounts	3,012,781	6,643,438
- in EEFC accounts	52,087,191	67,307,231
d. Balance with non scheduled banks in current accounts:		
- Citibank, United Kingdom	1,125,084	630,587
- Citibank, United Arab Emirates	570,308	1,526,105
e. Balances with scheduled banks in deposit accounts with original maturity of less than 3 months	4,500,000	14,700,000
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	61,301,937	93,382,175
B. Other bank balances		
a. Balances with scheduled banks in earmarked accounts:		
- unclaimed dividend accounts	2,720,966	2,724,100
b. Balances with scheduled banks in deposit accounts with original maturity of more than 3 months	1,546,020,938	1,533,712,816
Total - Other bank balances (B)	1,548,741,904	1,536,436,916
Total Cash and cash equivalents (A+B)	1,610,043,841	1,629,819,091

Details of balances as on balance sheet dates with scheduled banks in current accounts:-

- HDFC Bank	1,673,804	2,286,852
- Citi Bank	701,054	2,843,969
- DBS Bank	-	-
- ICICI Bank	637,922	1,512,616
- State Bank of India	-	-
- Citi Bank *	50,779,375	60,509,190
- HDFC Bank *	1,307,816	6,798,042
- HDFC Bank **	2,720,966	2,724,100
	57,820,937	76,674,769

* EEFC account
** Earmarked for unclaimed dividend

Particulars	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
Details of balances as on balance sheet dates with scheduled banks in deposit accounts:-		
- HDFC Bank	275,500,000	220,500,000
- Citi Bank	4,500,000	14,700,000
- Bank of India	254,400,000	298,591,878
- State Bank of Travancore	179,300,000	189,200,000
- ICICI Bank	191,753,094	191,753,094
- Corporation Bank	255,149,904	255,149,904
- Kotak Mahindra Bank	99,800,000	99,800,000
- Punjab National Bank	236,400,000	225,000,000
- ING Vysya Bank	50,000,000	50,000,000
	1,546,802,998	1,544,694,876
Detail of fixed deposit under lien		
- HDFC Bank	1,217,940	1,217,940
- Citi Bank	2,500,000	2,500,000
Total	3,717,940	3,717,940

Particulars	As at 30 June, 2015	As at 31 March, 2015
	(Rupees)	(Rupees)
2.15 SHORT-TERM LOANS AND ADVANCES (Unsecured)		
a. Loans to subsidiaries (see note 2.29)	6,365,000	6,250,000
b. Security deposit	1,100,959	778,294
c. Loans and advances to employees		
- Staff loans	1,844,807	3,120,695
- Employee advances	8,942,568	6,378,200
d. Prepaid expenses	41,339,140	32,261,085
e. Balances with government authorities		
- Advance fringe benefit tax [net of provision Rs. 24,915,859 (Rs. 24,915,859)]	2,089,032	2,089,032
- Service tax credit receivable	23,293,897	30,969,946
- Mat credit entitlement	15,070,597	10,970,597
f. Others		
- Supplier advances		
- Considered good	15,506,246	26,985,500
- Considered doubtful	511,073	511,073.00
	16,017,319	27,496,573
Less : Provision for doubtful advances	511,073	511,073
	15,506,246	26,985,500
- Mark-to-market gain on forward contracts (see note 2.33)	2,576,512	6,452,581
- Expenses recoverable from customers	4,525,301	9,632,798
	122,654,059	135,888,728

Particulars	As at 30 June, 2015	As at 31 March, 2015
	(Rupees)	(Rupees)
2.16 OTHER CURRENT ASSETS (Unsecured)		
a. Service income accrued but not due		
- Considered good	199,780,797	173,010,319
- Considered doubtful	26,781,102	25,451,688
	226,561,899	198,462,007
Less : Provision for service income accrued but not due	(26,781,102)	(25,451,688)
	199,780,797	173,010,319
b. Interest accrued but not due on		
- Fixed deposits with banks	71,439,105	40,308,559
- Loan to subsidiary	136,720	81,938
- Current, non trade investments	27,267,922	20,593,436
c. Dividend Receivable	85,000,000	-
d. Unamortised premium on tax free bonds	1,551,582	1,551,582
	385,176,126	235,545,834

Particulars	Quarter ended 30 June, 2015 (Rupees)	Quarter ended 30 June, 2014 (Rupees)
2.17 INCOME FROM SOFTWARE PRODUCTS AND SERVICES		
Software development services and products		
- Domestic	130,012,201	136,993,365
- Overseas	544,508,945	458,362,930
	674,521,146	595,356,295
2.18 OTHER INCOME		
a. Interest income on		
- Deposits with banks	35,619,995	16,475,038
- Loan to subsidiary	53,417	98,638
- Current, non trade investments	10,789,486	4,801,753
- Income tax refund	7,668,790	-
b. Dividend income from		
- Current, non trade investments	8,568,996	16,169,122
- Non-current, non trade investment	-	-
- Subsidiary company (see note 2.29)	85,000,000	-
c. Net gain on sale of investments		
- Current, non trade investments	3,555,715	16,000,507
d. Net Gain / (Loss) on foreign currency		
- Gain / (Loss) on exchange fluctuation	5,772,433	1,642,251
- Gain / (Loss) on ineffective hedges (see note 2.33)	(354,112)	128,973
e. Other non-operating income		
- Provisions written back	8,869,511	5,753,899
- Miscellaneous income	23,941	256,253
	165,568,172	61,326,434

Particulars	Quarter ended 30 June, 2015 (Rupees)	Quarter ended 30 June, 2014 (Rupees)
2.19 EMPLOYEE BENEFITS EXPENSES		
a. Salaries and wages	372,055,241	308,381,225
b. Contribution to provident and other funds	18,826,132	16,269,957
c. Gratuity expense	7,003,001	6,691,767
d. Staff welfare expenses	12,947,236	11,539,333
	410,831,610	342,882,282
Employee benefit expenses include Managing Director remuneration as follows :		
a. Salary	1,500,000	1,500,000
b. Contribution to provident fund	90,000	90,000
	1,590,000	1,590,000

Notes:

The above remuneration does not include expense towards retirement benefits since the same is calculated for the Company as a whole.

Particulars	Quarter ended 30 June, 2015 (Rupees)	Quarter ended 30 June, 2014 (Rupees)
2.20 OPERATING AND OTHER EXPENSES		
a. Outsourced technical service expense	27,942,367	10,908,685
b. Cost of software purchased for delivery to clients	4,982,400	18,476,486
c. Power and fuel	11,363,913	11,405,848
d. Rent (see note 2.22)	9,330,655	9,142,856
e. Repair and maintenance		
- Buildings	465,679	576,946
- Others	5,940,073	5,146,082
f. Insurance	1,936,936	2,451,497
g. Rates and taxes	1,123,674	482,271
h. Travel expenses		
- Foreign	43,796,845	29,067,064
- Domestic	6,589,055	6,114,910
i. Advertisement, business development and promotion	6,130,746	4,674,615
j. Legal and professional (see note 2.24)	17,418,158	17,922,531
k. Directors remuneration	2,220,000	1,340,000
l. Conveyance	4,130,785	3,826,670
m. Communication	4,331,614	3,374,137
n. Training and recruitment	5,827,959	6,883,094
o. Net loss on sale of fixed assets/discarded assets	648,916	-
p. Conference, exhibition and seminar	14,929,114	5,346,171
q. Information technology expenses	10,491,424	9,177,235
r. Provision for doubtful debts/advances/other current assets	3,664,978	5,401,006
s. Commission to channel partners	3,092,163	615,991
t. Expenditure on Corporate Social Responsibility (see note 2.38)	1,505,000	-
u. Sales & marketing fee	60,644,084	-
v. Miscellaneous expenses	9,082,668	8,818,682
	257,589,206	161,152,777

Directors Remuneration includes :

Non Executive Directors

a. Commission	1,300,000	900,000
b. Sitting fees	920,000	440,000
	2,220,000	1,340,000

2.21 FINANCE COST

Bank Charges	1,273,823	1,009,171
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2.22 OPERATING LEASE

Obligations on long-term, non-cancellable operating leases

The Company has acquired office premises under cancellable and non-cancellable operating lease. Operating lease rentals paid during the quarter ended 30 June, 2015 is Rs. 9,330,655 (quarter ended 30th June 2014 is Rs. 9,142,856). The future minimum lease payments in respect of non-cancellable leases as at 30th June, 2015 is Rs. Nil (As at 31 March, 2015, Rs. Nil).

2.23 Contingent liabilities and Commitments (to the extent not provided for)

Particulars	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
a. Contingent liabilities		
Claims against the Company not acknowledged as debts	6,922,050	6,922,050
b. Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for in the books of account (net of advances).	6,904,859	3,149,016
c. Other Commitments		

The Company is committed to provide financial support to its subsidiary companies, as and when required.

As at 30 June, 2015, the Company has given an undertaking to repay the amounts due to Nucleus Software Solutions Pte Limited, Singapore (subsidiary company) by Nucleus Software Japan Kabushiki Kaisha, Japan (subsidiary company), in the event that the latter party is unable to repay the same, as and when it falls due. (Also see note 2.29)

As on 30 June, 2015, the Company has outstanding bank guarantee and letter of credits of Rs. 22,274,868 (As at 31 March, 2015 Rs. 23,444,551). These are secured to the extent of Rs. 150,000,000 against all present and future receivables of the Company.

Particulars	Quarter ended 30th June, 2015 (Rupees)	Quarter ended 30 June 2014 (Rupees)
2.24 Auditors Remuneration (excluding service tax)		
a. As auditors - statutory audit, including quarterly audits	700,000	550,000
b. For other services	200,000	350,000
	900,000	900,000
2.25 CIF value of imports		
Capital goods	4,337,092	21,536,645
2.26 Earnings in foreign currency		
a. Software development services and products	544,508,945	458,362,930
b. Interest income on loan to subsidiary	53,417	98,638
	544,562,362	458,461,568
2.27 Expenditure in foreign currency		
a. Travel expenses	28,874,577	19,525,427
b. Legal and professional	1,607,665	7,536,959
c. Cost of software purchased for delivery to clients	2,429,921	8,637,190
d. Conference, exhibition and seminar	7,387,638	4,006,663
e. Outsourced technical service expense	21,252,226	4,569,771
f. Salaries and wages	21,590,224	11,365,507
g. Commission to channel partners	3,092,163	608,876
h. Rent	3,488,269	3,179,526
i. Sales and marketing fee	60,644,084	-
j. Others	16,456,275	10,593,795
	166,823,042	70,023,714

2.28 Earnings per share

a.	Profit after taxation available to equity shareholders (Rupees)	127,567,235	105,052,194
b.	Weighted average number of equity shares used in calculating basic earnings per share	32,383,724	32,383,724
c.	Effect of dilutive issue of shares	-	-
d.	Weighted average number of equity shares used in calculating diluted earnings per share	32,383,724	32,383,724
e.	Basic earnings per share (Rupees)	3.94	3.24
f.	Diluted earnings per share (Rupees)	3.94	3.24

2.29 RELATED PARTY TRANSACTIONS

List of related parties – where control exists

- a. **Wholly owned subsidiary companies**
- Nucleus Software Solutions Pte Ltd, Singapore
 - Nucleus Software Japan Kabushiki Kaisha, Japan
 - Nucleus Software Inc., USA
 - Nucleus Software Netherlands B.V., Netherlands
 - VirStra i-Technology Services Limited, India
 - Nucleus Software Limited, India
 - Nucleus Software Australia Pty. Ltd., Australia (incorporated on 3 February, 2014)
- b. **Other subsidiary company (wholly owned subsidiary of VirStra i-Technology Services Limited, India)**
- VirStra i-Technology (Singapore) Pte Ltd, Singapore (wound up with effect from 19 February, 2014)
- c. **Other related parties:**
- Key managerial personnel:
- Vishnu R Dusad (Managing Director)
 - Nucleus Software Foundation (see note 2.38)

2.29 RELATED PARTY TRANSACTIONS (CONT'D)

Transactions with related parties

Particulars	Quarter ended 30 June, 2015	Quarter ended 30 June, 2014
	(Rupees)	(Rupees)
a. Software development services and products		
- Nucleus Software Japan Kabushiki Kaisha, Japan	19,067,370	23,710,907
- Nucleus Software Solutions Pte Ltd, Singapore	27,300,356	20,283,793
- Nucleus Software Inc., USA	2,019,319	2,295,076
- Nucleus Software Netherlands B.V., Netherlands	2,426,550	1,586,765
	50,813,595	47,876,541
b. Other income		
Dividend income		
- VirStra i-Technology Services Limited, India	85,000,000	-
	85,000,000	-
Interest income		
- Nucleus Software Inc., USA	53,417	98,638
	-	-
c. Managerial remuneration		
[including perquisite value Rs. 160,920 (Previous quarter Rs. 219,993)]		
- Vishnu R Dusat (Managing Director & Chief Executive Officer)	1,750,920	1,809,933
d. Cost of software purchased for delivery to clients		
- Nucleus Software Solutions Pte Ltd, Singapore	690,160	645,068
e. Outsourced technical service expense		
- Nucleus Software Solutions Pte Ltd, Singapore	-	849,002
- Nucleus Software Inc., USA	8,797,651	-
- Nucleus Software Australia Pty Ltd.	6,121,430	-
	14,919,081	849,002
f. Expenditure on Corporate Social Responsibility		
Nucleus Software Foundation (see note 2.38)	1,505,000	-
g. Lease rent paid		
- Nucleus Software Limited, India	2,374,074	2,374,074
h. Reimbursement of expenses from		
- Nucleus Software Solutions Pte Ltd, Singapore	3,149,447	3,475,727
- Nucleus Software Japan Kabushiki Kaisha, Japan	487,121	260,222
- Nucleus Software Inc., USA	331,932	-
- Nucleus Software Netherlands B.V., Netherlands	13,799	-
- VirStra i-Technology Services Limited, India	360,484	15,796
- Nucleus Software Limited, India	7,108	-
- Nucleus Software Australia Pty Ltd.	2,199,774	-
	6,549,665	3,751,745
i. Reimbursement of expenses to		
- Nucleus Software Solutions Pte Ltd, Singapore	-	340,177
- Nucleus Software Australia Pty Ltd.	68,999	640,320
- Nucleus Software Limited, India	600	-
- VirStra i-Technology Services Limited, India	8,690	-
	78,289	980,497
j. Sales & marketing fee		
- Nucleus Software Japan Kabushiki Kaisha, Japan	10,858,517	-
- Nucleus Software Solutions Pte Ltd, Singapore	39,512,099	-
- Nucleus Software Inc., USA	4,313,913	-
- Nucleus Software Australia Pty Ltd.	5,959,554	-
	60,644,083	-
k. Repayment of loans		
- Nucleus Software Limited, India	-	6,000,000
	-	6,000,000
l. Investment in subsidiary		
- Nucleus Software Australia Pty. Ltd., Australia	-	5,500,973
m. Provision for Doubtful Debts		
- Nucleus Software Netherlands B.V., Netherlands	699,600	-

2.29 RELATED PARTY TRANSACTIONS (CONT'D)

Outstanding balances as at period/ year end

Particulars	As at 30 June 2015 (Rupees)	As at 31 March, 2015 (Rupees)
a. Trade receivables		
- Nucleus Software Solutions Pte Ltd, Singapore	28,839,239	10,836,958
- Nucleus Software Japan Kabushiki Kaisha, Japan	32,854,298	12,842,666
- Nucleus Software Inc., USA	15,368,645	14,768,406
- Nucleus Software Netherlands B.V., Netherlands	29,038,507	27,425,863
- VirStra i -Technology Services Limited, India	545,897	-
- Nucleus Software Limited, India	32,207	25,099
- Nucleus Software Australia Pty Ltd.	2,199,459	-
	108,878,252	65,898,992
b. Provision for doubtful trade receivables		
- Nucleus Software Netherlands B.V., Netherlands	25,085,200	24,385,600
c. Trade payables		
- Nucleus Software Solutions Pte Ltd, Singapore	41,500,553	1,315,000
- Nucleus Software Japan Kabushiki Kaisha, Japan	18,459,398	6,792,323
- Nucleus Software Australia Pty Ltd.	9,025,711	3,695,263
- Nucleus Software Limited, India	2,136,667	2,123,067
- Nucleus Software Inc., USA	7,242,671	5,507,216
	78,365,000	19,432,869
d. Other current liabilities		
- Nucleus Software Inc., USA (see note 2.35)	92,986,985	91,306,938
e. Loans to subsidiaries		
- Nucleus Software Inc., USA	6,365,000	6,250,000
- Nucleus Software Limited, India	80,110,221	80,110,221
	86,475,221	86,360,221
f. Interest income accrued but not due		
- Nucleus Software Inc., USA	136,720	81,938
g. Service income accrued but not due		
- Nucleus Software Solutions Pte Ltd, Singapore	6,621,399	-
	6,621,399	-
h. Deferred revenue		
- Nucleus Software Inc., USA	2,914,597	5,168,753
- Nucleus Software Netherlands B.V., Netherlands	450,578	1,387,172
	3,365,175	6,555,925
i. Guarantees on behalf of (see note 2.23 c)		
- Nucleus Software Japan Kabushiki Kaisha, Japan	6,386,640	7,784,200
j. Investments in subsidiary companies (net of provision) (see note 2.8)	135,913,240	135,913,240
k. Advance to subsidiaries		
- VirStra i -Technology Services Limited, India	-	185,540
l. Dividend receivable		
- VirStra i -Technology Services Limited, India	85,000,000	-
Particulars	Quarter ended 30 June, 2015 (Rupees)	Quarter ended 30 June, 2014 (Rupees)

2.30 Research and development expenditure

Expenditure on research and development as per Accounting Standard 26
Revenue

68,143,061 45,169,134

The Company had been accorded initial recognition for the in-house Research and Development (R&D) unit by the Department of Scientific and Industrial Research (DSIR) for its R&D center at Noida effective 31 December, 2012 which was valid till 31 March, 2015. The Company has further applied renewal for three years starting from 1 April, 2015.

2.31 Segment reporting – Basis of preparation

a. Segment accounting policies

The Segment reporting policy complies with the accounting policies adopted for preparation and presentation of financial statements of the Company and is in conformity with Accounting Standard-17 on “Segment Reporting” specified as per Section 133 of the Companies Act, 2013 (“the 2013 Act”) read with Rule 7 of Companies (Accounts) Rules, 2014. The segmentation is based on the Geographies (reportable primary segment) in which the Company operates and internal reporting systems. The secondary segmentation is based on the nature and type of services rendered.

b. Composition of reportable segments

The Company operates in seven main geographical segments: India, Far East, South East Asia, Europe, Middle East, Africa and Australia which individually contribute 10% or more of the Company's revenue and segment assets.

Income and direct expenses in relation to segments are categorised based on items that are individually identifiable to that segment, while the remainder of the costs are categorised in relation to the associated turnover and/or man months. Certain expenses such as depreciation, which form a significant component of total expenses, are not specifically allocable to specific segments as the underlying services are used interchangeably across geographies. The Company believes that it is not practicable to provide segment disclosures relating to those costs and expenses, and accordingly these expenses are separately disclosed as “unallocated” and directly charged against total income.

Segment assets and liabilities represent the net assets and liabilities of that segment. All the fixed assets of the Company are located in India. These have not been identified to any of the reportable segments, as these are used interchangeably between segments and across geographies. Other items which are not directly attributable to any particular segment and which cannot be reasonably allocated to various segments are consolidated under “Unallocated” head.

The secondary segmentation is based on the nature and type of services rendered. Accordingly, Secondary Segmentation has been classified under Products and Software Projects and Services. Products revenue includes Income from sale of licenses and all other related customization, implementation, time and material contracts, fixed price contracts and annual technical service for these licenses. Software projects and services includes other time and material contracts and fixed price contracts, whereby no license sale is made by the Company.

Information in respect of primary segment

The profit and loss for reportable primary segment is set out below:

a. For the quarter ended 30 June,2015

Description	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Revenue from operations	130,012,201	55,369,360	100,851,516	148,508,332	133,002,828	38,406,590	63,283,566	5,086,753	674,521,146
Expenses	130,862,313	35,906,076	79,160,402	83,539,983	62,992,357	21,156,022	30,816,623	12,441,841	456,875,617
Segment result	(850,112)	19,463,284	21,691,114	64,968,349	70,010,471	17,250,568	32,466,943	(7,355,088)	217,645,529
Unallocated corporate expenditure									240,145,423
Operating profit before taxation									(22,499,894)
Other income									165,568,172
Profit before taxation									143,068,278
Tax Expense									
Net current tax expense									18,500,000
Net deferred tax credit									(2,998,957)
									15,501,043
Profit for the period									127,567,235

b. For the quarter ended 30 June,2014

Description	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Revenue from operations	136,993,365	57,501,394	82,506,487	69,388,313	157,140,856	42,511,181	28,325,308	20,989,391	595,356,295
Expenses	109,180,545	27,424,633	57,595,641	33,246,985	62,717,714	13,789,262	4,615,707	11,673,104	320,243,590
Segment result	27,812,820	30,076,761	24,910,846	36,141,328	94,423,142	28,721,919	23,709,601	9,316,287	275,112,705
Unallocated corporate expenditure									210,734,353
Operating profit before taxation									64,378,352
Other income									61,326,434
Profit before taxation									125,704,787
Tax Expense									
Net current tax expense									22,500,000
Net deferred tax credit									(1,847,407)
									20,652,593
Profit for the period									105,052,194

Assets and liabilities of reportable primary segment are as follows:

a. As at June 2015

Description	(Amount in Rupees)								
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Segment assets	550,285,071	43,722,504	120,646,131	102,732,976	190,019,530	129,484,621	118,151,216	20,975,458	1,276,017,507
Unallocated corporate assets									4,024,666,967
Total assets									5,300,684,474
Segment liabilities	233,968,318	37,744,859	202,504,769	66,449,426	188,554,252	108,472,424	26,841,570	104,544,089	969,079,707
Unallocated corporate liabilities									243,298,275
Total liabilities									1,212,377,982
Capital employed									4,088,306,492

b. As at 31 March, 2015

Description	(Amount in Rupees)								
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Segment assets	420,490,359	35,073,721	86,811,568	120,250,499	207,406,808	109,389,750	78,332,258	31,711,636	1,089,466,599
Unallocated corporate assets									4,039,458,955
Total assets									5,128,925,554
Segment liabilities	171,726,036	24,721,381	176,882,803	65,633,910	212,486,800	111,889,981	20,094,247	112,407,194	895,842,352
Unallocated corporate liabilities									286,091,585
Total liabilities									1,181,933,937
Capital employed									3,946,991,617

Listing of capital expenditure, depreciation and other non-cash expenditure of the reportable primary segment are set out below:

a. For the quarter ended 30th June, 2015

Description	(Amount in Rupees)								
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Capital expenditure (unallocated)									6,729,277
Total capital expenditure									6,729,277
Depreciation expenditure (unallocated)									27,326,401
Total depreciation									27,326,401
Segment non-cash expense other than depreciation	1,909,087	229,740	129,287	699,600	(110,329)	807,594			3,664,978
Total non cash expenditure other than depreciation	1,909,087	229,740	129,287	699,600	(110,329)	807,594	-	-	3,664,978

b. For the quarter ended 30th June, 2014

(Amount in Rupees)

Description	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Capital expenditure (unallocated)									37,066,585
Total capital expenditure									37,066,585
Depreciation expenditure (unallocated)									25,933,712
Total depreciation									25,933,712
Segment non-cash expense other than depreciation	984,716	-			1,670,469	2,745,821			5,401,006
Total non cash expenditure other than depreciation	984,716	-	-	-	1,670,469	2,745,821	-	-	5,401,006

Information in respect of secondary segment

Information for business segments

(Amounts in Rupees)

Description	Products	Software projects and services	Total
a. For the quarter ended 30 June, 2015			
Revenue	609,840,443	64,680,703	674,521,146
Carrying amount of segment assets	1,153,658,542	122,358,965	1,276,017,507
b. For the quarter ended 30 June, 2014			
Revenue	542,865,563	52,490,732	595,356,295
Carrying amount of segment assets	856,069,872	82,775,069	938,844,941

Note: The carrying amount of segment assets has been allocated proportionately in ratio of revenue in the related secondary segment.

2.32 Employee Benefit Obligations

Defined contribution plans

An amount of Rs. 18,775,485 for the quarter ended 30 June, 2015 (Quarter ended 30 June, 2014 Rs. 16,260,015), have been recognized as an expense in respect of Company's contribution for Provident Fund and Rs. 50,647 (Quarter ended 30 June, 2014 Rs. 9,942) for Employee State Insurance Fund deposited with the government authorities and has been shown under employee benefit expenses in the Statement of Profit and Loss.

Defined benefit plans

The Gratuity scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days basic salary payable for each completed year of service or part thereof in excess of 6 months subject to a maximum limit of Rs. 1,000,000 in terms of the provisions of the Payment of Gratuity Act, 1972. Vesting occurs upon completion of 5 years of service.

Provision in respect of gratuity and leave encashment for an interim period are calculated on year to date basis by using actuarially determined rates at the end of prior financial year, adjusted, by the Management's estimates after keeping only material events occurring during the interim period.

During the previous year, the Company had made contributions to Nucleus Software Export Limited Employees Group Gratuity Assurance Scheme, which has made further contributions to Employees Group Gratuity Scheme of Life Insurance Corporation of India.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as on 31 March, 2015 :

Particulars	As at	As at
	31 March, 2015	31 March, 2014
	(Rupees)	(Rupees)
a. Change in defined benefit obligations (DBO) during the year		
Obligation at beginning of the year	101,331,144	91,032,223
Current service cost	15,068,104	14,436,138
Interest cost	9,245,148	7,404,558
Actuarial losses/(gains)	5,490,743	2,415,963
Benefits paid	(8,886,811)	(13,957,738)
Obligation at year end	122,248,328	101,331,144
b. Change in plan assets		
Plan Assets at year beginning, at fair value	-	-
Contributions by employer	125,109,348	13,957,738
Actuarial (losses)/gains	3,455,543	-
Benefits paid	(8,886,811)	(13,957,738)
Plan assets at year end, at fair value	119,678,080	-
c. Net asset / (liability) recognised in the Balance Sheet		
Present value of defined benefit obligation	122,248,328	101,331,144
Fair value of plan assets	119,678,080	-
Funded status- Surplus/ (Deficit)	(2,570,248)	(101,331,144)
Unrecognised past service costs	-	-
Net liability recognised in the Balance Sheet	(2,570,248)	(101,331,144)
d. Expected employer's contribution next year	20,000,000	25,042,372
e. Gratuity cost for the year:		
Particulars	Year ended	Year ended
	31 March, 2015	31 March, 2014
	(Rupees)	(Rupees)
Current service cost	15,068,104	14,436,138
Interest cost	9,245,148	7,404,558
Actuarial losses/(gains)	2,035,200	2,415,963
Net gratuity cost	26,348,452	24,256,659

f. **Experience adjustment**

Particulars	Year ended 31 March, 2011 (Rupees)	Year ended 31 March, 2012 (Rupees)	Year ended 31 March, 2013 (Rupees)	Year ended 31 March, 2014 (Rupees)	Year ended 31 March, 2015 (Rupees)
Defined benefit obligation	75,668,784	83,557,616	91,032,223	101,331,144	122,248,328
Plan assets	-	-	-	-	119,678,080
Surplus/(Deficit)	(75,668,784)	(83,557,616)	(91,032,223)	(101,331,144)	(2,570,248)
Experience adjustment on plan liabilities	(609,066)	(1,340,985)	(2,781,491)	3,407,556	110,250
Experience adjustment on plan assets	-	-	-	-	3,455,543

Actuarial assumptions for gratuity and long-term compensated absences

g. Economic assumptions :	As at 31 March, 2015	As at 31 March, 2014
----------------------------------	-------------------------	-------------------------

Discount rate	7.90%	7.85%
Salary escalation rate	8.00%	7.00%
Expected return on plan assets	8.00%	-

Discount rate:

The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate:

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Expected return on plan assets:

The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc.

h. **Demographic assumptions**

Retirement age	58 years	58 years
Mortality table	IALM Mortality (2006-08)	IALM Mortality (2006-08)

i. **Withdrawal rates**

Ages - Withdrawal Rate (%)
21-50 years - 20%
51-54 years - 2%
55-57 years - 1%

j. **Category of asset**

Insurer Managed Funds	119,678,080	-
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2.33 Forward contract and option in foreign currency

a. Forward contract outstanding	Buy/Sell	As at 30 June, 2015	As at 31 March, 2015
In USD	Sell	975,000	9,090,236
Equivalent amount in Rupees	Sell	62,058,750	568,139,750

- b. Short term loans and advances include net marked to market gain of Rs. 2,576,512 (Previous year ended 31 March, 2015: Rs. 6,452,581) relating to forward contracts which are outstanding as at period end. The gain on such forward contract which are designated as effective, aggregating to Rs. 2,930,624 (Previous year ended 31 March 2015: gain of Rs. 6,487,284) have been credited to Hedging Reserve. The loss on ineffective contracts aggregating to Rs. 354,112 (Previous year ended 31 March 2015: Gain of Rs. 34,703) has been debited to Statement of Profit and Loss.

c. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below :

Currency	As at 30th June, 2015		As at 31 March, 2015	
	Amount in foreign currency	Amount in Rupees	Amount in foreign currency	Amount in Rupees
Receivable				
USD	6,944,251	442,001,583	8,477,510	529,844,361
EURO	853,968	60,811,082	380,144	25,431,633
MYR	881,593	14,863,657	1,446,657	24,448,504
SGD	23,311	1,102,154	-	-
JPY	89,392,847	46,484,280	27,783,773	14,470,622
ZAR	1,255,177	6,526,918	528,670	2,712,078
AED	3,606,668	62,503,559	2,567,309	43,695,599
CHF	125	8,562	180	11,540
AUD	2,371,341	116,029,708	1,612,718	76,604,125
Payable				
USD	7,884,465	501,846,222	8,773,891	548,368,168
EURO	197,210	14,043,341	242,120	16,197,801
MYR	534,635	9,013,939	831,912	14,059,312
GBP	22,573	2,258,429	49,336	4,560,085
SGD	845,808	39,989,799	12,330	562,495
CHF	9,228	631,542	9,884	634,521
SEK	-	-	-	-
AED	502,621	8,710,414	1,071,468	18,236,380
ZAR	4,036,750	20,991,098	3,838,385	19,690,917
JPY	27,273,089	14,182,006	4,685,308	2,440,249
AUD	307,333	15,037,822	140,690	6,682,783

2.34 FUNCTION WISE CLASSIFICATION OF STATEMENT OF PROFIT AND LOSS (Unaudited)

Particulars	Quarter Ended	Quarter Ended
	30 June, 2015	30 June, 2014
	(Rupees)	(Rupees)
Income from software services and products	674,521,146	595,356,295
Software development expenses	423,190,014	368,393,015
Gross Profit	251,331,132	226,963,280
Changes in inventories of stock-in-trade	-	-
Selling and marketing expenses	155,790,486	72,084,093
General and administration expenses	90,714,139	64,567,121
Operating profit before depreciation	4,826,507	90,312,066
Depreciation and amortisation expense	27,326,401	25,933,712
Operating profit after depreciation	(22,499,894)	64,378,354
Other income	165,568,172	61,326,434
Profit before tax	143,068,278	125,704,788
Tax expense:		
Net current tax expense	22,600,000	23,300,000
MAT credit entitlement	(4,100,000)	(800,000)
Net deferred tax credit	(2,998,957)	(1,847,407)
	15,501,043	20,652,593
Profit for the period	127,567,235	105,052,195

2.35 Other current liabilities includes Rs. 92,402,621 received by the Company during previous year ended 31 March, 2015 against insurance claim filed on behalf of one of its overseas subsidiary company towards claim settlement with its customer and expenses incurred in this regard by the subsidiary Company. The above insurance claim is to be reimbursed to the subsidiary company.

2.36 TRANSFER PRICING

The Company has established a comprehensive system of maintenance of information and documents as required by transfer pricing legislation under section 92D for its international transactions and specified domestic transactions. The Company will further update above information and records and expects these to be in existence latest by due date of the filing of return, as required under law. The management is of the opinion that all above transactions are at arm's length so that aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

2.37 During the quarter ended 30 June, 2015 as per provision of Income-tax Act, 1961, the Company has taken credit of corporate dividend tax aggregating Rs.17,304,300 (Year ended 31 March, 2015 Rs. Nil) on account of tax paid on dividend received from one of its subsidiaries.

2.38 EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Particulars	Quarter ended 30 June, 2015	Quarter ended 30 June, 2014
	(Rupees)	(Rupees)
Gross amount required to be spent by Company during the year ended 31 March, 2016 / 31 March, 2015 :	13,904,433	11,853,562
Amount spent during the quarter on purposes other than Construction/acquisition of any asset	1,505,000	-
<u>Details of related party transactions:</u>		
Nucleus Software Foundation (See note 2.29)	1,505,000	-

2.39 Previous year/ period figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/disclosure.

CONSOLIDATED FINANCIAL STATEMENTS OF NUCLEUS SOFTWARE EXPORTS LTD. AND ITS SUBSIDIARIES

NUCLEUS SOFTWARE EXPORTS LIMITED CONSOLIDATED BALANCE SHEET AS AT 30 June, 2015

	Notes Ref.	As at 30 June, 2015 (Rupees)	As at 31 March, 2015 (Rupees)
<u>EQUITY AND LIABILITIES</u>			
1. SHAREHOLDERS' FUNDS			
a. Share capital	2.1	323,852,240	323,852,240
b. Reserves and surplus	2.2	4,134,293,056	4,059,806,705
		4,458,145,296	4,383,658,945
2. NON-CURRENT LIABILITIES			
Long-term provisions	2.3	50,590,209	47,424,938
3. CURRENT LIABILITIES			
a. Trade payables	2.4	269,029,179	258,857,820
b. Other current liabilities	2.5	621,661,339	657,401,152
c. Short-term provisions	2.6	210,280,001	215,898,074
		1,100,970,519	1,132,157,046
		5,609,706,024	5,563,240,929
<u>ASSETS</u>			
1. NON-CURRENT ASSETS			
a. Fixed assets			
- Tangible assets	2.7	480,408,742	492,846,411
- Intangible assets	2.7	75,799,215	88,765,657
- Capital work in progress		8,470,000	7,920,000
		564,677,957	589,532,068
b. Non-current investments	2.8	893,773,000	688,773,000
c. Deferred tax assets (net)	2.9	15,730,124	13,163,609
d. Long-term loans and advances	2.10	160,964,222	181,521,711
e. Other non-current assets	2.11	11,117,757	11,458,545
		1,646,263,060	1,484,448,933
2. CURRENT ASSETS			
a. Current investments	2.12	830,438,313	1,006,579,079
b. Trade receivables	2.13	875,961,317	846,060,443
c. Cash and cash equivalents	2.14	1,797,000,690	1,805,965,928
d. Short-term loans and advances	2.15	135,809,048	155,876,044
e. Other current assets	2.16	324,233,596	264,310,502
		3,963,442,964	4,078,791,996
		5,609,706,024	5,563,240,929

NUCLEUS SOFTWARE EXPORTS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER ENDED 30 JUNE, 2015

	Notes Ref.	Quarter ended 30 June, 2015 (Rupees)	Quarter ended 30 June, 2014 (Rupees)	Quarter ended 31 Mar 2015 (Rupees)	Year ended 31 March 2015 (Rupees)
1. REVENUE FROM OPERATIONS					
Income from software products and services	2.17	848,223,271	794,264,840	1,008,996,046	3,531,395,631
2. OTHER INCOME	2.18	77,414,285	67,516,533	74,653,136	333,086,147
3. TOTAL REVENUE (1+2)		925,637,556	861,781,373	1,083,649,182	3,864,481,778
4. EXPENSES					
a. Changes in inventories of stock in trade		-			-
b. Employee benefits expense	2.19	574,772,914	482,976,391	537,346,669	2,014,389,891
c. Operating and other expenses	2.20	229,114,958	208,653,702	224,148,458	858,450,716
d. Finance cost	2.21	1,666,561	1,364,104	1,409,221	5,446,164
e. Depreciation and amortisation expense	2.7	30,823,905	28,618,825	30,870,639	119,668,160
TOTAL EXPENSES		836,378,338	721,613,023	793,774,987	2,997,954,931
5. PROFIT BEFORE TAX (3-4)		89,259,218	140,168,350	289,874,193	866,526,847
6. TAX EXPENSE					
a. Current tax expense		27,507,400	28,181,025	58,400,380	176,658,547
b. MAT Credit Entitlement (including Rs 7,170,597 for earlier years)		(4,100,000)	(800,000)	229,403	(10,970,597)
c. Net tax credit relating to prior year		(472,395)	(1,905,905)	8,733,616	(5,949,861)
d. Withholding taxes charged off		906,196	-	2,723,042	5,389,422
Net current tax expense		23,841,202	25,475,120	70,086,441	165,127,511
e. Deferred tax charge/ (credit) (net)	2.9	(2,515,288)	(1,847,406)	13,356,748	54,258,957
NET TAX EXPENSE		21,325,914	23,627,714	83,443,190	219,386,468
7. PROFIT FOR THE YEAR (5-6)		67,933,304	116,540,636	206,431,003	647,140,379
8. EARNINGS PER EQUITY SHARE	2.25				
Equity shares of Rs. 10 each					
a. Basic		2.10	3.60	6.37	19.98
b. Diluted		2.10	3.60	6.37	19.98
Number of shares used in computing earnings per share					
a. Basic		32,383,724	32,383,724	32,383,724	32,383,724
b. Diluted		32,383,724	32,383,724	32,383,724	32,383,724

Management's Discussion and Analysis of Financial Condition and Results of Consolidated Operations of Nucleus Software Exports Ltd. and Subsidiary Companies

Financial statements of the Company are prepared under the historical cost convention on the accrual basis, in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") and mandatory accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("2013 Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). Accounting policies have been consistently applied except where a newly issued accounting standard, if initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. Management evaluates all recently issued or revised accounting standards on an ongoing basis.

Overview

The Company was incorporated on January 9, 1989 as Nucleus Software Exports Private Limited with its registered office at 33-35 Thyagraj Nagar Market, New Delhi, INDIA. Subsequently in October 1994, it was converted into a Public Limited Company. In August 1995, Nucleus made an Initial Public Offer and is currently listed at National Stock Exchange of India Ltd., and BSE Ltd. Nucleus Software is the leading provider of mission critical lending and transaction banking products to the global financial services industry. Its software powers the operations of more than 150 customers in 50 countries, supporting retail banking, corporate banking, cash management, internet banking, automotive finance and other business areas.

FinnOne Neo™, a product suite specifically designed to manage end-to-end lending requirements of banking and financial services industry. This comprehensive product suite incorporates the latest business focus, compliance, technology, functionalities security aspects, comprising of modules like Customer Acquisition System, Loan Management, Delinquency and Recovery Management, Deposits and Finance against Securities. FinnAxia™ is the offerings from Nucleus Software in the area of global transactional banking space, consisting of corporate solutions for receivables and collection management, payments, liquidity management and financial supply chain. Over the years, our committed professionals have provided solutions par excellence and with the experience and skills, we have been able to create a global footprint of Customers and partners across multiple continents with multi-product, multi-service, multi-currency and multi-lingual implementations, leading to worldwide acceptability and customer satisfaction.

Nucleus operates through integrated and well-networked subsidiaries in India, Japan, Netherlands, Singapore, USA, Australia and a recently set up wholly owned subsidiary in South Africa. The company has branch offices in Chennai and Mumbai in India and in London, UK and Dubai. The Singapore subsidiary has a representative office in Jakarta in Indonesia and Manila in Philippines. These Subsidiaries/branch offices help the Company in providing front-end support to clients and explore new opportunities.

Since 1995, product development has been our forte and the Company has chosen to exclusively develop products and further add value through dedicated Research and Development initiatives.

Company Strengths

The Company's business broadly consists of Development and Marketing of Software Products and Software Services for business entities in the Banking and Financial Services (BFS) vertical. With a single point focus on the banking and financial industry, the Company's focus on product development is to build products on latest architecture & technology stack, with products that have advanced feature & functionalities to support growing need of business. We are performing today to deliver top-tier performance, while investing to ensure that our performance levels can be sustained in the long term. We have stepped up our investments in brand building, R&D, sales and our people. All of this coupled with differentiated products' help us drive sales and ultimately bring in customer satisfaction. The definitive goal is to touch and improve lives of more and more people across the world by equipping Banks with superior technology products for managing lending operations.

The Group is on a transformation journey which has continued through FY 2015. Building on our strong product innovation and R&D capabilities, we executed strategic initiatives for new products, sales and market development and people to help drive transformation and continue the momentum of growth. This endeavor demonstrates our passion for perfection and relentless commitment to deliver world class products to our customers. In this journey, we have been honoured and feel grateful for having received various accolades, a few of them to list would be:

- FinnOne™ has been ranked as the **Global No. 1 Best Selling Lending Banking System** for the Seventh consecutive year by IBS Publishing, UK in their Annual Sales League Table 2015
- Annual Report for the Year Ended March 31, 2014 won the **Platinum Award** for Excellence within the Technology-Software industry and ranked amongst the World's Top 50 Annual Reports within the Technology-Software industry and by the League of American Communications Professional (LACP).
- 9th Social and Corporate Governance Awards in the category "**Best Overall Corporate Governance Compliance and Ethics Program**" organised by World CSR Congress.
- Titanium Award at "**The Asset Corporate Awards 2014**" for Third Consecutive Year under the category Financial Performance, Corporate Governance and Investor Relations.
- "Asian CSR Leadership Awards 2014" in the category, "**Best Corporate & Financial Reporting**".
- "The Asian Banker award – 2014" for "**Best Lending Platform Implementation**".
- CIMB Malaysia, our customer, powered by Nucleus Software's FinnOne™ implementation, has received the **Process Excellence Award** for Collection and Debt Management at the prestigious BPA Trailblazer Awards.
- Vietnam Prosperity Bank's Loan Origination system, powered by Nucleus Software's FinnOne CAS, LMS and Collections was recognized with **Model Bank Award** by Celent (March 2013).
- Forrester recognized Nucleus as a "**Global Pursuer**" and stated it "regained traction in 2010". Based on the number of deals and regions covered, Nucleus was ranked among top Banking Platform providers Source: Global Banking Platform Deals 2010, Forrester Research, Inc., 31 March 2011.
- HDFC Bank, Nucleus Software customer, won the prestigious **Celent 2010 Model Bank Award** for its loan origination system, FinnOne™.
- Forrester Research, a leading independent analyst firm, recognized Nucleus Software as an **industry vertical specialist** in their report "Working with Tier Two Offshore Providers".
- Nucleus Software Ranked Amongst **India's Top 15 Exciting Emerging Companies to Work For** by Nasscom.

FINANCIAL PERFORMANCE

Consolidated financial statements have been prepared in accordance with the principles and procedures for the preparation and presentation as laid down under Accounting Standard 21 on “Consolidated Financial Statements” specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“2013 Act”), as applicable.

The consolidated financial results are as below:

				(Rs. in crore)	
For the Quarter Ended June 30,	2015	% of Revenue	Growth (%)	2014	% of Revenue
Revenue From Operations	84.82	100%	6.8%	79.43	100%
Expenses					
a) Employee benefits expense	57.48	68%	19.0%	48.30	61%
b) Travel expenditure	5.99	7%	39.6%	4.29	5%
c) Finance costs	0.17	0%	22.2%	0.14	0%
d) Other expenses	16.92	20%	2.1%	16.58	21%
Total Expenses	80.56	95%	16.2%	69.30	87%
Operating Profit (EBITDA)	4.27	5%	-57.9%	10.13	13%
Depreciation	3.08	4%	7.7%	2.86	4%
Operating Profit after Interest and Depreciation	1.18	1%	-83.7%	7.27	9%
Other Income	7.72	9%	15.9%	6.66	8%
Foreign Exchange Gain/ (Loss)	0.03	0%	-72.3%	0.09	0%
Profit Before Tax	8.93	11%	-36.3%	14.02	18%
Taxation					
- Withholding Taxes	0.09	0%		-	0%
- Income / Wealth Tax	2.75	3%	-2.4%	2.82	4%
- MAT credit entitlement	(0.41)	0%		(0.08)	0%
- Earlier year tax	(0.05)	0%	75.2%	(0.19)	0%
- Deferred Taxation	(0.25)	0%	-36.2%	(0.18)	0%
Profit After Tax	6.79	8%	-42%	11.65	15%

Revenue from Operations

We derive our revenue from the following business segments:

- Products
- Projects and Services

During the quarter the total revenue is Rs. 84.82 crore against Rs. 79.43 crore for the corresponding quarter previous year.

Revenue from Products

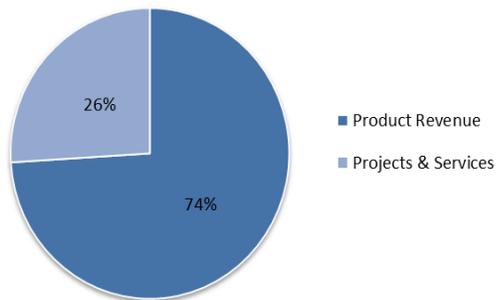
Product revenue arises from Products and related services comprising of license fees, revenue from customization and implementation of products and post production and maintenance support. Product revenue is Rs.62.79 crore during the quarter, constituting 74% of the total revenue against Rs. 56.39 crore, 71% of total revenue, in the corresponding quarter previous year. This has increased by 11.35%. We are a Company focused on Product business.

Revenue from Projects and Services

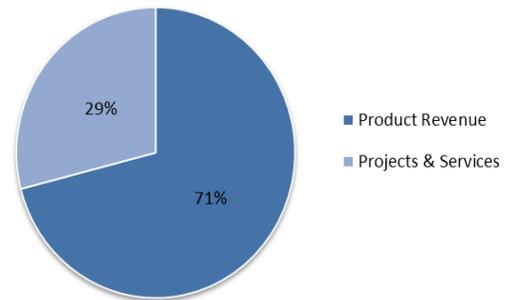
Software services rendered by the Company, classified under this segment, typically consist of development of software to meet specific customer requirements consisting of application development & maintenance, testing services, consulting and infrastructure management services with a strong banking domain focus.

Revenue from software projects and services segment during the quarter is Rs. 22.03 crore constituting 26% of the total revenue against Rs. 23.04 crore, constituting 29% of total revenue in the corresponding quarter previous year. This has decreased by 4.36%.

Q1 FY 16



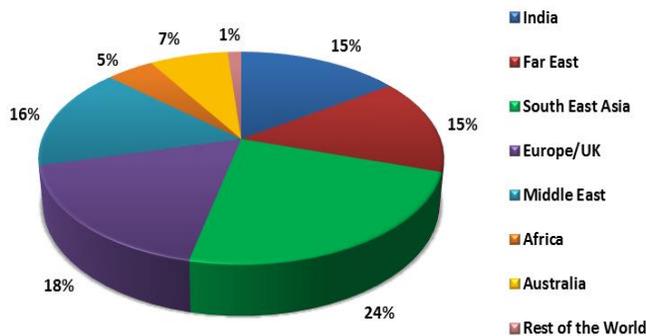
Q1 FY 15



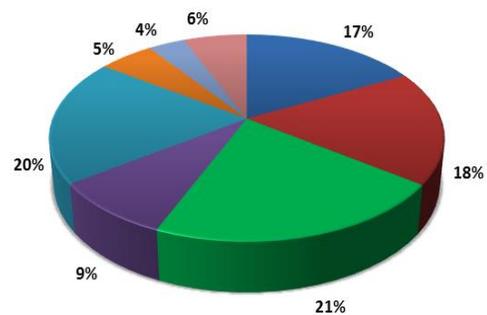
Revenue from Various Geographies

Your Company is incorporated in India, caters to customers situated all across the globe, and hence significant part of the revenue is derived from international sales. The graph below presents a geography-wise distribution for the quarter as well as the corresponding quarter previous year.

Q1 FY 16



Q1 FY 15



EXPENDITURE

Employee Benefit Expense

Employee benefit expenses include salaries paid to employees globally which have fixed and variable components; provision for retirement benefits, contribution to provident fund and expense on staff welfare activities. The employee benefit expenses have increased by 19% to Rs. 57.48 crore. For the corresponding quarter previous year, they were at Rs. 48.30 crore. The increase is primarily due to increase in employee compensation, both fixed and variable pay and increased hiring at overseas locations.

(Rs. in crore)

Employee Benefit Expenses

For the Quarter Ended June 30,	2015	% of Revenue	Growth (%)	2014	% of Revenue
Salaries and bonus	52.79	62%	19.65%	44.12	56%
Contribution to provident and other funds	2.43	3%	10.92%	2.19	3%
Gratuity expense	0.73	1%	0.73%	0.72	1%
Staff welfare	1.52	2%	21.03%	1.26	2%
Total Employee Benefit Expenses	57.48	68%	19%	48.30	61%
Revenue	84.82	100%	7%	79.43	100%

Operating and Other Expenses

Operating and other expense primarily consist of expenses on travel to execute work at client site and for other related activities, cost of software purchased for delivery to clients, bandwidth and communication expense, infrastructure charges, expenses on account of brand building activities, training and recruitment costs, legal and professional charges, repairs and maintenance charges, insurance, provision for doubtful debts, contribution to CSR activities and others.

(Rs. in crore)

For the Quarter Ended June 30,	2015	% of Revenue	Growth (%)	2014	% of Revenue
Software and other development charges	1.30	2%	-15%	1.52	2%
Cost of software purchased for delivery to clients	0.59	1%	-70%	1.93	2%
Power and fuel	1.28	2%	-1%	1.29	2%
Rent	2.31	3%	-7%	2.49	3%
Repair and maintenance	0.79	1%	-16%	0.93	1%
- Buildings	0.13	0%	-64%	0.36	0%
- Others	0.66	1%	15%	0.57	1%
Insurance	0.26	0%	4%	0.25	0%
Rates and taxes	0.13	0%	171%	0.05	0%
Travel expenses	5.99	7%	40%	4.29	5%
Advertisement and business promotion	0.70	1%	41%	0.50	1%
Legal and professional	2.63	3%	27%	2.06	3%
Directors remuneration (see note below)	0.25	0%	84%	0.13	0%
Conveyance	0.55	1%	10%	0.50	1%
Communication	0.75	1%	17%	0.64	1%
Training and recruitment	0.86	1%	-27%	1.18	1%
Net loss on sale of fixed assets/discarded assets	0.06	0%		-	0%
Conference, exhibition and seminar	1.55	2%	190%	0.53	1%
Information technology expenses	1.09	1%	12%	0.97	1%
Provision for doubtful debts/advances/other current assets	0.30	0%	-44%	0.53	1%
Commission to channel partners	0.31	0%	402%	0.06	0%
Finance Cost	0.17	0%	22%	0.14	0%
Expenditure on Corporate Social Responsibility	0.15	0%		-	0%
Miscellaneous expenses	1.07	1%	7%	1.00	1%
Total Operating and Other Expenses	23.08	27%	10%	21.00	26%
Revenue	84.82	100%	7%	79.43	100%

- Software and other development charges relate to outsourced work for software development.
- Provisions for doubtful debts include bad debts written off and provision for all invoices outstanding for a period of 365 days or more and those invoices which are considered doubtful based on the management's perception of risk of collection as per the Company's policies.
- Finance cost includes bank charges and fee for issuance of bank guarantees to customers.

We have taken a number of steps to improve our operational efficiency and there has been a very strong control and focus on costs.

Operating Profit (EBITDA)

Operating Profit during the quarter was Rs. 4.27 crore, 5% of revenue against Rs. 10.13 crore, 13% of revenue in the corresponding quarter previous year.

Depreciation

Depreciation on fixed assets was Rs. 3.08 crore, for the quarter against Rs. 2.86 crore, in the corresponding quarter previous year.

Other Income

Other Income primarily consists of interest and dividend income, capital gains on sale of current investments.

(Rs. in crore)		
For the Quarter Ended June 30,	2015	2014
On Investments		
Capital Gain- Mutual Funds	0.36	1.60
Dividend on investment in Mutual fund units	1.05	1.77
Interest Income	5.42	2.16
Foreign Exchange differences on consolidation	0.03	0.09
Provisions written back	0.89	1.03
Others	0.00	0.10
Total	7.74	6.75

Other income for the quarter is Rs. 7.74 crore, against Rs. 6.75 crore in the corresponding quarter previous year.

Foreign Exchange Gain / (Loss)

Foreign Exchange Gain (Loss) includes gain (loss) from cancellation of options and forward contracts, translation of current assets and liabilities at quarter end rates and those arising from realization/payments of receivables/payables respectively. During the quarter, the Company had a foreign exchange gain of Rs. 0.03 crore against a gain of Rs. 0.09 crore for the corresponding quarter previous year.

Taxation

It represents provision for corporate & income taxes determined in accordance with tax laws applicable in countries where the Company and subsidiaries operate.

(Rs. in crore)		
For the Quarter Ended June 30,	2015	2014
- Withholding taxes charged off	0.09	-
- Current Tax	2.75	2.82
- MAT Credit Entitlement	(0.41)	(0.08)
- Deferred Tax Credit (net)	(0.25)	(0.18)
- Earlier Year Tax	(0.05)	(0.19)
Total	2.13	2.36

Profit after Tax

Our profit after tax for the quarter is Rs. 6.79 crore, 8% of revenue, against Rs. 11.65 crore, 15% of revenue, during the corresponding quarter previous year.

Share Capital

Share Capital of the Company consists of Equity Share Capital. The paid-up Share Capital as on June 30, 2015 is 32,383,724 equity shares of Rs. 10 each.

Subsidiaries

The Company has eight wholly owned subsidiary companies, all over the world. As 100% of the Share Capital of the Subsidiaries is held by Nucleus Software Exports Limited and nominees; on consolidation of accounts, these amounts are contra with investments in Subsidiaries amounts in the accounts of the Parent Company. Paid-up Share Capital of the Subsidiaries as on June 30, 2015 is as per the below table:

Name of Subsidiary Company	Currency	As at June 30, 2015		As at March 31, 2015	
		In foreign Currency	Eqv. Rupees (in crore)	In foreign Currency	Eqv. Rupees (in crore)
Nucleus Software Solutions Pte. Ltd. Singapore. 625,000 equity shares of S\$ 1 each.	SGD	625,000	1.63	625,000	1.63
Nucleus Software Inc., USA. 1,000,000 shares of US\$ 0.35 cents each (After provision for diminution)	USD	350,000	1.63	350,000	1.63
Nucleus Software Japan Kabushiki Kaiga, Japan. 200 equity shares of JPY 50,000 each	JPY	10,000,000	0.41	10,000,000	0.41
Virstra i-Technology Services Ltd., India. 1,000,000 equity shares of Rs. 10 each	INR	-	1.00	-	1.00
Nucleus Software Netherlands B.V., Netherlands. 4000 equity shares of Euro 100 each	Euro	400,000	2.42	400,000	2.42
Nucleus Software Limited, India 10,000,000 equity shares of Rs.10/- each	INR	-	10.00	-	10.00
Nucleus Software Australia Pty. Limited, 100,000 equity shares of 1 AUD each	AUD	100,000	0.55	100,000	0.55

The profits/losses of the Subsidiary Companies are fully reflected in consolidated accounts of the Company and Subsidiaries.

Reserves and Surplus

The movement in the components of reserves and surplus is as below:

(Rs. in crore)

Particulars	Opening Balance as on April 1, 2015	Additions/ (Deletions) during the period	Closing Balance as on June 30, 2015
General Reserve	88.88	-	88.88
Securities Premium	2.19	-	2.19
Capital Reserve	0.89	-	0.89
Foreign Currency Translation Reserve	8.96	1.03	9.98
Hedging Reserve	0.69	(0.37)	0.32
Profit and Loss Account Balance	304.37	6.79	311.17
Total	405.98	7.45	413.43

Fixed Assets

As at June 30, 2015, gross block of fixed assets including investment in technology assets is Rs. 145.00 crore (Rs. 144.34 crore as on March 31, 2015)

As at	30-Jun-15	Inc/Dec (%)	31-Mar-15
Gross Block			
Freehold land	0.34	-	0.34
Leasehold land	18.78	-	18.78
Leasehold improvement	1.01	(0.05)	1.02
Building	28.50	0.01	28.50
Office and other equipment	19.60	0.55	19.50
Computers	38.03	1.84	37.34
Vehicles	2.13	(12.97)	2.44
Furniture and fixtures	5.22	0.57	5.19
Software	31.38	0.46	31.23
Total	145.00	0.45	144.34
Less: Accumulated Depreciation	89.37	3.71	86.18
Net Block	55.62	(4.37)	58.16
Add: Capital Work In Progress	0.85	6.94	0.79
Net Fixed Assets	56.47	(4.22)	58.95

Investments

a. **Non-current investments** totaling Rs.89.38 crore as on June 30, 2015 against Rs.68.88 crore as on March 31, 2015

- i) **Investment in equity shares of a non-listed company** - Rs. 0.25 crore
- ii) **Investment in tax free bonds held on a hold to maturity basis** – Rs. 57.13 crore.
- iii) **Investment in long-term fixed maturity plans of mutual funds** – Rs 32 crore.

b. Current Investments and Bank Balances

Our capital requirements are completely financed by internal accruals. Your Company continues to remain debt-free and we believe that cash generated from operations and reserves and surplus are sufficient to meet our obligations and requirements towards capital expenditure and working capital requirements

As of June 30, 2015 the cash and bank balances stood at Rs. 179.70 crore and current investments in liquid schemes and Fixed Maturity Plans of mutual funds were Rs. 83.04 crore.

Total cash and current investments are thus at Rs. 262.74 crore on June 30, 2015.

(Rs. in crore)

Cash & Cash Equivalents as at	30-Jun-15	31-Mar-15
Balances with Bank		
In Current Accounts	16.89	18.16
In Fixed Deposit Account	162.81	162.43
Investments in Mutual Funds	83.04	100.66
Total	262.74	281.25

As a part of the financial policies, the Company believes in maintaining high level of liquidity as it provides immense support against contingencies and uncertainties.

Trade Receivables

Our trade receivables (net of provision) as on June 30, 2015 are Rs. 87.60 crore, against Rs. 84.61 crore as on March 31, 2015.

Days of sales receivables (DSR) are at 94 days as on June 30, 2015 against 76 days as on March 31, 2015.

The Company has a policy of providing for all invoices outstanding for a period of 365 days or more and for those invoices which are otherwise considered doubtful based on the Management's perception of risk of collection.

Loans and Advances

Loans and Advances have been classified into long-term and short-term based on their period of realization.

(Rs. in crore)

For the Quarter Ended June 30,	30-Jun-15	31-Mar-15
Long term Loans and advances		
Security deposits	3.03	3.01
Advance income tax	9.58	11.41
Prepaid expenses	0.42	0.52
MAT credit entitlement	2.96	3.16
Staff Loans	0.11	0.06
Total	16.10	18.15
Short term Loans and advances		
Security deposits	0.11	0.08
Prepaid expenses	5.00	4.03
Supplier advances	1.61	3.11
Advance fringe benefit tax	0.21	0.21
Service tax / VAT credit receivable	2.72	3.27
MAT credit entitlement	1.94	1.50
Loans & advances to employees	1.26	1.07
Others	0.74	2.33
Total	13.58	15.59
Total Loans and Advances	29.68	33.74

Security Deposits, utilized primarily for hiring of office premises and staff accommodation, amounts to Rs. 3.14 crore as on June 30, 2015 against Rs. 3.09 crore as on June 30, 2015. MAT credits are Rs. 4.90 crore as on March 31, 2015 against Rs.4.66 crore as on March 31, 2015.

Current Liabilities

Current Liabilities as on June 30, 2015 is Rs. 110.10 crore (Rs. 113.12 crore as on March 31, 2015).

	(Rs. in crore)	
As at	30-Jun-15	31-Mar-15
Trade Payables	26.90	25.89
Advance billing	-	1.86
Advances from customers	26.79	29.60
Deferred Revenue	28.66	26.85
Unclaimed dividend	0.27	0.27
Book Overdraft	0.30	1.54
Payable for purchase of fixed assets	0.11	0.20
Provision for gratuity	1.07	0.28
Other Payables- statutory liabilities	4.96	5.15
Short term provisions		
Compensated absences	1.38	1.34
Proposed dividend	16.19	16.19
Tax on dividend	3.30	3.30
Provision for tax	0.16	0.76
Total	110.10	113.22

Long Term Provisions

Provisions as on June 30, 2015 are Rs. 5.06 crore (Rs. 4.74 crore as on March 31, 2015). The breakup of provisions at the quarter end is given below.

	(Rs. in crore)	
As at	30-Jun-15	31-Mar-15
Compensated Absences	5.06	4.74
Total	5.06	4.74

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for Leave encashment represents provisions made by the Company based on actuarial valuation.

ADDITIONAL INFORMATION TO SHAREHOLDERS

1. Date of Incorporation January 9, 1989
2. Registered office 33-35, Thyagraj Nagar Market
New Delhi-110003
India
3. Corporate Office A-39, Sector 62
NOIDA, UP –201301
India
4. Financial Calendar
(Tentative and subject to change)

Financial reporting for the second quarter Ending September 30, 2015.	between 21 st to 31 st of October 2015
Financial reporting for the third quarter Ending December 31, 2015.	between 21 st to 31 st of January 2016
Financial results for the year ending Ending March 31, 2016	between 21 st to 31 st of April 2016
Financial reporting for the first quarter Ending June 30, 2016	between 21 st to 31 st of July 2016
5. Share Related Data
 - The Shares of Nucleus are listed on The National Stock Exchange of India limited, and Bombay Stock Exchange Limited
 - Scrip Code (NSE) NUCLEUS
 - Scrip Code (BSE) 531209
 - The Company's shares are traded in "Group B" category at the Bombay Stock Exchange Ltd.
 - International Securities Identification Number (ISIN code-NSDL and CDSL) INE096B01018
 - Face value of the Company's equity shares is Rs. 10.
 - Shares of the Company are compulsorily traded in demat form.
 - 99.56 % of the Company's equity shares are in demat form.

- The Company has 16,214 shareholders as on June 30, 2015.
- The Company has not issued any GDRs / ADRs.
- The dividend declared and paid in the previous financial years is given below:

Financial Year	Dividend (%)	Dividend Per Share in Rs.	Dividend Pay Out in Rs. Crore
2014-15	50%	5.00	16.19
2013-14	60%	6.00	19.43
2012-13	30%	3.00	9.71
2011-12	25%	2.50	8.09
2010-11	25%	2.50	8.09
2009-10	25%	2.50	8.09
2008-09	25%	2.50	8.09
2007-08	30%	3.00	9.71
2006-07	35%	3.50	5.64
2005-06	35%	3.50	5.64
2004-05	25%	2.50	4.02*
2003-04	25%	2.50	2.01
2002-03	20%	2.00	1.58
2001-02	20%	2.00	1.58
2000-01	20%	2.00	0.68

- The dividend payout in 2004-05 was on the enhanced capital consequent to 1:1 bonus issue made during the year.
- The Board had not recommended any dividend prior to financial year 2000-2001.
- The Dividend Policy of the Company is to maintain the dividend payout, in the range of 15-30% of the profits available for distribution, subject to:
 - a) Provisions of Companies Act and other applicable laws.
 - b) Availability of funds in the Company

- The Board of Directors reviews the Dividend Policy periodically.

- Registrars of Company

Karvy Computershare Private Limited

Plot No. 17-24

Vithal Rao Nagar, Madhapur

Hyderabad 500 081

Tel: 040-23420815-28

Fax: 040- 23420814/23420857

Email: mailmanager@karvy.com

- Financial Results of Nucleus Software Exports Limited for the Quarter Ended June 30, 2015. (Consolidated)**



CONSOLIDATED PROFIT AND LOSS FOR THE QUARTER ENDED JUNE 30, 2015

₹ In Lakhs

Particulars	Quarter Ended			Year Ended
	June 30, 2015	March 31, 2015	June 30, 2014	March 31, 2015
	Unaudited	Unaudited	Unaudited	Audited
1. INCOME FROM OPERATIONS				
Income from Software Products and Services	8,482.23	10,089.96	7,942.65	35,313.96
Total Income from operations (net)	8,482.23	10,089.96	7,942.65	35,313.96
2. EXPENSES				
a) Employee benefit expense	5,747.73	5,373.47	4,829.76	20,143.90
b) Travel expense	598.86	581.62	428.94	2,000.95
c) Finance cost (Bank Charges)	16.67	14.09	13.64	54.46
d) Other expenses	1,692.29	1,659.87	1,657.60	6,583.56
Total Expenses	8,055.55	7,629.05	6,929.94	28,782.87
3. PROFIT FROM OPERATIONS BEFORE DEPRECIATION (1-2)	426.68	2,460.91	1,012.71	6,531.09
4. Depreciation and amortisation expense	308.24	308.70	286.19	1,196.68
5. PROFIT FROM OPERATIONS AFTER DEPRECIATION (3-4)	118.44	2,152.21	726.52	5,334.41
6. Other Income	774.14	746.53	675.17	3,330.86
7. PROFIT BEFORE TAXES (5+6)	892.58	2,898.74	1,401.69	8,665.27
8. Tax expense	213.26	834.43	236.28	2,193.86
9. PROFIT AFTER TAXES (7-8)	679.32	2,064.31	1,165.41	6,471.41
10. Earnings Per Share (Rs.) (Par value Rs.10 each) (not annualised)				
Basic	2.10	6.37	3.60	19.98
Diluted	2.10	6.37	3.60	19.98

6. Locations

Nucleus services its clients through a network of international offices. Nucleus has wholly owned subsidiaries in India, Japan, Singapore, U.S.A, Netherlands, Australia, South Africa and branch offices in Dubai (UAE) and London (U.K).

Nucleus operates state-of-the-art Software Development Centers at NOIDA (U.P) and Chennai under the Software Technology Park scheme of the Government of India.

A Subsidiary, VirStra-I Technology Services Ltd. operates a Development Centre at Pune (Maharashtra) under the Software Technology Park Scheme of the Government of India.

7. Share Transfer System

The Company's shares are currently traded in dematerialised form; transfers are processed and approved in the electronic form by NSDL/CDSL through their Depository Participants.

The Shareholders/Investor Grievance Committee is authorised to approve transfer of shares, which are received in physical form, and the said Committee approves transfer of shares on a fortnightly basis.

All requests for dematerialisation of shares are processed and confirmation is given to the respective Depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL) within 15 days.

The Company obtains from a Company Secretary in practice half –yearly certificate of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement and files a copy of the certificate with the Stock Exchanges.

8. Investors' Services

i. Details of request /complaints received during the quarter.

S.No.	Nature of Requests	Received	Attended	Pending
1.	Revalidation of Dividend Warrants	6	6	Nil
2.	Non-receipt of Dividend Warrant	0	0	Nil
3.	Non-Receipt of Securities	0	0	Nil
4.	Non-Receipt of Shares after transfer	0	0	Nil
5.	Non-Receipt of Annual Report	0	0	Nil
6.	SEBI/Stock Exchange/Legal	0	0	Nil

The Company has attended to most of the investors' grievances/correspondence within a period of 10 days from the date of receipt of the same, during the quarter.

ii. Designated e-mail Address for Investor Services

In terms of clause 47(f) of the Listing Agreement, the designated e-mail address for investor complaints is **investorrelations@nucleussoftware.com**.

9. **Legal Proceedings**

There is no legal proceeding pending against the Company in the Court.

10. **Distribution of Shareholding**

Distribution Schedule As On 30/06/2015					
S.No	Category	No. of Cases	% of Cases	No. of Shares	% To Equity
1	1-5000	13,981	86.23	14,580,320	4.50
2	5001- 10000	1,157	7.14	8,713,780	2.69
3	10001- 20000	512	3.16	7,600,730	2.35
4	20001- 30000	166	1.02	4,232,620	1.31
5	30001- 40000	92	0.57	3,271,720	1.01
6	40001- 50000	77	0.47	3,557,690	1.10
7	50001- 100000	112	0.69	8,142,340	2.51
8	100001& Above	117	0.72	273,738,040	84.53
	Total:	16,214	100	323,837,240	100.00

11. **Categories of Shareholders**

	As on June 30, 2015		
Category	No. of Share Holders	Voting Strength (%)	No. of Shares Held
Promoter and Promoter Group	11	60.62	1,96,31,866
Individuals	15,265	23.87	77,31,121
Bodies Corporate	479	2.62	8,48,355

Non-Resident Indians	358	1.83	5,93,952
Foreign Institutional Investors	18	8.86	28,68,108
Mutual Funds	4	1.84	5,96,259
Financial Institutions/ Banks	2	0.14	44,198
Clearing Members and Trusts	77	0.22	69,865
Total	16,214	100.00	32,383,724

12. Investors' Correspondence may be addressed to:

The Company Secretary

Nucleus Software Exports Ltd.,
33-35, Thyagraj Nagar Market
New Delhi-110003
India
Tel: ++91-(120)-2404050 Fax: ++91-(120)-2403972
Email: investorrelations@nucleussoftware.com

13. **Employee Strength of Nucleus**

Nucleus employed 1,581 people as on June 30, 2015 as compared to 1,512 people as on March 31, 2015.

A. Distribution of the Employees:

	June 30, 2015	March 31, 2015
Technical Employee's	1269	1,205
Non-Technical Employee's including Business Development Group	312	307
TOTAL	1,581	1,512
Male	1,204	1,147
Female	377	365
TOTAL	1,581	1,512

B. The Age Profile of The Employees Is:

	June 30, 2015	March 31, 2015
Between 20 and 25 years	443	372
Between 26 and 30 years	383	379
Between 31 and 40 years	603	618
Between 41 and 50 years	133	126
51 years and above	19	17
Total	1,581	1558

14. ***How do I contact Nucleus by telephone, mail or in person?***

You can contact the following Nucleus personnel for any information:-

Vishnu R Dusad - CEO & Managing Director

Tel: +91 (120) 4031500

Email: vishnu@nucleussoftware.com

Ashish Nanda – Global Head - Finance & Accounts

Tel: +91 (120) 4031800

E Mail: ashish.nanda@nucleussoftware.com

Poonam Bhasin - Company Secretary

Tel: +91 (120) 4031400

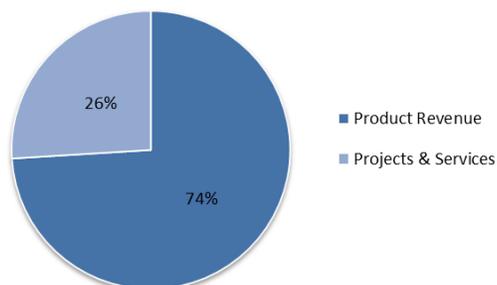
E Mail: poonam@nucleussoftware.com

Consolidated segment Information

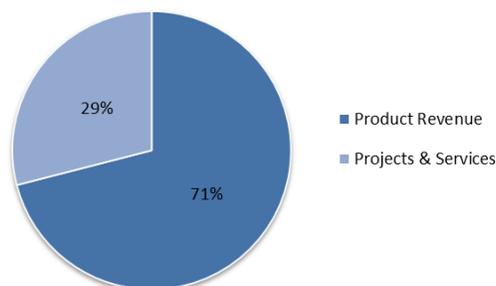


CONSOLIDATED SEGMENT INFORMATION								
								₹ In Lakhs
REVENUE BY	Quarter Ended						Year Ended	
	June 30, 2015	% of Revenue	March 31, 2015	% of Revenue	June 30, 2014	% of Revenue	March 31, 2015	% of Revenue
	Unaudited		Unaudited		Unaudited		Audited	
GEOGRAPHICAL SEGMENTS								
INDIA	1,300.12	15.33	1,656.87	16.42	1,369.93	17.25	5,587.49	15.82
FAR EAST	1,238.73	14.60	1,473.05	14.60	1,418.29	17.86	5,872.73	16.63
SOUTH EAST ASIA	1,996.93	23.54	2,134.03	21.15	1,682.25	21.18	7,851.10	22.23
EUROPE	1,489.99	17.57	932.25	9.24	697.15	8.78	3,443.80	9.75
MIDDLE EAST	1,330.03	15.68	1,949.61	19.32	1,571.41	19.78	6,811.78	19.29
AFRICA	384.07	4.53	334.32	3.31	425.11	5.35	1,976.39	5.60
AUSTRALIA	632.84	7.46	1,390.79	13.78	283.25	3.57	2,696.07	7.63
REST OF THE WORLD	109.52	1.29	219.04	2.18	495.26	6.23	1,074.60	3.04
TOTAL	8,482.23	100.00	10,089.96	100.00	7,942.65	100.00	35,313.96	100.00
BUSINESS SEGMENTS								
PRODUCTS	6,278.92	74.02	7,538.68	74.71	5,638.82	70.99	25,562.44	72.39
Own	6,217.19	73.30	7,476.89	74.10	5,394.53	67.91	25,090.78	71.05
Traded	61.73	0.73	61.79	0.61	244.29	3.08	471.66	1.34
PROJECTS & SERVICES	2,203.31	25.98	2,551.28	25.29	2,303.83	29.01	9,751.52	27.61
TOTAL	8,482.23	100.00	10,089.96	100.00	7,942.65	100.00	35,313.96	100.00

Q1 FY 16



Q1 FY 15



RATIO ANALYSIS

Consolidated Performance			
Particulars	Quarter Ended		
	June-15	March-15	June-14
Ratios- Financial Performance			
Export Revenue/ Revenue (%)	84.67%	83.58%	82.75%
Domestic Revenue/ Revenue (%)	15.33%	16.42%	17.25%
Total Operating Expenses/ Revenue (%)	94.97%	75.61%	87.25%
Operating Profit/ Revenue (%)	5.03%	24.39%	12.75%
Depreciation/ Revenue (%)	4.29%	3.66%	4.35%
Other Income/ Revenue (%)	9.61%	9.79%	9.54%
Tax/ Revenue (%)	49.98%	33.91%	23.33%
Effective Tax Rate - Tax/ PBT (%)	23.89%	28.79%	16.86%
PAT from Ordinary Activities/ Revenue (%)	-1.12%	13.06%	6.35%
PAT from Ordinary Activities/Net Worth (%) (LTM)	-0.21%	3.01%	1.24%
Ratios- Return			
ROCE (PBIT/ Average Capital Employed) (%) (LTM)	18.09%	19.56%	18.86%
ROANW (PAT/Average Net Worth) (%) (LTM)	13.54%	14.78%	16.11%
Ratios - Balance Sheet			
Debt-Equity Ratio	-	-	-
Debtors Turnover (Days)	94	76	67
Asset Turnover Ratio (LTM)	0.64	0.66	0.65
Current Ratio	3.60	3.60	3.75
Cash and Equivalents/Total Assets (%)	47.03%	52.95%	61.25%
Cash and Equivalents/ Revenue (%) (LTM)	73.28%	79.64%	94.20%
Ratios - Growth (YoY)			
Growth in Export Revenue (%)	9.27%	18.63%	1.92%
Growth in Total Revenue (%)	6.79%	15.07%	-7.99%
Operating Expenses Growth (%)	16.24%	12.87%	-3.89%
Operating Profit Growth (%)	-57.87%	22.46%	-28.78%
PAT Growth (%)	-41.71%	9.56%	4.37%
EPS Growth (%)	-41.67%	9.48%	4.41%
Per- Share Data (Period End)			
Earning Per Share from Ordinary Activities (Rs.)	(0.29)	4.07	1.56
Earning Per Share (Including Other Income) (Rs.)	2.10	6.37	3.60
Cash Earning Per Share from Ordinary Activities (Rs.)	0.66	5.02	2.44
Cash Earning Per Share (Including Other Income)(Rs.)	3.05	7.33	4.48
Book Value Per Share (Rs.)	137.67	135.37	125.91
Price/Earning (Annualized)	28.41	6.63	14.46
Price/ Cash Earning (Annualized)	19.54	5.77	11.61
Price/Book Value	1.73	1.25	1.65