

Nucleus Software Exports Ltd.

Consolidated Balance Sheet as at 30 June 2007

	Schedule	As at 30 June 2007 (Rupees Crore)	As at 30 June 2006 (Rupees Crore)	As at 31 March 2007 (Rupees Crore)
Sources of funds				
Shareholders' funds				
Share capital	1	16.16	16.11	16.16
Advance pursuant to stock option schemes		0.72	0.21	0.72
Reserves and surplus	2	162.23	112.68	149.03
		179.12	129.00	165.91
Deferred tax liability (refer note 2, schedule 16)		0.35	-	0.28
		-	-	-
		179.47	129.00	166.19
Application of funds				
		-	-	-
		-	-	-
Fixed assets				
Gross block	3	88.88	57.75	68.54
Less: Accumulated depreciation		(28.54)	(21.40)	(26.56)
Net block		60.34	36.34	41.99
Add: Capital work in progress (including capital advances)		0.75	1.15	13.08
		61.09	37.49	55.07
Investments	4	70.86	78.16	69.01
Deferred tax asset (refer note 2, schedule 16)		-	0.04	-
Current assets, loans and advances				
Sundry debtors	5	65.09	32.10	55.26
Cash and bank balances	6	16.46	13.13	26.83
Loans and advances	7	12.34	4.63	9.46
Other current assets	8	21.45	10.10	18.16
		115.35	59.95	109.70
Less: Current liabilities and provisions				
		-	-	-
		-	-	-
Current liabilities	9	(62.15)	34.64	(62.51)
Provisions	10	(5.67)	12.02	(5.08)
		(67.82)	46.65	(67.59)
Net current assets		47.53	13.30	42.11
		-	-	-
		179.47	129.00	166.19
Significant accounting policies and notes to the accounts	16			

The schedules referred to above form an integral part of the consolidated financial statements.

Nucleus Software Exports Ltd.

Schedules forming part of the consolidated financial statements

	As at 30 June 2007 (Rupees Crore)	As at 30 June 2006 (Rupees Crore)	As at 31 March 2007 (Rupees Crore)
SCHEDULE 1:			
Share capital			
Authorised capital			
20,000,000 (20,000,000) equity shares of Rs.10 each	20.00	20.00	20.00
Issued, subscribed and paid up			
Issued			
16,163,112 (16,107,612) equity shares of Rs.10 each	16.16	16.11	16.11

Subscribed and paid up

16,160,312 (16,104,812) equity shares of Rs.10 each, fully paid up	16.16	16.10	16.16
Of the above:	-	-	-
8,045,406 equity shares of Rs.10 each have been issued as bonus shares by capitalisation of securities premium account in the year ended 31 March 2005	-	-	-
2,637,050 equity shares of Rs.10 each have been issued as bonus shares by capitalisation of general reserve and securities premium account in the year ended 31 March 2002	-	-	-
1,452,270 equity shares of Rs.10 each have been issued as bonus shares by capitalisation of general reserve in the year ended 31 March 1995	-	-	-
Add: 2,800 (2,800) forfeited equity shares pending for reissue	0.00	0.00	0.00
	-	-	-
	16.16	16.11	16.16

SCHEDULE 2:**Reserves and surplus****General reserve**

Balance as at 1 April	53.01	44.15	44.15
Add: Transferred from Profit and Loss Account	-	-	10.00
Less:- Gratuity and leave encashment transitional liability (refer note 7, schedule 16)	-	1.00	1.14
	-	-	-
	53.01	43.15	53.01

Securities premium account

Balance as at 1 April	17.32	16.30	16.30
Add : On conversion of stock options issued to employees	-	-	1.02
	-	-	-
	17.32	16.30	17.32

Capital reserve account

Balance as at 1 April	0.16	0.15	0.15
Add: Amount forfeited against employees stock option plan	-	-	0.01
	-	-	-
	0.16	0.15	0.16

Employee stock options

Balance as at 1 April	1.92	0.44	0.44
Add: Options granted during the year	-	0.79	1.99
Less: Reversal on forfeiture of stock options granted	-	-	0.18
Less: Transferred to securities premium on exercise of stock options	-	-	0.33
	-	-	-
	1.92	1.23	1.92

Less: Deferred employee compensation	(1.01)	(0.86)	(1.20)
	-	-	-
	0.91	0.36	0.72

Foreign currency translation reserve

Balance as at 1 April	0.43	0.43	0.43
Add: Addition during the year	(0.49)	0.73	0.51
	(0.06)	1.16	0.94

Profit and Loss Account

Balance as at 1 April	76.88	38.17	38.17
Add: Profit for the year	14.01	13.40	55.15
Less: Transferred to general reserve	-	-	10.00
Less: Final dividend	-	-	-
Less: Interim dividend	-	-	5.64
Less: Dividend tax	-	-	0.79
	90.89	51.57	76.88

	162.23	112.68	149.03
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Schedules forming part of the consolidated financial statements

	As at 30 June 2007 (Rupees Crore)	As at 30 June 2006 (Rupees Crore)	As at 31 March 2007 (Rupees Crore)
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SCHEDULE 4:

Investments

Long term investments

Equity shares - Non trade and unquoted

10,040,000 (10,040,000) equity shares of Rs 10 each, fully paid up, in GMAC Financial Services India Limited	13.69	13.69	13.69
[Of the above, 80,000 (80,000) equity shares are held by nominees on behalf of the Company]	-	-	-
25,000 (25,000) equity shares of Rs 10 each, fully paid up, in Ujjivan Financial Services Private Limited	0.25	0.25	0.25
	-	-	-
	13.94	13.94	13.94

Current investments

Investments in bonds and mutual funds - Non trade and unquoted

Maturity Plan-YFMP 07/05-Growth	-	1.00	-
Maturity Plan-YFMP 09/05-Growth	-	2.00	-
Fixed Maturity Plan-YFMP 06/06-Growth	0.50	0.50	0.50
Prudential ICICI FMP Series 5-Institutional-Growth	-	2.00	2.00
Prudential ICICI FMP Series 34-Institutional-Growth	2.50	-	2.50
Lynch Liquidity Fund- Growth	-	2.00	-
Fund-Institutional-Growth	-	1.05	-
Liquid Fund Institutional-Growth	-	0.50	-
Cash Plan Institutional-Growth	-	2.99	-
ICICI Institutional Liquid Plan-Growth	-	2.00	-
Cash manager-Institutional Plan-Growth	-	1.00	-
Fund Series-13 Months (Oct 05)-Growth	-	0.75	-
Fixed Maturity-16th Plan A-Growth	-	0.80	0.80
Fixed Maturity-20th Plan -Growth	-	0.90	0.90
Fund-Dividend	-	7.99	-
Cash Plus-Institutional Premium-Growth	-	5.00	2.57
FMP-14 Months-Cumulative	-	2.00	2.00
Amro FTP Series 2 Thirteen Month Plan-Growth	-	1.00	1.00
Amro FTP Series 5 Fourteen Month Plan-Growth	2.50	-	2.50
FTP Series 8 yearly plan- A-Growth	2.50	-	-
Fixed term Series-4-Growth	-	1.00	1.00
HSBC Fixed term Series-9-Growth	2.00	2.00	2.00
Fixed term Series-27-Growth	1.50	-	1.50
term Series-28-Growth	1.00	-	-
Pnb Fixed Maturity Plan-385 Days-Series I Institutional-Growth	-	1.00	1.00
Pnb Fixed Maturity Plan-385 Days-Series 4 Institutional-Growth	2.50	-	2.50
FMP 13M March 2006(1)- Institutional Plan-Growth	-	1.00	1.00
HDFC FMP 13M June 2006(1)- Institutional Plan-Growth	1.00	1.00	1.00

FMP 13M July 2006(1)- Institutional Plan-Growth	-	-	-
367 days April 2007 Wholesale Plan-Growth	1.25	-	1.25
Fund - Institutional Plus Plan - Daily Dividend	-	-	-
Institutional Plus Plan -Daily Dividend	1.09	-	-
Institutional Premium-Daily Dividend	-	6.90	-
Liquid Fund-Growth	-	-	-
Prudential ICICI Super Institutional Plan-Growth	-	2.89	-
Liquid- Institutional Plus Plan -Growth	-	3.96	-
horizon QFMP series V-Dividend	-	-	1.50
fixed horizon fund III-annual plan series I-institutional plan-Growth	-	-	-
fixed horizon fund III-annual plan series IV-institutional plan-Growth	1.50	-	1.50
FMP 13M series 2-institutional-plan-Growth	1.50	-	1.50
FMP series 26-Growth	2.50	-	2.50
fixed term fund series 24-Institutional plan-Growth	-	-	-
fund series 33-Institutional plan-Growth	1.25	-	1.25
maturity plan halfyearly series HFMP/1206/I Dividend plan-Reinvestment	2.50	-	2.50
56,666 (Nil) units of face value of Rs. 1000 each of UTI Liquid Cash Plan Institutional-Dividend	-	-	-
Flexible short term plan series C quarterly Dividend-Reinvestment	2.00	-	1.53
plus fund -institutional option-Daily Dividend	-	-	5.78
14 - Dividend	2.00	-	-
fund- institutional plan-Daily Dividend	11.57	-	-
Chartered Fixed maturity plan - yearly series 11-plan B- Growth	-	-	-
series 20- Dividend	1.00	-	-
paribas Fixed term plan series XXIX- Dividend	1.01	-	-
Lynch Fixed term plan series 1N-Institutional -Dividend	0.75	-	-
Fixed horizon Fund series II-plan B-Institutional -Growth	2.00	-	-
	2.50	-	-
	2.50	-	-
	4.00	-	-
	-	-	-
	56.92	64.22	55.07
	-	-	-
	70.86	78.16	69.01

Notes:

1. Net asset value (NAV) of current investments Rs. 570,440,447 (Rs 487,926,419) as at 31 March 2007.
2. Refer note 6, schedule 16 for details of investments purchased and sold during the year ended 31 March 2007.

Schedules forming part of the consolidated financial statements

	As at 30 June 2007 (Rupees Crore)	As at 30 June 2006 (Rupees Crore)	As at 31 March 2007 (Rupees Crore)
SCHEDULE 5:			
Sundry debtors			
(Unsecured)			
Debts outstanding for a period exceeding six months			
- Considered good	4.86	0.26	1.33
- Considered doubtful	1.25	2.21	1.21
	6.11	2.47	2.54
Less: Provision for doubtful debts	-	-	-
	(1.25)	(2.21)	(1.21)
	4.86	0.26	1.33
	-	-	-
Other debts (considered good)	60.22	31.84	53.94
	-	-	-
	65.09	32.10	55.26

SCHEDULE 6:

Cash and bank balances

Cash in hand [including cheques in hand Rs. 708,663 (Rs. 1,989,242)]	0.05	0.09	0.12
Balances with scheduled banks:	-	-	-
- in current accounts	14.92	12.07	12.75
- in fixed deposit accounts	0.93	0.97	1.00
Balance with non scheduled bank**:	-	-	-
- in current account	-	-	-
Citibank-U.K.	-	-	0.08
Citibank-Singapore	-	-	0.51
Korea Exchange Bank	-	-	0.10
PNC Bank-USA	-	-	2.95
Bank of Tokyo Mitshubishi -Japan	-	-	7.00
Shinsei Bank - Japan	-	-	0.66
Citibank -Hong Kong	-	-	0.00
ANZ Bank - Australia	-	-	0.04
Citibank -Singapore	-	-	0.33
Citibank -Netherlands	-	-	0.46
- in fixed deposit accounts	-	-	-
ANZ Bank - Australia	-	-	0.00
Remittance in transit	0.56	-	0.84
	-	-	-
	16.46	13.13	26.83

*Maximum amount outstanding during the year

- in current accounts	-	-	-
Citibank-U.K	-	-	0.11
Citibank-Singapore	-	-	10.78
Korea Exchange Bank	-	-	0.25
PNC Bank-USA	-	-	6.03
Bank of Tokyo Mitshubishi -Japan	-	-	24.21
Shinsei Bank - Japan	-	-	7.68
Citibank -Hong Kong	-	-	0.01
ANZ Bank - Australia	-	-	0.32
Citibank -Netherlands	-	-	0.56
- in fixed deposit accounts	-	-	-
ANZ Bank - Australia	-	-	0.00

**include fixed deposits amounting to Rs. 9,954,311 (Rs. 9,149,266) under lien with bank on account of guarantees issued on behalf of the Company

SCHEDULE 7:**Loans and advances**

Advances recoverable in cash or in kind or for value to be received	4.85	2.05	3.63
Security deposits	2.52	1.39	2.60
Advance income tax [net of provision Rs 33,872,189 (Nil)]	0.89	-	0.59
Advance fringe benefit tax [net of provision Rs 11,995,604 (Rs Nil; Rs Nil)]	0.03	-	-
MAT credit entitlement (refer note 8, schedule16)	1.31	-	-
Prepaid expenses	2.74	1.19	2.64
	-	-	-
	12.34	4.63	9.46

SCHEDULE 8:**Other current assets**

Service income accrued but not due	21.33	10.01	18.04
Interest accrued but not due	0.12	0.09	0.11
	-	-	-
	21.45	10.10	18.16

Schedules forming part of the consolidated financial statements

As at	As at	As at
30 June 2007	30 June 2006	31 March 2007

(Rupees Crore) (Rupees Crore) (Rupees Crore)

SCHEDULE 9:

Current liabilities

Sundry creditors*	28.07	14.06	18.99
Withholding tax	1.89	1.26	1.45
Advances from customers	28.06	16.45	37.93
Unclaimed dividend	0.11	0.07	0.34
Other liabilities	4.02	2.79	3.80
Book overdraft	-	-	-
	-	-	-
	62.15	34.64	62.51

* There are no amounts payable to small scale industrial undertakings as defined under section 3(j) of the Industries (Development and Regulation) Act, 1951.

SCHEDULE 10:

Provisions

Gratuity	2.41	1.80	2.15
Leave encashment	3.27	2.81	2.92
Taxation [Net of advance tax Rs Nil (Rs 33,740,974)]	-	0.87	-
Fringe benefit tax [Net of advance fringe benefit tax Rs 10,325,604 (Rs 4,101,391)]	-	0.11	0.01
Dividend	-	5.64	-
Corporate dividend tax	-	0.79	-
	-	-	-
	5.67	12.02	5.08