



**NUCLEUS  
SOFTWARE**

**NUCLEUS SOFTWARE EXPORTS LTD.**

**CIN :** L74899DL1989PLC034594

**Corporate Office**

A-39, Sector-62, Noida,  
Uttar Pradesh, 201307. India.

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Date: 14.07.2014

The Listing Department,  
Bombay Stock Exchange Limited  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street,  
**Mumbai-400001**  
Fax Nos. 022-22722061/41/39

Dear Sirs,

**Sub.: Submission of Quarterly Compliance Report on Corporate  
Governance for the Quarter ended 30.06.2014.**

Please find enclosed herewith Quarterly Compliance Report on Corporate Governance for the quarter ended June 30, 2014.

This is for your information and records.

Thanking You.

Yours Sincerely

**FOR NUCLEUS SOFTWARE EXPORTS LIMITED**

**(POONAM BHASIN)  
COMPANY SECRETARY**



**Encl: A/a**

**Regd. Office**

33-35 Thyagraj Market, New Delhi, 110003. India.

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[www.nucleussoftware.com](http://www.nucleussoftware.com)

## Quarterly Compliance Report on Corporate Governance

**Name of the Company:** Nucleus software Exports Ltd.

**Quarter ended on:** June 30, 2014

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>I. Board of Directors</b>	49I		As per Note 1
(A) Composition of Board	49 (IA)	Yes	
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
(D) Code of Conduct	49 (ID)	Yes	
<b>II. Audit Committee</b>	49 (II)		As per Note 2
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	
(B) Meeting of Audit Committee	49 (IIB)	Yes	
(C) Powers of Audit Committee	49 (IIC)	Yes	
(D) Role of Audit Committee	49 II (D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	
<b>III. Subsidiary Companies</b>	49 (III)	Yes	As per Note 3
<b>IV. Disclosures</b>	49 (IV)		As per Note 4
(A) Basis of related party transactions	49 (IV A)	Yes	
(B) Disclosure of Accounting Treatment	49 (IV B)	N.A	
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes	
(E) Remuneration of Directors	49 (IV E)	Yes	
(F) Management	49 (IV F)	Yes	
(G) Shareholders	49 (IV G)	Yes	
<b>V. CEO/CFO Certification</b>	49 (V)	Yes	As per Note 5
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	As per Note 6
<b>VII. Compliance</b>	49 (VII)	Yes	As per Note 7



**(A) Note 1: Board of Directors**

Out of the total strength of 6 Directors of the Board, only 1 is Executive Director (MD) and 5 are Non-Executive Directors.

Chairman is an Independent Non-Executive Director and out of the total strength of 6 Directors of the Board, 5 are Independent Directors. More than 2/3 of the Board is Independent.

**(B) Non-Executive Directors' compensation & disclosures**

- (i) Commission paid to Non-Executive Directors is fixed by Board of Directors and also approved by Shareholders in General Meeting held on July 8, 2009.
- (ii) Revised Sitting fees paid to Non-Executive Director are approved by Board of Directors at the Board meeting held on May 3, 2014. Other Compensation of Non-Executive Directors approved by Shareholders in General Meeting held on July 8, 2005.

**(C) Other provisions as to Board and Committees**

- (i) The Board has met once during the current financial year till date.
- (ii) Annual Disclosures/ MBP-1 by Directors occupying position in committees is placed before the Board. Changes, if any, during the year also notified by Directors to the Company.
- (iii) CSR Committee was formed in the Meeting of the Board of Directors held on October 19, 2013 and the Committee has held its first meeting on 30<sup>th</sup> March 2014.

**Note 2: Audit Committee**

The Audit Committee of the Board was formed in the meeting of the Board of Directors held on August 13, 2001. The Audit Committee of the Board comprises of 3 Independent and financially literate Directors.

The Company holds Audit Committee meetings each qtr before adoption of results and has met 2 times in the current financial year till date. The Audit Committee performs all functions as enumerated in clause 49.

**Note 3: Subsidiary Companies**

The Company does not have any Material Indian Unlisted Subsidiary Company as on the date of this report. The Audit Committee reviews financial statements of all unlisted subsidiaries and their Board Minutes are placed in the Company's' Board meeting.



**Note 4: Disclosures**

**(A)Basis of Related party transactions:**

A Summary of all transactions with related parties, material individual transactions with related parties, if any are placed before the Audit Committee.

**(B)Disclosure of Accounting Treatment**

Not Applicable

**(C) Board Disclosures:**

The Company has already laid down procedures to inform Board members about risk assessment and minimization procedures and are periodically reviewed.

**(D) Proceeds from public issues, right issues, preferential issues etc.**

In case of such proceeds, if any, adequate disclosures shall be placed before the Audit Committee members.

**(E) Remuneration of Directors**

Disclosure on remuneration of Directors is a part of Corporate Governance Report in the Annual Report. All additional disclosures are included in current year's Annual Report.

**(F) Management**

The Management discussion and analysis is a regular part of our Annual Report.

**(G) Shareholders:**

1. Directors retiring by rotation have been reappointed through voting by Poll in the Annual General Meeting held on July 10, 2013, a brief resume of the Directors was provided in the notice of AGM as well as " Report on Corporate Governance" in Annual Report.
2. The Company's quarterly/annual results are on its web site.
3. In the meeting of the Board of Directors held on October 19, 2013, in order to align with the new laws of Companies Act 2013, it was decided to rename the Committee from "Shareholders Grievance committee" to "Stakeholders Relationship Committee.

**Note 5: CEO/CFO Certification**

CEO/CFO certification is published in the Annual Report for the year 2013-14.

**Note 6: Report on Corporate Governance**

Corporate Governance Report is a part of the Annual Report.

**Note 7: Compliance**

The Company obtains a compliance certificate from Statutory Auditors on annual basis, which forms part of Annual Report.

