

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
BALANCE SHEET AS AT 31 MARCH 2020

	Notes	As at 31 March 2020 (ZAR)	As at 31 March 2019 (ZAR)	As at 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)	As at 31 March 2019 (Rupees) (Unaudited) Refer note 1.2 (i)
ASSETS					
Non-current assets					
Property, plant and equipment	2.1	16,604	25,350	70,234	120,921
Financial assets					
Income tax asset	2.2	-	6,655	-	31,744
		16,604	32,005	70,234	152,665
Current Assets					
Financial assets					
Cash and Cash Equivalents	2.3	855,100	880,385	3,617,073	4,199,438
		855,100	880,385	3,617,073	4,199,438
TOTAL ASSETS		871,704	912,390	3,687,307	4,352,103
EQUITY & LIABILITIES					
EQUITY					
Equity Share capital	2.4	612,000	612,000	2,588,760	2,919,240
Other equity	2.5	244,158	290,548	1,032,785	1,385,912
		856,158	902,548	3,621,545	4,305,152
Current liabilities					
Financial liabilities					
Trade payables	2.6	15,546	9,842	65,762	46,951
		15,546	9,842	65,762	46,951
TOTAL EQUITY AND LIABILITIES		871,704	912,390	3,687,307	4,352,103

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

In terms of our report attached

For **SPMG & CO.**
Chartered Accountants
ICAI Firm Registration Number : 509249C

Sd/-

VINOD GUPTA
Partner
Membership number : 090687

Place : New Delhi
Date : 21 May 2020

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Sd/-

VISHNU R DUSAD
Director

Place : Noida
Date : 21 May 2020

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31 MARCH 2020

	Notes	Year Ended 31 March 2020 (ZAR)	Year Ended 31 March 2019 (ZAR)	Year Ended 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)	Year Ended 31 March 2019 (Rupees) (Unaudited) Refer note 1.2 (i)
1. REVENUE FROM OPERATIONS					
Sales and services	2.7	-	-	-	-
2. OTHER INCOME	2.8	733	244	3,519	1,257
3. TOTAL INCOME (1+2)		733	244	3,519	1,257
4. EXPENSES					
a. Operating and other expenses	2.9	23,476	5,475	112,684	28,193
b. Finance cost - Bank Charges	2.10	8,246	7,989	39,580	41,145
c. Depreciation/Amortisation	2.1	8,746	8,746	41,979	43,991
TOTAL EXPENSES		40,468	22,210	194,243	113,329
5. PROFIT/(LOSS) BEFORE TAX		(39,735)	(21,966)	(190,724)	(112,072)
6. TAX EXPENSE					
Current income tax		6,655	-	31,944	-
7. PROFIT/(LOSS) FOR THE PERIOD		(46,390)	(21,966)	(222,668)	(112,072)
8. OTHER COMPREHENSIVE INCOME					
Items that will be reclassified to profit or loss					
Currency Translation reserve		-	-	(130,459)	(245,841)
OTHER COMPREHENSIVE INCOME		-	-	(130,459)	(245,841)
9. TOTAL COMPREHENSIVE INCOME/(LOSS) (7+8)		(46,390)	(21,966)	(353,127)	(357,913)
10. EARNINGS PER EQUITY SHARE					
Equity shares of ZAR 61,200 each					
a. Basic		(4,639)	(2,197)	(22,267)	(11,207)
b. Diluted		(4,639)	(2,197)	(22,267)	(11,207)
Number of shares used in computing earnings per share					
a. Basic		10	10	10	10
b. Diluted		10	10	10	10

See accompanying notes forming part of the financial statements

In terms of our report attached

For SPMG & CO.
Chartered Accountants
ICAI Firm Registration Number : 509249C

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Sd/-

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VINOD GUPTA
Partner
Membership number : 090687

VISHNU R DUSAD
Director

Place : New Delhi
Date : 21 May 2020

Place : Noida
Date : 21 May 2020

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

	Notes Ref.	Year ended 31 March 2020 (ZAR)	Year ended 31 March 2019 (ZAR)	Year ended 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)	Year ended 31 March 2019 (Rupees) (Unaudited) Refer note 1.2 (i)
A. Cash flow from operating activities					
Net profit / (loss) before tax		(39,735)	(21,966)	(190,724)	(112,072)
Depreciation and amortisation		8,746	8,746	41,979	43,991
Interest Income on bank deposits		(128)	(154)	(613)	(793)
Adjustments for:					
Exchange difference on translation of foreign currency accounts		-	-	(457,748)	(679,176)
Operating profit/(loss) before working capital changes		(31,117)	(13,374)	(607,106)	(748,050)
Adjustment for (increase)/decrease in operating assets					
Other non-current assets		-	8,054	-	-
Other current assets		-	18,563	-	88,546
Adjustment for increase/(decrease) in operating liabilities					
Trade payables		5,704	(25,131)	24,128	(119,875)
Taxes paid		-	-	-	-
Net cash flow from/(used in) operating activities (A)		(25,413)	(11,888)	(582,978)	(779,379)
B. Cash flow from investing activities					
Purchase of Property, plant and equipment		-	-	-	-
Net cash from/ (used in) investing activities (B)		-	-	-	-
C. Cash flow from financing activities					
Interest Income		128	154	613	793
Net cash from/ (used in) financing activities (B)		128	154	613	793
Net increase/ (decrease) in cash and cash equivalents (A+B+C)		(25,285)	(11,734)	(582,365)	(778,586)
Cash and cash equivalents at the beginning of the year	2.3	880,385	892,119	4,199,438	4,978,024
Cash and cash equivalents at the end of the year	2.3	855,100	880,385	3,617,073	4,199,438

See accompanying notes forming part of the Financial Statements 1 & 2

In terms of our report attached

For SPMG & CO.
Chartered Accountants
ICAI Firm Registration Number : 509249C

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Sd/-

VINOD GUPTA
Partner
Membership number : 090687

Sd/-

VISHNU R DUSAD
Director

Place : New Delhi
Date : 21 May 2020

Place : Noida
Date : 21 May 2020

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(Amount in ZAR)		
Balance as of 1 April 2019	Changes in equity share capital during the year	Balance as on 31 March 2020
612,000	-	612,000

(Amount in Rupees)		
Balance as of 1 April 2019	Changes in equity share capital during the year (refer Note below)	Balance as on 31 March 2020
2,919,240	-	2,588,760

Note: There has been no change in equity share capital during the year but closing balances have been restated due to translation from ZAR to Rupees

(Amount in ZAR)		
Balance as of 1 April 2018	Changes in equity share capital during the year	Balance as on 31 March 2019
612,000	-	612,000

(Amount in Rupees)		
Balance as of 1 April 2018	Changes in equity share capital during the year	Balance as on 31 March 2019
2,968,200	-	2,968,200

Note: There has been no change in equity share capital during the year but closing balances have been restated due to translation from ZAR to Rupees

B. Other Equity

(Amount in ZAR)		
	Reserves and Surplus	Total
	Retained earnings	
Balance as of 1 April 2019	290,548	290,548
Profit/(Loss) for the year	(46,390)	(46,390)
Balance as of 31 March 2020	244,158	244,158

(Amount in ZAR)			
(Amount in Rupees)			
	Reserves and Surplus	Items of OCI	Total
	Retained earnings	Currency Translation reserve	
Balance as of 1 April 2019	1,328,348	57,564	1,385,912
Profit/(Loss) for the year	(222,668)	(130,459)	(353,127)
Balance as of 31 March 2020	1,105,680	(72,895)	1,032,785

(Amount in ZAR)		
	Reserves and Surplus	Total
	Retained earnings	
Balance as of 1 April 2018	312,514	312,514
Profit/(Loss) for the year	(21,966)	(21,966)
Balance as of 31 March 2019	290,548	290,548

(Amount in ZAR)			
(Amount in Rupees)			
	Reserves and Surplus	Items of OCI	Total
	Retained earnings	Currency Translation reserve	
Balance as of 1 April 2018	1,440,420	303,405	1,743,825
Profit/(Loss) for the year	(112,072)	(245,841)	(357,913)
Balance as of 31 March 2019	1,328,348	57,564	1,385,912

See accompanying notes forming part of the financial statements

In terms of our report attached

For SPMG & CO.

Chartered Accountants

ICAI Firm Registration Number : 509249C

Sd/-

VINOD GUPTA

Partner

Membership number : 090687

Place : New Delhi

Date : 21 May 2020

For and on behalf of the Board of Directors

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Sd/-

VISHNU R DUSAD

Director

Place : Noida

Date : 21 May 2020

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.1 Property, plant and equipment

(Amount in ZAR)

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT			
	As at 1 April 2019	Additions	Deductions	Currency Translation	As at 31 March 2020	As at 1 April 2019	Depreciation for the year	Currency Translation	Deductions	As at 31 March 2020	As at 31 March 2019	
- Office equipment	43,541 (43,541)	- -	- -		43,541 (43,541)	18,191 (9,445)	8,746 (8,746)		- -	26,937 (18,191)	16,604 (25,350)	25,350 (34,096)
Total	43,541	-	-		43,541	18,191	8,746		-	26,937	16,604	25,350
Previous year	(43,541)	-	-	-	(43,541)	(9,445)	(8,746)		-	(18,191)	(25,350)	(34,096)

(Amount in Rupees)

(Unaudited - Refer note 1.2 (i))

PARTICULARS	GROSS CARRYING AMOUNT				ACCUMULATED DEPRECIATION				NET CARRYING AMOUNT			
	As at 1 April 2019	Additions	Deductions	Currency Translation	As at 31 March 2020	As at 1 April 2019	Depreciation for the year	Currency Translation	Deductions	As at 31 March 2020	As at 31 March 2020	As at 31 March 2019
Tangible assets												
- Office equipment	207,691 (242,959)	- -	- -	(23,513) (35,268)	184,178 (207,691)	86,771 (52,704)	41,979 (43,991)	(14,806) (9,925)	- -	113,944 (86,770)	70,234 (120,921)	120,920 (190,255)
Total Tangible assets	207,691	-	-	(23,513)	184,178	86,771	41,979	(14,806)	-	113,944	70,234	120,920
Previous year	(242,959)	-	-	(35,268)	(207,691)	(52,704)	(43,991)	(9,925)	-	(86,770)	(120,921)	(190,255)

Note:

(i) Figures in bracket pertain to previous year.

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31 March 2020 (ZAR)	As at 31 March 2019 (ZAR)	As at 31 March 2020 (Rupees) (Unaudited) Refer note 1.2 (i)	As at 31 March 2019 (Rupees) (Unaudited) Refer note 1.2 (i)
2.2 INCOME TAX ASSETS				
Advance income tax (net of provisions)	-	6,655	-	31,744
	<u>-</u>	<u>6,655</u>	<u>-</u>	<u>31,744</u>
2.3 CASH AND CASH EQUIVALENTS				
Balances with non scheduled banks:				
- in current accounts	855,100	880,385	3,617,073	4,199,438
	<u>855,100</u>	<u>880,385</u>	<u>3,617,073</u>	<u>4,199,438</u>
2.4 SHARE CAPITAL				
a. Authorised				
Equity Shares	612,000	612,000	2,588,760	2,919,240
10 equity shares of ZAR 61,200 each				
b. Issued, Subscribed and Paid-Up				
10 Equity shares of ZAR 61,200 each fully paid up, held by Nucleus Software Exports Limited, India (the Holding Company).	<u>612,000</u>	<u>612,000</u>	<u>2,588,760</u>	<u>2,919,240</u>
Notes :				
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :-				
As at beginning of the year				
- Number of shares	10	10	10	10
- Amount	612,000	612,000	2,588,760	2,919,240
Shares issued/(bought back) during the year				
- Number of shares	-	-	-	-
- Amount	-	-	-	-
As at end of the year				
- Number of shares	10	10	10	10
- Amount	612,000	612,000	2,588,760	2,919,240
(ii) Rights, preferences and restrictions attached to shares :-				
The Company has one class of equity shares having a par value of ZAR 61,200 each. Each shareholder is eligible for one vote per share held.				
(iii) Details of share held by the Holding Company :-				
Nucleus Software Exports Limited				
- Number of shares	10	10	10	10
- Percentage	100%	100%	100%	100%
- Amount	612,000	612,000	612,000	612,000

2.5 OTHER EQUITY

Particulars	As at	As at	As at	As at
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	(ZAR)	(ZAR)	(Rupees)	(Rupees)
			(Unaudited)	(Unaudited)
			Refer note 1.2 (i)	Refer note 1.2 (i)
Retained Earnings	244,158	290,548	1,105,680	1,328,348
Other Comprehensive Income-Currency translation reserve	-	-	(72,895)	57,564
a. Retained Earnings				
Opening Balance	290,548	312,514	1,328,348	1,440,420
Add: Profit/ (Loss) for the year	(46,390)	(21,966)	(222,668)	(112,072)
Closing balance	244,158	290,548	1,105,680	1,328,348
b. Other Comprehensive Income				
Currency translation reserve				
Opening balance	-	-	57,564	303,405
Add: Created during the year	-	-	(130,459)	(245,841)
Closing balance	-	-	(72,895)	57,564
	244,158	290,548	1,032,785	1,385,912

2.6 TRADE PAYABLES

a. Trade Payables				
i) Total outstanding dues of micro enterprises and small enterprises	-	-	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	15,546	9,842	65,762	46,951
	15,546	9,842	65,762	46,951

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	Year Ended	Year Ended	Year Ended	Year Ended
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	(ZAR)	(ZAR)	(Rupees) (Unaudited) Refer note 1.2 (i)	(Rupees) (Unaudited) Refer note 1.2 (i)
2.7 SALES AND SERVICES				
a. Sales & Marketing activities from holding Company	-	-	-	-
2.8 OTHER INCOME				
a. Interest income on				
- Deposits with banks	128	154	613	793
b. Net gain on foreign currency transactions	-	90	-	464
c. Gain on sale of Property, plant and equipment	605	-	2,906	-
	733	244	3,519	1,257
2.9 OPERATING AND OTHER EXPENSES				
a. Legal and professional expenses	19,876	12,897	95,404	66,416
b. Insurance	-	(4,222)	-	(21,741)
c. Rates and taxes	600	600	2,880	3,090
d. Miscellaneous Expenses	3,000	(3,800)	14,400	(19,572)
	23,476	5,475	112,684	28,193
2.10 FINANCE COST				
a. Bank charges	8,246	7,989	39,580	41,145
	8,246	7,989	39,580	41,145

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.11 Financial Instruments

a) Financial Instruments by category

The carrying value and fair value of financial instruments by categories of 31 March 2020 were as follows:

(Amount in ZAR)

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents (2.3)	855,100	-	-	855,100	855,100
	855,100	-	-	855,100	855,100
Liabilities:					
Trade payables (2.6)	15,546	-	-	15,546	15,546
	15,546	-	-	15,546	15,546

The carrying value and fair value of financial instruments by categories of 31 March 2019 were as follows:

(Amount in ZAR)

Particulars	Amortised cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash and cash equivalents (2.3)	880,385	-	-	880,385	880,385
	880,385	-	-	880,385	880,385
Liabilities:					
Trade payables (2.6)	9,842	-	-	9,842	9,842
	9,842	-	-	9,842	9,842

The carrying amount of current trade receivables, trade payables, security deposit, current financial assets and cash and cash equivalent are considered to be same as their fair values, due to their short-term nature.

NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

b) Financial risk management

The Company's activities expose it to a variety of financial risks arising from financial instruments

As of 31 March 2020, the Company had a working capital of ZAR 839,554 (31 March 2019: ZAR 870,543)

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2020 :

Particulars	Less than 1 year	1-2 years	Total
Trade payables	15,546	-	15,546

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2019:

Particulars	Less than 1 year	1-2 years	Total
Trade payables	9,842	-	9,842

c) Capital Management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and
- maintain an appropriate capital structure

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management in deployment of funds and sourcing by leveraging opportunities in domestic and international financial markets so as to maintain investors, creditors & markets' confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity.

Risk management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders, raise debts or issue new shares.

2.12 In view of pandemic relating to COVID -19, the Company has considered internal and external information and has performed sensitivity analysis based on current estimates in assessing the recoverability of right-of-use assets, investment in subsidiary, trade receivables and other financial assets, for possible impact on the Standalone Financial Statements. However, the actual impact of COVID-19 on the Company's standalone financial statements may differ from that estimated and the Company will continue to closely monitor any material changes to future economic conditions.

2.13 SEGMENT REPORTING

Based on the guiding principles stated in IndAS 108 on "Segment Reporting" with the accounting standards specified under section 133 of the Act, as applicable, the Company has identified its business of providing software development services as one reportable business segment only. Accordingly, no additional disclosure for segment reporting have been made in the financial statements.

For SPMG & CO.
Chartered Accountants
ICAI Firm Registration Number : 509249C

For and on behalf of the Board of Directors
NUCLEUS SOFTWARE SOUTH AFRICA (PTY) LTD

Sd/-

VINOD GUPTA
Partner
Membership number : 090687

Place : New Delhi
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