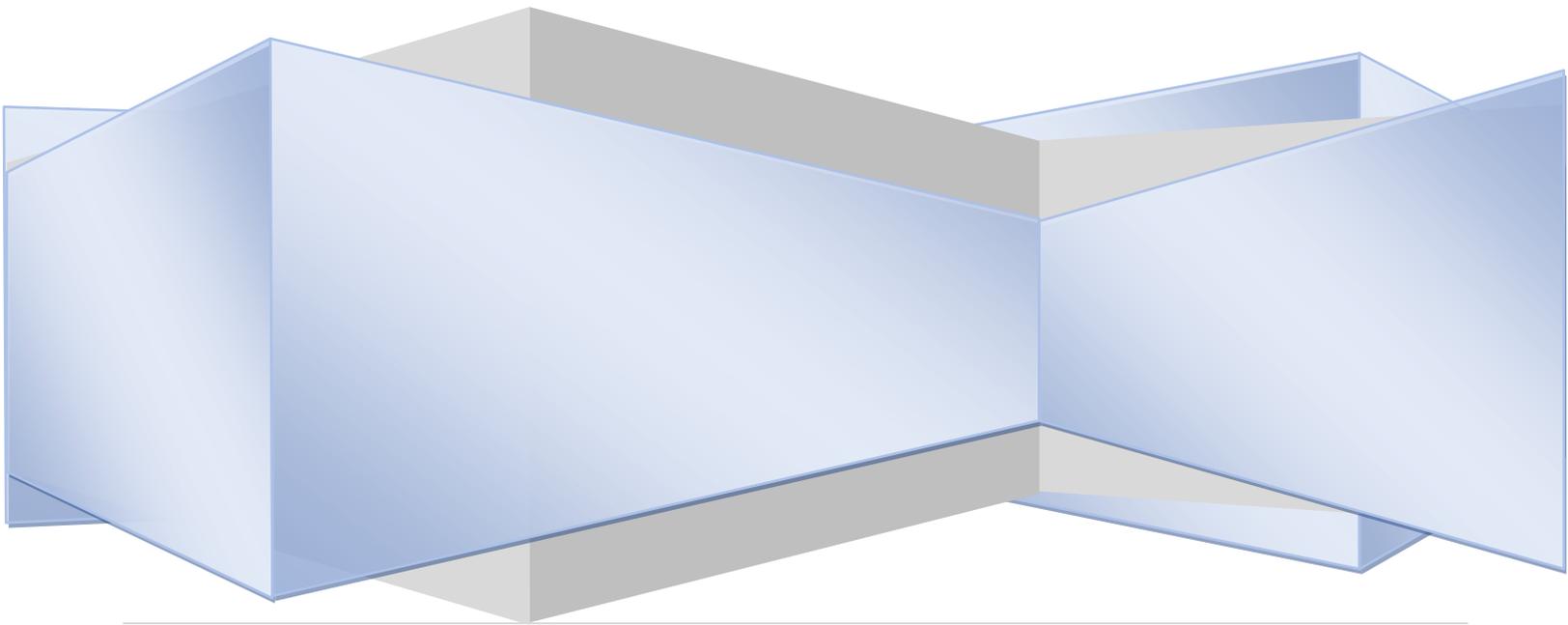




**NUCLEUS
SOFTWARE**

Quarterly Report

September 30, 2016



FINANCIAL HIGHLIGHTS

Rs. in Crore except per share data

Particulars	Consolidated Performance				
	For the Quarter ended			Half Year ended	
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Revenue from Operations	95.60	89.95	84.68	185.56	169.51
Operating Profit (EBITDA)	14.15	9.16	1.70	23.31	5.97
Profit after Tax (PAT)	13.68	10.83	4.54	24.52	11.34
EBITDA Margin	15%	10%	2%	13%	4%
PAT Margin	14%	12%	5%	13%	7%
EPS	4.23	3.34	1.40	7.57	3.50

At the end of the Period	As at		
	September 30, 2016	June 30, 2016	September 30, 2015
Share Capital	32.39	32.39	32.39
Reserves and Surplus	449.65	435.91	416.99
Net Worth	482.04	468.30	449.38
Total Assets	608.75	604.10	554.86
Net Fixed Assets	48.56	50.61	55.12
Current Assets	376.67	381.86	380.50
Cash and Cash Equivalents	272.47	262.74	246.98
Working Capital	261.16	251.31	280.49
Market Capitalisation	568.50	730.58	763.77
No. of Shares (Face Value of Rs.10.00)	3,23,83,724	3,23,83,724	3,23,83,724

Notes:

- 1.) Market Capitalisation is calculated by considering the closing market price of the scrip at the close of the quarter which is Rs. 175.55 at Sep 30, 2016, Rs. 225.60 at June 30, 2016, Rs. 235.85 at Sep 30, 2015
- 2.) While calculating the figures of group, intergroup transactions have been ignored.
- 3.) Previous year figures have been regrouped/ reclassified wherever necessary.

USD million except per share data

Particulars	Consolidated Performance				
	For the Quarter ended			Half Year ended	
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
Revenue from Operations	14.16	13.39	13.11	27.55	26.82
Operating Profit (EBITDA)	2.09	1.36	0.26	3.46	0.95
Profit after Tax (PAT)	2.03	1.61	0.70	3.64	1.80
EBITDA Margin	15%	10%	2%	13%	4%
PAT Margin	14%	12%	5%	13%	7%
EPS	0.63	0.50	0.22	1.12	0.56
US \$/ INR Exchange Rate*	67.54	67.18	64.59	67.54	64.59

At the end of the Period	As at		
	September 30, 2016	June 30, 2016	September 30, 2015
Share Capital	4.86	4.80	4.94
Reserves and Surplus	67.49	64.55	63.58
Net Worth	72.36	69.35	68.51
Total Assets	91.38	89.46	84.60
Net Fixed Assets	7.29	7.50	8.40
Current Assets	56.54	56.55	58.01
Cash and Cash Equivalents	40.90	38.91	37.65
Working Capital	39.20	37.21	42.76
Market Capitalisation	85.33	108.19	116.45
US \$/ INR Exchange Rate#	66.62	67.53	65.59

Note:

- 1.) Market Capitalisation is calculated by considering the closing market price of the scrip at the close of the quarter which is Rs. 175.55 at Sep 30, 2016, Rs. 225.60 at June 30, 2016, Rs. 235.85 at Sep 30, 2015
- 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 Second quarter and Half Year ended of the financial year 2016-17.

First the financial performance, consolidated revenue for the quarter was Rs. 95.6 crore against Rs. 84.7 crore in the corresponding quarter of the previous year. The consolidated EBITDA was Rs. 14.1 crore in comparison to Rs. 1.7 crore in the corresponding quarter of the previous year. Consolidated net profit was Rs. 13.7 crore in comparison to Rs. 4.5 crore in the corresponding quarter of the previous year. EPS for the quarter was Rs. 4.23 against Rs. 1.40 in the corresponding quarter of the previous year.

The Product business revenue was Rs. 75.1 crore against Rs. 62.3 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 cash equivalents, including investments in debt schemes of mutual funds, fixed deposits with banks and tax free bonds are at Rs. 412.0 crore as on 30th Sept, 2016, as against Rs. 394.5 crore on 30th June, 2016. We had a hedging position of US\$ 6.37 million, Sep 30, 2016 at an average rate of Rs. 68.73.

During the quarter, 10 product module implementations successfully went live. With successful implementation of FinnOne at bob Finance, a Zurich based Fintech Company, we built on our existing presence in Europe. We Completed FinnOne Neo deployment in the cloud for Shubham Housing Development Finance Company Ltd (SHDFC), providing Shubham with a seamless customer acquisition platform, while streamlining home loan processing and helping them to scale faster.

The Manpower numbers are at 1,696 as on Sep 30, 2016.

To meet their customers' expectations of personalized, real-time, digital experiences banks and financial institutions are reshaping their business models with a strong focus on digital and analytical capabilities. They realize the urgent need to transform, they understand that technology can be a business enabler and we are continuing to help them take advantage. In the second quarter we saw continuing traction in our cloud business and digital solutions. We have helped customers all over the world go-live, and I'm proud to say that FinnOne, our market leading lending solution helped a leading bank in India win a technology excellence award.

Vishnu R Dusad

Managing Director & Chief Executive Officer

Date: September 30, 2016

FINANCIAL STATEMENTS OF NUCLEUS SOFTWARE EXPORTS LTD.

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF NUCLEUS SOFTWARE EXPORTS LIMITED

We have audited the Statement of Standalone Financial Results ('the Statement') of Nucleus Software Exports Limited ('the Company') for the quarter and half year ended 30 September 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement has been prepared by the Company on the basis of the related standalone interim financial statements, which is the responsibility of the Company's Management and approved by the Board of Directors of the Company. Our responsibility is to express an opinion on this Statement based on our audit of such standalone interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25) prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India.

Attention is drawn to the fact that the figures for the quarter and half year ended 30 September 2015 and year ended 31 March 2016 have been audited by M/s Deloitte Haskins and Sells, Chartered Accountants.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the Statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

(i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 in this regard; and

(ii) gives a true and fair view in conformity with the accounting principles generally accepted in India of the net profit and other financial information for the quarter and half year ended September 30, 2016.

For B S R & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 116231W/W-100024

Rakesh Dewan
Partner
Membership number: 092212

Place: New Delhi
Date: 20 October 2016

BALANCE SHEET

NUCLEUS SOFTWARE EXPORTS LIMITED BALANCE SHEET AS AT 30 September, 2016

	Notes Ref.	As at 30 September, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
<u>EQUITY AND LIABILITIES</u>			
1. SHAREHOLDERS' FUNDS			
a. Share capital	2.1	32,38,52,240	32,38,52,240
b. Reserves and surplus	2.2	4,11,13,16,926	3,92,09,97,514
		4,43,51,69,166	4,24,48,49,754
2. NON-CURRENT LIABILITIES			
a. Other Long term liabilities	2.3	6,43,14,919	3,19,93,885
b. Long-term provisions	2.4	4,35,20,993	3,81,52,090
		10,78,35,912	7,01,45,975
3. CURRENT LIABILITIES			
a. Trade payables	2.5		
i) Total outstanding dues of micro enterprises and small enterprises		-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		30,13,21,215	28,45,24,270
b. Other current liabilities	2.6	74,21,80,717	77,37,39,469
c. Short-term provisions	2.7	1,58,35,013	1,95,00,693
		1,05,93,36,945	1,07,77,64,432
		5,60,23,42,023	5,39,27,60,161
<u>ASSETS</u>			
1. NON-CURRENT ASSETS			
a. Fixed assets			
- Tangible assets	2.8	29,98,16,006	30,81,22,854
- Intangible assets	2.8	2,91,03,371	4,60,82,968
- Capital work in progress		31,90,290	1,10,04,412
		33,21,09,667	36,52,10,234
b. Non-current investments	2.9	1,48,60,35,251	1,35,72,60,460
c. Deferred tax assets (net)	2.10	2,35,78,641	1,83,59,316
d. Long-term loans and advances	2.11	27,40,51,416	22,14,43,761
e. Other non-current assets	2.12	22,81,81,773	22,59,33,740
		2,34,39,56,748	2,18,82,07,511
2. CURRENT ASSETS			
a. Current investments	2.13	1,73,27,85,631	1,17,63,11,386
b. Trade receivables	2.14	54,46,18,626	78,11,19,460
c. Cash and cash equivalents	2.15	65,01,41,753	93,13,51,764
d. Short-term loans and advances	2.16	7,97,65,709	12,45,23,442
e. Other current assets	2.17	25,10,73,556	19,12,46,598
		3,25,83,85,275	3,20,45,52,650
		5,60,23,42,023	5,39,27,60,161

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

In terms of our report attached

For B S R & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number : 116231W/W-100024

JANKI BALLABH

Chairman

VISHNU R DUSAD

Managing Director &
Chief Executive Officer

RAKESH DEWAN

Partner

Membership number : 092212

ASHISH NANDA

Chief Financial Officer

POONAM BHASIN

AVP (Secretarial) &
Company Secretary

Place : Noida

Date : 20 October, 2016

Place : Noida

Date : 20 October, 2016

PROFIT & LOSS

NUCLEUS SOFTWARE EXPORTS LIMITED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER, 2016

	Notes Ref.	For the Quarter ended		For the Half year ended	
		30 September, 2016	30 September, 2015	30 September, 2016	30 September, 2015
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
1. REVENUE FROM OPERATIONS					
Income from software product and services	2.18	77,58,68,862	66,01,58,685	1,48,68,62,055	1,33,46,79,831
2. OTHER INCOME	2.19	6,19,60,398	5,66,86,301	12,19,68,146	22,22,54,473
3. TOTAL REVENUE (1+2)		83,78,29,260	71,68,44,986	1,60,88,30,201	1,55,69,34,304
4. EXPENSES					
a. Employee benefits expense	2.20	45,12,60,315	44,63,40,520	90,24,23,464	85,71,72,130
b. Operating and other expenses	2.21	22,17,09,358	23,85,61,603	42,95,66,887	49,61,50,809
c. Finance cost	2.22	7,50,674	10,54,746	16,36,669	23,28,569
d. Depreciation and amortisation expense	2.8	2,84,59,160	2,76,68,843	5,51,96,962	5,49,95,244
TOTAL EXPENSES		70,21,79,507	71,36,25,712	1,38,88,23,982	1,41,06,46,752
5. PROFIT BEFORE TAX (3-4)		13,56,49,753	32,19,274	22,00,06,219	14,62,87,552
6. TAX EXPENSE					
a. Current tax expense		2,12,00,000	(62,00,000)	3,28,00,000	1,64,00,000
b. MAT credit entitlement		-	(85,00,000)	(18,00,000)	-1,26,00,000
c. Tax expense / (credit) relating to prior period		21,31,904	62,23,758	21,31,904	62,23,758
d. Withholding taxes charged off		-23,76,076	1,63,20,710	49,34,903	1,63,20,710
Current tax expense		2,09,55,828	78,44,468	3,80,66,807	2,63,44,468
e. Deferred tax (credit) /charge	2.10	22,85,343	(75,06,318)	(52,19,325)	(1,05,05,275)
NET TAX EXPENSE		2,32,41,171	3,38,150	3,28,47,482	1,58,39,193
7. PROFIT AFTER TAX FOR THE QUARTER / HALF YEAR (5-6)		11,24,08,582	28,81,124	18,71,58,737	13,04,48,359
Equity shares of Rupees 10 each					
a. Basic		3.47	0.09	5.78	4.03
b. Diluted		3.47	0.09	5.78	4.03
Number of shares used in computing earnings per share					
a. Basic		3,23,83,724	3,23,83,724	3,23,83,724	3,23,83,724
b. Diluted		3,23,83,724	3,23,83,724	3,23,83,724	3,23,83,724

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

In terms of our report attached

For B S R & ASSOCIATES LLP

Chartered Accountants

ICAI Firm Registration Number : 116231W/W-
100024

For and on behalf of the Board of Directors

**JANKI
BALLABH**
Chairman

**VISHNU R
DUSAD**
Managing Director &
Chief Executive Officer

RAKESH DEWAN

Partner

Membership number : 092212

ASHISH NANDA
Chief Financial Officer

POONAM BHASIN
AVP (Secretarial) &
Company Secretary

Place : New Delhi

Date : 20 October, 2016

Place : New Delhi

Date : 20 October, 2016

CASH FLOW STATEMENT

NUCLEUS SOFTWARE EXPORTS LIMITED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30 SEPTEMBER, 2016

Notes Ref.	For the Half year Ended 30 September, 2016 (Rupees)	For the Half year Ended 30 September, 2015 (Rupees)
A. Cash flow from operating activities		
Net profit before tax	22,00,06,219	14,62,87,552
Adjustment for:		
Depreciation and amortisation expense	5,51,96,962	5,49,95,244
Exchange gain on translation of foreign currency accounts (net)	(1,24,61,365)	1,42,42,355
Dividend received from non-trade investments	(4,22,44,160)	(1,85,73,776)
Dividend on long term trade investment	(1,29,760)	(1,25,000)
Dividend received from subsidiary	-	(8,50,00,000)
Interest on fixed deposits and others	(7,33,87,214)	(8,91,98,300)
Interest on loan to subsidiaries	-	(1,11,130)
Net gain on sale of investments	(10,92,503)	(41,11,583)
Profit on sale of fixed assets (net)	(34,57,718)	6,48,916
Provision for doubtful debts/advances/other current assets	(25,68,712)	1,58,91,174
Provisions written back	(43,82,379)	(1,50,43,295)
Operating profit before working capital changes	13,54,79,370	1,99,02,157
Adjustment for (increase) / decrease in operating assets		
- Trade receivables	23,95,06,106	25,65,768
- Short-term loans and advances	4,68,42,322	72,32,088
- Long-term loans and advances	(6,94,494)	(20,35,322)
- Other current assets	(3,91,47,562)	(3,81,61,255)
- Other non-current assets	(22,48,033)	(19,29,072)
Adjustment for increase / (decrease) in operating liabilities		
- Trade payables	3,25,36,076	7,73,70,094
- Other current liabilities	22,46,734	1,04,34,632
- Short-term provisions	19,53,463	12,07,537
- Long-term provisions	53,68,903	33,86,584
	42,18,42,885	7,99,76,467
Net income tax (paid)/refund	(8,24,02,244)	(2,88,57,512)
Cash flow from / (used in) operating activities	33,94,40,641	5,11,18,955
B. Cash flow from investing activities		
Purchase of fixed assets	(2,15,33,395)	(2,47,62,691)
Proceeds from sale of fixed assets	34,78,494	13,97,892
Purchase of current investments	(1,42,89,88,464)	(1,83,78,51,361)
Proceeds from sale of current investments	1,04,36,06,721	1,67,24,03,673
Purchase of long term investments in Bonds and mutual funds	(27,72,74,790)	(9,89,99,999)
Investments in subsidiaries	(2,15,00,000)	(31,82,500)
Bank balance not considered as cash and cash equivalents -	31,92,23,200	31,51,44,972

matured		
Interest on fixed deposits and others (net)	5,42,66,589	3,23,66,916
Income tax paid	(1,38,17,847)	-
Dividend received from non-trade investments	4,22,44,160	1,85,73,776
Dividend on long term trade investment	1,29,760	1,25,000
Dividend received from subsidiary	-	8,50,00,000
Net cash from / (used in) investing activities (B)	(30,01,65,572)	9,63,15,678

C. Cash flow from financing activities

Dividend paid (including corporate dividend tax)	-	(17,75,77,712)
Net cash flow from / (used in) financing activities (C)	-	(17,75,77,712)

Net increase / (decrease) in cash and cash equivalents (A+B+C)		3,92,75,069	(3,01,43,079)
Opening cash and cash equivalents	2.15	4,00,19,162	9,33,82,175
Exchange difference on translation of foreign currency bank accounts		2,22,476	19,59,468
Closing cash and cash equivalents	2.15	7,95,16,707	6,51,98,564

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

In terms of our report attached

For **B S R & ASSOCIATES LLP**
Chartered Accountants
ICAI Firm Registration Number : 116231W/W-100024

For and on behalf of the Board of Directors

JANKI BALLABH
Chairman

VISHNU R DUSAD
Managing Director &
Chief Executive
Officer

RAKESH DEWAN
Partner
Membership number : 092212

ASHISH NANDA
Chief Financial Officer

POONAM BHASIN
AVP (Secretarial) &
Company Secretary

Place : New Delhi
Date : 20 October, 2016

Place : New Delhi
Date : 20 October, 2016

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 September, 2016, 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, Africa, Japan, Netherlands and Australia. The Company has wholly and partly owned subsidiaries in 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 ("the 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- end user devices such laptops, desktops etc.	3
Computers- servers and networking equipment	4
Vehicles*	5
Furniture and fixtures*	5
Temporary wooden structures (included in Building)	3
Intangible asset	
Software	3

*Based on technical evaluation, the useful lives as given above represent the period over which the management believes to use these assets; hence these lives are different from the useful lives prescribed under Part C of Schedule II of the Companies Act, 2013.

(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.

2.1 SHARE CAPITAL

Particulars	As at 30 September, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
a. Authorised		
Equity shares 40,000,000 (40,000,000) equity shares of Rs. 10 each	40,00,00,000	40,00,00,000
b. Issued, Subscribed and Paid-Up		
Issued		
32,386,524 (32,386,524) equity shares of Rs. 10 each	<u>32,38,65,240</u>	<u>32,38,65,240</u>
Subscribed and Paid-Up		
32,383,724 (32,383,724) equity shares of Rs. 10 each, fully paid up	32,38,37,240	32,38,37,240
Add: 2,800 (2,800) forfeited equity shares pending reissue (see note (iv) below)	15,000	15,000
	<u><u>32,38,52,240</u></u>	<u><u>32,38,52,240</u></u>

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 half year ended 30 September, 2016			
- Number of shares	3,23,83,724	-	3,23,83,724
- Amount	32,38,37,240	-	32,38,37,240
b. For the year ended 31 March, 2016			
- Number of shares	3,23,83,724	-	3,23,83,724
- Amount	32,38,37,240	-	32,38,37,240

- (ii) 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 is paid on the approval of the shareholders in the 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 September, 2016		As at 31 March, 2016	
	(Number)	(Percentage)	(Number)	(Percentage)
Karmayogi Holdings Private Limited	90,00,000	27.79%	90,00,000	27.79%
Nucleus Software Engineers Private Limited	23,85,882	7.37%	23,85,882	7.37%
Madhu Dusad	30,66,248	9.47%	30,66,248	9.47%
Fidelity Puritan Trust- Fidelity Low-Priced Stock Fund	22,00,000	6.79%	22,00,000	6.79%

(iv) **Details of forfeited shares**

Particulars	As at 30 September, 2016		As at 31 March, 2016	
	(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 one ESOP scheme- ESOP Scheme - 2015 (instituted in 2015) which was duly approved by the Board of Directors and Shareholders. The ESOP Scheme 2015 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. The scheme is 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 period under ESOP Scheme 2015.

Particulars	As at 30 September, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
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2.2 RESERVES AND SURPLUS

a. Capital reserve

Opening balance	89,00,230	89,00,230
Add : Amount forfeited against employees stock option plan	-	-
Closing balance	89,00,230	89,00,230

b. Securities premium account

Opening balance	2,19,01,489	2,19,01,489
Add : Premium on conversion of stock options issued to employees	-	-

Closing balance	2,19,01,489	2,19,01,489
c. Hedging reserve [see note 2.34]		
Opening balance	23,86,600	23,86,600
Add / (Less) : Effect of foreign exchange rate variations on hedging instruments outstanding at the end of the period	31,60,675	-
Closing balance	55,47,275	23,86,600
d. General reserve		
Opening balance	82,27,08,220	82,27,08,220
Add: Transferred from surplus in Statement of Profit and Loss	-	-
Closing balance	82,27,08,220	82,27,08,220
e. Surplus in Statement of Profit and Loss		
Opening balance	3,06,51,00,975	2,76,31,42,154
Add: Profit for the period	18,71,58,737	44,65,73,141
Less : Appropriations		
- Interim Dividend [see note (ii) below]	-	(16,19,18,620)
- Tax on dividend charge [see note 2.37]		1,73,04,300
Closing balance	3,25,22,59,712	3,06,51,00,975
	4,11,13,16,926	3,92,09,97,514

Note :

- (i) The Board of Directors of the Company, at their meeting held on 16 March, 2016, had declared an interim dividend of Rs. 5 per equity share. The interim dividend was paid to the shareholders before 31 March 2016.

Particulars	As at 30 September, 2016	As at 31 March, 2016
	(Rupees)	(Rupees)
2.3 OTHER LONG TERM LIABILITIES		
Advance from customers / Advance billings	5,67,10,000	3,19,93,885
Annual incentive payable	76,04,919	-
	6,43,14,919	3,19,93,885
2.4 LONG-TERM PROVISIONS		
Provision for employee benefits		
- Provision for compensated absences	4,35,20,993	3,81,52,090
	4,35,20,993	3,81,52,090

2.5 TRADE PAYABLES

a. Trade Payables		
i) Total outstanding dues of micro enterprises and small enterprises (see note below)	-	-
ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	24,23,05,049	22,19,40,567
b. Due to subsidiaries (see note 2.30)	5,90,16,166	6,25,83,703
	30,13,21,215	28,45,24,270

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.

2.6 OTHER CURRENT LIABILITIES

a. Advance from customers / Advance billings	32,37,29,844	35,89,15,738
b. Deferred revenue	34,29,46,333	36,71,00,368
c. Unpaid dividends	28,75,038	43,59,490
d. Payable for purchase of fixed assets	13,16,554	13,16,554
e. Other payables - statutory liabilities	4,43,62,215	3,10,60,859
f. Book overdraft	12,75,621	-
g. Provision for gratuity (see note 2.33)	2,56,75,112	1,09,86,460
	74,21,80,717	77,37,39,469

[Book overdraft amounting to Rs.15,697,034 is regrouped from Other Current Liability as per financials of 31 March,2016 to Cash and cash Equivalents as on 30 September 2016]

2.7 SHORT-TERM PROVISIONS

a. Provision for employee benefits - Provision for compensated absences	1,58,35,013	1,38,81,550
b. Provision for tax [net of advance tax of Rs. Nil (previous year Rs. 63,653,267)]	-	1,44,46,733
	1,58,35,013	2,83,28,283

[Advance tax amounting to Rs 14,446,733 is regrouped from long term loans and advances as per financials of 31 March, 2016 to short term provisions as on 30 September 2016]

2.8 Fixed Assets (At Cost)

(Amount in Rupees)

PARTICULARS	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
	As at 1 April, 2016	Additions	Deductions / adjustments	As at 30 September, 2016	As at 1 April, 2016	Depreciation for the period adjustments	As at 30 September, 2016	As at 31 March, 2016
Tangible assets								
Freehold land	33,60,720 (33,60,720)	- (-)	- (-)	33,60,720 (33,60,720)	- (-)	- (-)	- (-)	33,60,720 (33,60,720)
Leasehold land	6,63,95,000 (6,63,95,000)	- (-)	- (-)	6,63,95,000 (6,63,95,000)	1,03,91,010 (96,38,766)	3,76,122 (7,52,244)	1,07,67,132 (1,03,91,010)	5,60,03,990 (5,67,56,234)
Leasehold improvements	71,48,689 (71,48,689)	- (-)	- (-)	71,48,689 (71,48,689)	71,48,689 (71,48,689)	- (-)	71,48,689 (71,48,689)	- (-)
Buildings	24,14,71,493 (24,14,71,493)	21,95,291 (-)	- (-)	24,36,66,784 (24,14,71,493)	8,34,68,701 (7,54,19,643)	42,65,114 (80,49,058)	8,77,33,815 (8,34,68,701)	15,80,02,792 (16,60,51,850)
Plant and equipment	12,16,80,554 (11,49,21,634)	68,46,165 (67,58,920)	- (-)	12,85,26,719 (12,16,80,554)	11,27,94,251 (10,97,24,076)	37,72,175 (30,70,175)	11,65,66,426 (11,27,94,251)	88,86,303 (51,97,558)
Office equipment	3,17,32,196 (3,01,76,531)	3,70,946 (15,55,665)	34,82,544 (-)	2,86,20,598 (3,17,32,196)	2,88,59,212 (2,75,13,159)	6,37,196 (13,46,053)	2,60,13,864 (2,88,59,212)	28,72,984 (26,63,372)
Computer equipment	33,18,40,370 (30,47,42,997)	78,17,784 (2,74,79,713)	6,54,59,457 (3,82,340)	27,41,98,697 (33,18,40,370)	26,59,25,012 (22,88,43,716)	1,91,39,365 (3,74,62,310)	21,96,25,697 (26,59,25,012)	6,59,15,358 (7,58,99,281)
Vehicles	2,29,97,573 (2,44,30,689)	53,38,511 (17,36,625)	- (31,69,741)	2,83,36,084 (2,29,97,573)	1,03,27,016 (70,76,952)	25,46,043 (43,72,998)	1,28,73,059 (1,03,27,016)	1,26,70,557 (1,73,53,737)
Furniture and fixtures	3,64,50,857 (3,63,88,385)	- (62,472)	9,453 (-)	3,64,41,404 (3,64,50,857)	3,60,40,707 (3,57,81,628)	1,18,753 (2,59,079)	3,61,50,007 (3,60,40,707)	4,10,150 (6,06,757)
Intangible assets								
Software	31,93,29,597 (30,52,79,261)	73,99,800 (1,40,50,336)	5,82,34,641 (-)	26,84,94,756 (31,93,29,597)	27,32,46,629 (21,94,10,598)	2,43,42,194 (5,38,36,031)	23,93,91,385 (27,32,46,629)	4,60,82,968 (8,58,68,663)
Total	1,18,24,07,049 (1,13,43,15,399)	2,99,68,497 (5,16,43,731)	12,71,86,095 (35,52,081)	1,08,51,89,451 (1,18,24,07,049)	82,82,01,227 (72,05,57,227)	5,51,96,962 (10,91,47,948)	75,62,70,074 (82,82,01,227)	35,42,05,822 (35,42,05,822)
Previous year								

Note:

(i) Figures in bracket pertain to previous year ended 31 March 2016/2015.

Particulars	As at 30 September, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
2.9 NON-CURRENT INVESTMENTS (at cost)		
- Trade		
Investments in equity instruments of subsidiaries (unquoted)		
a. 625,000 (625,000) equity shares of Singapore Dollar 1 each, fully paid up, in Nucleus Software Solutions Pte. Ltd., Singapore	1,63,19,950	1,63,19,950
b. 1,000,000 (1,000,000) equity shares of US Dollar 0.35 each, fully paid up, in Nucleus Software Inc., USA Less: Provision for diminution in value of investment in Nucleus Software Inc., USA	1,62,93,150 (1,62,93,150)	1,62,93,150 (1,62,93,150)
c. 200 (200) equity shares of Japanese Yen 50,000 each, fully paid up, in Nucleus Software Japan Kabushiki Kaisha	40,92,262	40,92,262
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]	1,00,00,000	1,00,00,000
e. 7,500 (7,500) equity shares of Euro 100 each, fully paid up, in Nucleus Software Netherlands B.V., Netherlands Less: Provision for diminution in value of investment in Nucleus Software Netherlands B.V., Netherlands	4,89,03,000 (4,89,03,000)	4,89,03,000 (4,89,03,000)
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]	10,00,00,000	10,00,00,000
g. 100,000 (100,000) equity shares 1 AUD each, fully paid in Nucleus Software Australia Pty. Ltd., Australia	55,01,028	55,01,028
h. 10 (10) equity shares of ZAR 61,200 each fully paid up, in Nucleus Software South Africa (Pty.) Limited, South Africa	31,82,500	31,82,500
i. 10,666 (10,666) equity shares of Rs 10 each, fully paid up in Avon Mobility Solutions Private Limited (see note 2.39)	1,92,00,720	1,92,00,720
j. 2,150,000 (Nil) 11% Preference shares of Rs. 10 each fully paid up in Avon Mobility Solutions Private Limited.	2,15,00,000	-
	17,97,96,460	15,82,96,460
- Other investments		
Investment in equity instruments (Quoted)		
250,000 (250,000) equity shares of Rs. 10 each, fully paid up, in Ujjivan Financial Services Limited	25,00,000	25,00,000
Investment in bonds (quoted)		
a. 7.18% Indian Railway Finance Corporation Limited Tax free bonds 2023 (net of adjustment to the carrying amount of investments amounting to Rs 9,350,000)	9,06,50,000	9,06,50,000
b. 8.23% Indian Railway Finance Corporation Limited Tax free bonds 2024	5,00,00,000	5,00,00,000
c. 8.09% Power Finance Corporation Tax Free Bonds 2021	4,56,00,000	4,56,00,000
d. 7.51% Power Finance Corporation Tax Free Bonds 2021	5,00,00,000	5,00,00,000

e.	8.00% Indian Railway Finance Corporation Limited Tax free bonds 2022	20,00,00,000	20,00,00,000
f.	8.01% India Infrastructure Finance Company Limited Tax Free Bonds 2023	10,00,00,000	10,00,00,000
g.	7.11% Power Finance Corporation Tax Free Bonds 2025	51,34,000	51,34,000
h.	7.21% India Infrastructure Finance Company Limited Tax Free Bonds 2022	5,00,00,000	5,00,00,000
i.	7.55% Indian Railway Finance Corporation Limited Tax Free Bonds 2021	2,95,00,000	2,95,00,000
j.	8.20% Power Finance Corporation Tax Free Bonds 2022	60,00,000	60,00,000
k.	7.28% Indian Railway Finance Corporation Limited Tax free bonds 2030	45,30,000	45,30,000
l.	7.49% Indian Renewable Energy Development Agency Limited (IREDA) Tax Free Bonds 2031	1,19,21,000	1,19,21,000
m	7.39% Housing and Urban Development Corporation Limited (HUDCO) Tax Free Bonds 2031	1,40,14,000	1,40,14,000
n.	8.50% National Highways Authority of India (NHAI) Tax Free Bonds 2029	1,00,00,000	1,00,00,000
o.	7.39% National Highways Authority of India (NHAI) Tax Free Bonds 2031	1,54,19,000	1,54,19,000
p.	7.39% Housing and Urban Development Corporation Limited (HUDCO) Tax free bonds 2031	1,27,99,000	1,27,99,000
q.	7.21% Power Finance Corporation (PFC) Tax Free Bonds 2022	5,00,00,000	5,00,00,000
r.	7.35% Indian Railway Finance Corporation Tax Free Bonds 2031	1,17,57,000	1,17,57,000
s.	7.35% National Bank for Agriculture and Rural Development (NABARD) Tax Free Bonds 2031	2,00,40,000	2,00,40,000

Investment in Preference Shares (quoted)

a.	8.15% L&T Preference Shares- 2020	9,90,00,000	9,90,00,000
b.	16.46% IL&FS - Pref Share 2022	5,01,00,000	5,01,00,000
c.	17.38% IL&FS - PREF SHARES 2021	99,90,000	-
d.	8.33% Pref Shares Tata Capital Ltd 2022	1,16,10,229	-
e.	9% L&T Finance Holdings Limited -Preference Shares 2018	10,37,23,288	-
f.	7.50% TATA CAPITAL Pref Shares 2020	10,00,00,000	-
g.	8.33% TATA CAPITAL Pref Shares 2021	5,19,51,274	-

Investment in mutual funds (quoted)

a.	HDFC FMP 1128D March 2015(1) Direct Growth series 33	5,00,00,000	5,00,00,000
b.	ICICI Prudential FMP Series 76-1108 Days Plan V-Direct-Growth	5,00,00,000	5,00,00,000
c.	HDFC FMP 370D September 2014 (2) Series 31 – Growth Option	-	1,00,00,000
d.	ICICI Prudential FMP Series 74 -369 Days Plan T Direct Plan Cumulative	-	10,00,00,000
e.	Reliance Fixed Horizon Fund- XXVI- Series 31- Growth Plan	-	5,00,00,000
f.	UTI Fixed Term Income Fund-Series XIX-VIII Direct Growth Plan	-	1,00,00,000

	1,30,37,38,791	1,19,64,64,000
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Aggregate amount of non-current investments

	1,48,60,35,251	1,35,72,60,460
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Aggregate amount of quoted investments	1,30,62,38,791	1,19,64,64,000
Aggregate market value of quoted investments	1,43,76,83,350	1,26,65,89,300
Aggregate amount of unquoted investments	17,97,96,460	16,07,96,460

2.10 DEFERRED TAX ASSET (Net)

Particulars	Opening as at 1 April, 2016	(Credited)/ Charge during the period	Closing as at 30 September, 2016
	(Rupees)	(Rupees)	(Rupees)
a. Deferred tax assets			
Provision for compensated absences, gratuity and other employee benefits	2,25,37,334	(17,69,357)	2,43,06,691
Provision for doubtful debts / service income accrued but not due	2,18,09,996	8,60,599	2,09,49,397
	4,43,47,330	(9,08,758)	4,52,56,088
b. Deferred tax liabilities			
On difference between book balance and tax balance of fixed assets	2,59,88,014	(43,10,567)	2,16,77,447
c. Net deferred tax asset	1,83,59,316	(52,19,325)	2,35,78,641

Particulars	As at 30 September 2016	As at 31 March, 2016
	(Rupees)	(Rupees)

2.11 LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)

a. Capital advances	-	6,20,980
b. Loans to subsidiaries (see note 2.30)	8,01,10,221	8,01,10,221
c. Security deposits	1,22,23,180	1,34,92,411
d. Loans and advances to employees		
- Staff Loans	17,58,091	23,43,122
- Employee advances	37,42,752	-
e. Prepaid expenses	7,68,861	19,62,857
f. Balances with government authorities		
- Advance tax [net of provision of Rs. 432,843,720 (previous year Rs. 319,900,505)]	13,55,18,934	9,36,12,383
- MAT credit entitlement	3,99,29,377	3,81,29,377
	27,40,51,416	23,02,71,351

[Advance tax amounting to Rs 14,446,733 is regrouped from long term loans and advances as per financials of 31 March, 2016 to short term provisions as on 30 September 2016]

Particulars	As at	As at
	30 September, 2016	31 March, 2016
	(Rupees)	(Rupees)
2.12 OTHER NON CURRENT ASSETS (Unsecured, considered good)		
a. Long- term trade receivables	10,15,75,012	10,15,75,012
b. Long-term bank deposits (See note below)	10,00,50,000	10,25,50,000
c. Interest accrued but not due on bank deposits	1,60,15,010	1,20,43,668
d. Unamortised premium on tax free bonds	88,15,528	97,65,060
e. Unamortised premium on Preference Shares	17,26,223	-
	22,81,81,773	22,59,33,740

Notes :-

- [Balances with scheduled banks in deposit accounts with original maturity within 12 months amounting to Rs 100,000,000 is regrouped from Cash and cash equivalents as per financials of 31 March, 2016 to Other non- current assets as on 30 September 2016]
- [Interest accrued but not due on Fixed deposits with banks amounting to Rs. 11,894,869 is regrouped from Other Current Assets as per financials of 31 March, 2016 to Other Non- current assets as on 30 September 2016]
- [Long-term bank deposits includes deposits held with bank for maturity more than 12 months from balance sheet date Rs 50,000 (previous year 31 march 2016 Rs 2,550,000) under lien with banks and are restricted from being settled for more than 12 months from the Balance Sheet Date.]

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

Investment in mutual funds

Name	Units as at 30 September, 2016	Value of units as at 30 September, 2016	Units as at 31 March, 2016	Value of units as at 31 March, 2016
	(Numbers)	(Rupees)	(Numbers)	(Rupees)
- Liquid Schemes of Mutual Funds (Unquoted)				
Birla Sunlife Cash Plus Fund-Direct-Daily Dividend-Reinvestment Option	80,448	80,60,454	-	-
Birla Sunlife Floating Rate Fund- DDR - Direct	3,67,296	3,71,52,952		
Birla Sunlife Savings Fund- DDR - Direct	18,12,630	18,18,34,727	16,56,005	16,60,92,642
BOI AXA Liquid Fund- DDR - Direct	45,414	4,55,33,917	-	-
DSP BlackRock Ultra Short Term Fund - DDR - Direct	31,05,002	3,11,79,297	30,17,107	3,02,95,981
HDFC Floating Rate - Short term plan- Wholesale – Direct - Daily Dividend-Reinvestment option.	1,16,56,560	11,75,08,616	55,10,650	5,55,52,307
HDFC Arbitrage Fund - Normal DR- Direct	97,38,685	10,34,58,993	66,61,947	7,06,14,447
ICICI Prudential Flexible Income Plan - DDR - Direct	6,82,441	7,21,58,409	6,61,825	6,99,78,636
ICICI Prudential Money Market Fund-Dividend-Daily Reinvestment	-	-	5,27,060	5,27,81,645
ICICI Prudential Ultra Short Term Plan- Direct Plan- Daily Dividend-Reinvestment option	44,00,287	4,44,68,182	-	-

ICICI Prudential Equity Arbitrage Fund- Direct Plan- Monthly Dividend-Reinvestment option	1,77,330	25,25,133	-	-
IDFC Banking Debt Fund Regular Plan- Dividend	-	-	24,40,192	2,47,76,243
IDFC Ultra Short Term Fund- DDR - Direct	44,97,994	4,52,71,408		
IDFC Arbitrage Fund Direct Plan- Monthly DR-Direct	46,84,858	6,04,49,942	42,97,906	5,54,27,306
Kotak Floater Short Term Fund-Direct Plan-Daily Dividend-Reinvestment Option	58,410	5,90,88,754	1,38,558	14,01,67,631
Kotak Equity Arbitrage Fund- Monthly DR- Direct	2,47,74,067	26,94,40,706	69,11,836	7,51,43,613
Reliance Liquid Fund-Treasury Plan-Direct Plan-Daily Dividend-Reinvestment Option	-	-	1,01,573	15,52,79,073
Reliance Medium Term Fund - Daily Dividend - Reinvestment option-Direct	13,51,804	2,31,10,300	-	-
Reliance Corporate Bond Fund-Monthly DR-Direct	47,22,949	4,97,33,603	42,92,755	4,54,26,255
Reliance Arbitrage Advantage Fund-Monthly DR-Direct	92,81,442	9,87,84,811		
Reliance Fixed Horizon Fund XXX – Series 9-Direct-Div Payout	-	-	37,47,632	3,74,76,319
SBI Ultra Short Term Debt Fund - DDR - Direct	18,717	1,88,33,459	5,011	50,39,163
Sundaram Ultra Short Term Fund - DDR - Direct			44,68,675	4,48,82,927
UTI-Treasury Advantage Fund - Institutional Plan - DDR - Direct	95,185	9,54,09,113	-	-
UTI Floating Rate Fund STP – Daily Income Option-Reinvestment-Direct	1,38,161	14,87,82,855	43,995	4,73,77,198
UTI FIIF-QIP-III-Direct-Div Payout	-	-	49,92,112	5,00,00,000
ICICI Prudential FMP Series 76-1108 Days Plan V-Direct-Growth	50,00,000	5,00,00,000	50,00,000	5,00,00,000
HDFC FMP 370D June 2014 (2) Series 31 – Growth Option	10,00,000	1,00,00,000	-	-
ICICI Prudential FMP Series 74 -369 Days Plan T Direct Plan Cumulative	1,00,00,000	10,00,00,000	-	-
Reliance Fixed Horizon Fund- XXVI- Series 31-Growth Plan	50,00,000	5,00,00,000	-	-
UTI Fixed Term Income Fund-Series XIX-VIII Direct Growth Plan	10,00,000	1,00,00,000	-	-

Aggregate amount of investment	1,73,27,85,631	1,17,63,11,386
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Aggregate market value of quoted and unquoted investment	1,78,53,56,841	1,18,79,95,513
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Particulars	As at 30 September, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
2.14 TRADE RECEIVABLES (Unsecured)		
a. Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
- Considered good	3,16,09,893	2,13,45,989
- Considered doubtful	3,41,43,144	3,66,14,951
	<u>6,57,53,037</u>	<u>5,79,60,940</u>
Less: Provision for doubtful trade receivables	(3,41,43,144)	(3,66,14,951)
	3,16,09,893	2,13,45,989
b. Other trade receivables		
- Considered good	51,30,08,733	75,97,73,471
- Considered doubtful	-	-
	<u>51,30,08,733</u>	<u>75,97,73,471</u>
Less: Provision for doubtful trade receivables	-	-
	<u>51,30,08,733</u>	<u>75,97,73,471</u>
Total	<u>54,46,18,626</u>	<u>78,11,19,460</u>
2.15 CASH AND CASH EQUIVALENTS		
A. Cash and cash equivalents (As per AS 3 Cash Flow Statements)		
a. Cash on hand	15,239	14,156
b. Remittance in transit	11,74,144	-
c. Cheques on hand	-	3,41,286
d. Balances with scheduled banks:		
- in current accounts	86,63,947	1,75,17,010
- in EEFC accounts	6,37,18,450	1,36,03,072
e. Balance with non scheduled banks in current accounts:		
- Citibank, United Kingdom	9,54,160	9,48,451
- Citibank, United Arab Emirates	41,64,411	13,64,186
- Citibank, USA	8,26,356	10,28,035
f. Balances with scheduled banks in deposit accounts with original maturity of less than 3 months	-	52,02,966
Total - Cash and cash equivalents (as per AS 3 Cash Flow Statements) (A)	<u>7,95,16,707</u>	<u>4,00,19,162</u>

B. Other bank balances

a.	Balances with scheduled banks in earmarked accounts: - unclaimed dividend accounts	28,79,025	43,63,477
b.	Balances with scheduled banks in deposit accounts - Maturity within 12 months	56,77,46,021	88,69,69,125
Total - Other bank balances (B)		57,06,25,046	89,13,32,602
Total Cash and cash equivalents (A+B)		65,01,41,753	93,13,51,764

Notes :-

- (i) [Balances with scheduled banks in deposit accounts with original maturity within 12 months amounting to Rs 100,000,000 is regrouped from Cash and cash equivalents as on 31 March, 2016 to Other non-current assets as on 30 September 2016]
- (ii) [Book overdraft amounting to Rs.15,697,034 is regrouped from Other Current Liability as per financials of 31 March, 2016 to Cash and cash Equivalents as on 30 September 2016]

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

- HDFC Bank	15,82,819	84,31,148
- Citi Bank	7,16,270	85,65,005
- ICICI Bank	63,64,857	5,20,856
- Citi Bank *	4,14,09,366	1,21,00,842
- HDFC Bank *	2,23,09,084	15,02,230
- HDFC Bank **	28,79,025	43,63,478
	7,52,61,421	3,54,83,559

* EEFC account

** Earmarked for unclaimed dividend

Particulars	As at 30 September, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
Details of balances as on balance sheet dates with scheduled banks in deposit accounts:-		
- HDFC Bank	21,05,00,000	26,55,00,000
- Citi Bank	5,70,000	-
- Bank of India	20,09,00,000	21,59,00,000
- State Bank of Travancore	6,00,00,000	6,00,00,000
- Corporation Bank	-	20,51,49,904
- Punjab National Bank	9,00,00,000	13,64,00,000
	56,19,70,000	88,29,49,904
Detail of fixed deposit under lien		
- HDFC Bank	13,17,002	13,17,002
- Citi Bank	44,59,019	27,02,219
Total	57,76,021	40,19,221

Particulars	As at 30 September, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
2.16 SHORT-TERM LOANS AND ADVANCES (Unsecured)		
a. Security deposit	15,78,965	9,62,874
b. Loans and advances to employees		
- Staff loans	36,12,647	52,32,967
- Employee advances	20,93,953	76,40,613
c. Prepaid expenses	4,02,20,199	3,37,39,491
d. Balances with government authorities		
- Service tax / VAT credit receivable	97,93,606	80,71,410
e. Others		
- Supplier advances		
- Considered good	49,07,293	2,37,63,815
- Considered doubtful	6,00,483	5,11,073
	<u>55,07,776</u>	<u>2,42,74,888</u>
Less : Provision for doubtful advances	<u>6,00,483</u>	<u>5,11,073</u>
	49,07,293	2,37,63,815
- Mark-to-market gain on forward contracts (see note 2.34)	55,47,275	31,200
- Expenses recoverable from customers	65,11,771	25,91,072
- Application money for Mutual fund and Preference shares (considered good)	55,00,000	4,24,90,000
	<u><u>7,97,65,709</u></u>	<u><u>12,45,23,442</u></u>

Particulars	As at 30 September, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
2.17 OTHER CURRENT ASSETS (Unsecured)		
a. Service income accrued but not due		
- Considered good	11,54,47,447	7,61,11,947
- Considered doubtful	2,59,72,093	2,85,06,796
	<u>14,14,19,540</u>	<u>10,46,18,743</u>
Less : Provision for service income accrued but not due	<u>(2,59,72,093)</u>	<u>(2,85,06,796)</u>
	<u><u>11,54,47,447</u></u>	<u><u>7,61,11,947</u></u>

b.	Interest accrued but not due on		
	- Fixed deposits with banks	8,07,82,991	8,79,17,349
	- Current, non trade investments	5,15,78,410	2,53,23,427
c.	Unamortised premium on tax free bonds	18,93,875	18,93,875
	Unamortised premium on Preference Shares	13,70,833	-
		25,10,73,556	19,12,46,598

[Interest accrued but not due on Fixed deposits with banks amounting to Rs. 11,894,869 is regrouped from Other Current Assets as per financials of 31 March, 2016 to Other Non- current assets as on 30 September 2016]

Particulars	Quarter ended	Quarter ended	Half year ended	Half year ended
	30 September, 2016	30 September, 2015	30 September, 2016	30 September, 2015
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
2.18 INCOME FROM SOFTWARE PRODUCTS AND SERVICES				
Software development services and products				
- Domestic	24,41,34,682	13,96,30,244	46,47,93,175	26,96,42,445
- Overseas	53,17,34,180	52,05,28,441	1,02,20,68,880	1,06,50,37,386
	77,58,68,862	66,01,58,685	1,48,68,62,055	1,33,46,79,831

2.19 OTHER INCOME

a.	Interest income on			
	- Deposits with banks	2,06,61,153	3,20,13,719	4,30,17,231
	- Loan to subsidiary	-	57,713	-
	- Noncurrent, non trade investments	1,52,67,970	1,07,75,100	3,03,69,983
	- Income tax refund	-	9,14,776	-
b.	Dividend income from			
	- Current, non trade investments	2,40,26,242	1,00,04,780	4,22,44,160
	- Non-current, non trade investment	1,29,760	1,25,000	1,29,760
	- Subsidiary companies (see note 2.30)	-	-	-
c.	Net gain / (loss) on sale of investments			
	-Current, non trade investments	10,93,327	5,55,868	10,92,503
d.	Net Gain / (Loss) on foreign currency			
	- Gain / (Loss) on exchange fluctuation	(14,78,778)	(41,52,499)	(37,20,429)
	- Gain / (Loss) on ineffective hedges (see note 2.34)	-	(45,512)	-
e.	Other non-operating income			
	- Provisions written back	9,25,183	61,73,784	43,82,379

- Net profit on sale of fixed assets/discarded assets	8,84,602	-	34,57,718	-
- Miscellaneous income	4,50,939	2,63,572	9,94,841	2,87,513
	6,19,60,398	5,66,86,301	12,19,68,146	22,22,54,473

2.20 EMPLOYEE BENEFITS EXPENSES

a. Salaries and wages	41,48,23,078	41,12,08,959	82,87,12,309	78,32,64,200
b. Contribution to provident and other funds	2,15,75,342	1,93,14,094	4,22,72,226	3,81,40,226
c. Gratuity expense (see note 2.33)	74,29,560	70,03,001	1,48,59,120	1,40,06,002
d. Staff welfare expenses	74,32,335	88,14,466	1,65,79,809	2,17,61,702
	45,12,60,315	44,63,40,520	90,24,23,464	85,71,72,130

Employee benefit expenses include Managing Director and whole time director remuneration as follows :

a. Salary	68,13,081	40,11,722	1,05,20,679	75,83,860
b. Contribution to provident and other funds	2,51,820	2,10,500	4,81,320	4,11,500
	70,64,901	42,22,222	1,10,01,999	79,95,360

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 September, 2016	Quarter ended 30 September, 2015	Half year ended 30 September, 2016	Half year ended 30 September, 2015
	(Rupees)	(Rupees)	(Rupees)	(Rupees)

2.21 OPERATING AND OTHER EXPENSES

a. Outsourced technical service expense	3,37,96,211	2,90,21,027	6,42,24,642	5,69,63,394
b. Cost of software purchased for delivery to clients	48,00,964	50,10,436	95,05,476	99,92,836
c. Power and fuel	1,22,58,098	1,19,16,423	2,33,51,669	2,32,80,336
d. Rent (see note 2.23)	85,18,077	93,56,540	1,75,76,180	1,86,87,195
e. Repair and maintenance				-
- Buildings	7,48,741	6,29,210	12,32,396	10,94,889
- Others	75,78,195	73,35,389	1,43,17,431	1,32,75,462
f. Insurance	14,16,852	18,71,109	26,93,944	38,08,045
g. Rates and taxes	6,74,324	18,66,990	14,16,842	29,90,664
h. Travel expenses				-
- Foreign	2,17,37,355	3,75,06,971	4,50,36,518	8,13,03,816
- Domestic	47,00,105	62,86,517	99,67,135	1,28,75,572
i. Advertisement, business development and promotion	14,98,298	50,61,527	52,19,560	1,11,92,273
j. Legal and professional (see note 2.25)	93,00,174	1,83,49,827	2,15,92,948	3,57,67,985
k. Directors remuneration	24,46,200	11,60,000	49,54,700	33,80,000
l. Conveyance	41,64,310	42,63,676	87,72,036	83,94,461

m	Communication	42,62,013	45,70,201	85,23,868	89,01,815
n.	Training and recruitment	80,00,183	28,05,829	1,33,39,359	86,33,788
o.	Net loss on sale of fixed assets/discarded assets	-	-	-	6,48,916
p.	Conference, exhibition and seminar	1,19,81,830	43,19,306	1,34,18,304	1,92,48,420
q.	Information technology expenses	1,09,52,205	1,02,91,418	2,16,10,407	2,07,82,842
r.	Provision for doubtful debts/advances/other current assets	(37,33,541)	1,22,26,196	(25,68,712)	1,58,91,174
s.	Commission to channel partners	24,77,181	34,99,158	45,10,414	65,91,321
t.	Expenditure on corporate social responsibility (see note 2.38)	70,00,000	27,25,000	80,00,000	42,30,000
u.	Sales and marketing fee	5,22,34,933	4,87,47,390	10,88,77,845	10,93,91,474
v.	Miscellaneous expenses	1,48,96,650	97,41,463	2,39,93,925	1,88,24,131
		22,17,09,358	23,85,61,603	42,95,66,887	49,61,50,809

Directors Remuneration includes :

Non Executive Directors

a.	Commission	12,00,000	-	20,00,000	13,00,000
b.	Sitting fees	12,46,200	11,60,000	29,54,700	20,80,000
		24,46,200	11,60,000	49,54,700	33,80,000

2.22 FINANCE COST

Bank Charges	7,50,674	10,54,746	16,36,669	23,28,569
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2.23 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 and half year ended 30 September, 2016 is Rs. 8,518,077, Rs 17,576,180 (Rs. 9,356,540, Rs.18,687,195.)

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

Particulars	As at	As at
	30 September, 2016	31 March, 2016
	(Rupees)	(Rupees)
a. Contingent liabilities		
Claims against the Company not acknowledged as debts	69,22,050	69,22,050
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).	10,75,625	31,80,687

c. **Other Commitments**

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

As on 30 September, 2016, the Company has outstanding bank guarantee and letter of credits of Rs. 12,645,190 (As at 31 March, 2016 Rs. 14,301,565). These are secured to the extent of Rs. 150,000,000 against all present and future receivables of the Company.

d. The Company does not have any pending litigation which would impact its financial position.

e. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

Particulars	Quarter ended 30 September, 2016	Quarter ended 30 September, 2015	Half year ended 30 September, 2016	Half year ended 30 September, 2015
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
2.25 Auditors Remuneration (excluding service tax)				
a. As auditors - statutory audit, including quarterly audits	8,00,000	7,00,000	16,00,000	14,00,000
b. For other services	-	1,50,000	-	3,50,000
c. Reimbursement of expenses	-	98,160	-	98,160
	8,00,000	9,48,160	16,00,000	18,48,160
2.26 CIF value of imports				
Capital goods	9,04,150	99,87,483	46,85,737	1,43,24,575
2.27 Earnings in foreign currency				
a. Software development services and products	53,17,34,180	51,29,82,841	1,02,20,68,880	1,05,74,91,786
b. Interest income on loan to subsidiary	-	57,713	-	1,11,130
	53,17,34,180	51,30,40,554	1,02,20,68,880	1,05,76,02,916
2.28 Expenditure in foreign currency				
a. Travel expenses	1,32,36,500	2,60,33,780	2,53,65,113	5,49,08,357
b. Legal and professional	-	3,50,260	2,60,477	19,57,925
c. Cost of software purchased for delivery to clients	26,43,505	21,55,370	49,60,152	45,85,291
d. Conference, exhibition and seminar	81,91,216	35,31,341	94,72,089	1,09,18,979
e. Outsourced technical service expense	1,93,41,359	2,12,63,666	3,82,76,109	4,25,15,892
f. Salaries and wages	2,56,62,655	2,60,60,598	5,24,98,692	4,76,50,822
g. Commission to channel partners	24,72,097	34,99,158	45,00,222	65,91,321
h. Rent	23,70,973	34,01,004	54,87,874	68,89,274
i. Sales and marketing fee	5,22,34,933	4,87,47,390	10,88,77,845	10,93,91,474
j. Others	1,38,43,035	1,65,02,460	2,81,31,818	4,48,55,428
	13,99,96,273	15,15,45,027	27,78,30,391	33,02,64,763

2.29 Earnings per share

Particulars	Quarter ended 30 September , 2016	Quarter ended 30 September, 2015	Half year ended 30 September, 2016	Half year ended 30 September, 2015
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
a. Profit after taxation available to equity shareholders (Rupees)	11,24,08,582	28,81,124	18,71,58,738	13,04,48,359
b. Weighted average number of equity shares used in calculating basic earnings per share	3,23,83,724	3,23,83,724	3,23,83,724	3,23,83,724
c. Effect of dilutive issue of shares	-	-	-	-
d. Weighted average number of equity shares used in calculating diluted earnings per share	3,23,83,724	3,23,83,724	3,23,83,724	3,23,83,724
e. Basic earnings per share (Rupees)	3.47	0.09	5.78	4.03
f. Diluted earnings per share (Rupees)	3.47	0.09	5.78	4.03

2.30 RELATED PARTY TRANSACTIONS

List of related parties – where control exists

a. 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
- Nucleus Software South Africa Pty. Limited, South Africa (incorporated on 10 February, 2015)
- Avon Mobility Solutions Private Limited (acquired on 17 March 2016)

b. Other related parties:

Key managerial personnel:

- Vishnu R Dusad (Managing Director and Chief Executive Officer)
- Ravi Pratap Singh (Whole time Director)

Nucleus Software Foundation (see note 2.39)

2.30 RELATED PARTY TRANSACTIONS

Transactions with related parties

Particulars	Quarter ended 30 September, 2016	Quarter ended 30 September, 2015	Half year ended 30 September, 2016	Half year ended 30 September, 2015
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
a. Software development services and products				
- Nucleus Software Japan Kabushiki Kaisha, Japan	99,01,282	1,32,56,352	1,91,01,229	3,23,23,722
- Nucleus Software Solutions Pte Ltd, Singapore	3,24,80,287	3,22,34,886	5,06,45,114	5,95,35,242
- Nucleus Software Inc., USA	23,05,981	21,28,778	45,50,009	41,48,097
- Nucleus Software Netherlands B.V., Netherlands	15,06,961	10,43,252	30,33,035	34,69,802
	4,61,94,511	4,86,63,268	7,73,29,387	9,94,76,863
b. Other income				
Dividend income				
- VirStra i -Technology Services Limited, India	-	-		8,50,00,000
Interest income				
- Nucleus Software Inc., USA	-	57,713	-	1,11,130

2.30 RELATED PARTY TRANSACTIONS (CONT'D)

Transactions with related parties

Particulars	Quarter ended 30 September, 2016	Quarter ended 30 September, 2015	Half year ended 30 September, 2016	Half year ended 30 September, 2015
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
a. Salary and other benefits to Key managerial personnel				
Salary	68,13,081	40,11,722	1,05,20,679	75,83,860
Contribution to provident and other funds	2,51,820	2,10,500	4,81,320	4,11,500
	70,64,901	42,22,222	1,10,01,999	79,95,360
b. Cost of software purchased for delivery to clients				
- Nucleus Software Solutions Pte Ltd, Singapore	6,86,207	7,58,895	14,04,715	14,49,055
c. Outsourced technical service expense				
- Nucleus Software Japan Kabushiki Kaisha, Japan	7,71,650	-	61,41,953	-
- Nucleus Software Inc., USA	-	32,09,947	-	1,20,07,598

- Nucleus Software Australia Pty Ltd.	1,42,13,402	92,92,102	2,33,49,217	1,54,13,532
	1,49,85,052	1,25,02,049	2,94,91,170	2,74,21,130
d. Expenditure on Corporate Social Responsibility				
Nucleus Software Foundation (see note 2.39)	70,00,000	27,25,000	80,00,000	42,30,000
e. Lease rent paid				
- Nucleus Software Limited, India	27,30,186	23,74,074	54,60,372	47,48,148
f. Reimbursement of expenses from				
- Nucleus Software Solutions Pte Ltd, Singapore	10,89,780	20,30,957	27,53,336	51,80,404
- Nucleus Software Japan Kabushiki Kaisha, Japan	1,53,94,098	-	2,92,63,902	4,87,121
- Nucleus Software Inc., USA	-	49,980	33,098	3,81,912
- Nucleus Software Netherlands B.V., Netherlands	-	-	5,625	13,799
- VirStra i-Technology Services Limited, India	-	73,008	2,12,215	4,33,492
- Nucleus Software Limited, India	-	-	-	7,108
- Nucleus Software South Africa Pty Ltd	30,150	22,764	36,485	-
- Nucleus Software Australia Pty Ltd.	61,452	3,55,439	11,85,438	25,55,213
	1,65,75,479	25,32,148	3,34,90,100	90,59,049
g. Reimbursement of expenses to				
- Nucleus Software Solutions Pte Ltd, Singapore	-	2,46,901	5,408	2,46,901
- Nucleus Software Australia Pty Ltd.	-	-	-	68,999
- Nucleus Software Limited, India	-	-	-	600
- Nucleus Software Japan Kabushiki Kaisha, Japan	-	73,096	3,636	-
- Nucleus Software Inc., USA	-	5,46,409	-	-
- VirStra i-Technology Services Limited, India	-	20,880	-	29,570
	-	8,87,286	9,044	3,46,070
h. Sales & marketing fee				
- Nucleus Software Japan Kabushiki Kaisha, Japan	1,31,18,527	83,07,938	2,45,99,562	1,91,66,455
- Nucleus Software Solutions Pte Ltd, Singapore	2,01,49,362	3,09,90,820	4,97,51,087	7,05,02,919
- Nucleus Software Inc., USA	-	53,77,778	54,91,923	96,91,692
- Nucleus Software Australia Pty Ltd.	1,15,55,918	40,70,854	1,81,34,987	1,00,30,408
- Nucleus Software South Africa Pty Ltd	74,11,126	-	1,09,00,286	-
	5,22,34,933	4,87,47,390	10,88,77,845	10,93,91,474
i. Provision for Doubtful Debts				
- Nucleus Software Netherlands B.V., Netherlands	-	-	-	6,99,600
j. Investment in Preference Shares				

- Avon Mobility Solutions Private Limited	40,00,000	-	2,15,00,000	-
K. Investment in subsidiary				
- 'Nucleus Software South Africa Pty Ltd	-	31,82,500	-	31,82,500

2.30 RELATED PARTY TRANSACTIONS (CONT'D)

Outstanding balances as at the quarter/ year end

Particulars	As at			
	30 September, 2016	31 March, 2016		
	(Rupees)	(Rupees)		
a. Trade receivables				
- Nucleus Software Solutions Pte Ltd, Singapore	1,70,96,456	98,69,215		
- Nucleus Software Japan Kabushiki Kaisha, Japan	70,62,033	1,62,46,908		
- Nucleus Software Inc., USA	52,10,483	39,54,098		
- VirStra i -Technology Services Limited, India	-	3,39,193		
- Nucleus Software Limited, India	5,787	1,55,213		
- Nucleus Software South Africa Pty Ltd	6,335	-		
- Nucleus Software Australia Pty Ltd.	-	(1,71,701)		
	2,93,81,094	3,03,92,926		
b. Trade payables				
- Nucleus Software Solutions Pte Ltd, Singapore	1,97,41,698	2,47,63,484		
- Nucleus Software Japan Kabushiki Kaisha, Japan	1,49,59,614	1,63,50,954		
- Nucleus Software Australia Pty Ltd.	1,41,93,511	1,33,38,096		
- Nucleus Software Limited, India	-	5,787		
- 'Nucleus Software South Africa Pty Ltd	46,82,864	32,90,290		
- Nucleus Software Inc., USA	54,38,449	48,35,092		
	5,90,16,136	6,25,83,703		
c. Loans to subsidiaries				
- Nucleus Software Limited, India	8,01,10,221	8,01,10,221		
d. Deferred revenue				
- Nucleus Software Inc., USA	61,21,135	51,85,002		
- Nucleus Software Netherlands B.V., Netherlands	16,22,081	12,76,214		
	77,43,216	64,61,216		
e. Investments in subsidiary companies (net of provision) (see note 2.9)	17,97,96,460	15,82,96,460		
f. Advance/Prepayment to subsidiaries				
- Nucleus Software Solutions Pte Ltd, Singapore	6,94,375	20,99,090		
Particulars	Quarter ended 30 September, 2016	Quarter ended 30 September,	Half year ended 30 September, 2016	Half year ended 30 September, 2015

		2015			
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
2.31	Research and development expenditure				
	Expenditure on research and development as per Accounting Standard 26				
	Revenue Expenditure	5,97,16,100	2,57,39,149	11,29,84,274	9,38,82,210

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 received renewal of recognition for its R&D center for three years starting from 1 April, 2015.

2.32 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 Quarter ended 30 September, 2016

Description									(Amount in Rupees)
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Revenue from operations	24,41,34,682	6,00,28,493	12,54,77,136	12,43,81,142	12,91,83,131	1,78,35,363	6,02,70,796	1,45,58,119	77,58,68,862
Expenses	13,45,23,108	2,84,03,947	9,81,37,765	8,36,74,633	6,70,37,732	1,38,39,510	3,22,60,596	1,04,50,001	46,83,27,292
Segment result	10,96,11,574	3,16,24,545	2,73,39,371	4,07,06,509	6,21,45,399	39,95,853	2,80,10,200	41,08,118	30,75,41,570
Unallocated corporate expenditure									23,38,52,214
Operating profit before taxation									7,36,89,355
Other income									6,19,60,398
Profit before taxation									13,56,49,753
Tax Expense									
Net current tax expense									2,09,55,828
Net deferred tax credit									22,85,343
									2,32,41,171
Profit for the quarter									11,24,08,582

b. For Quarter ended 30 September, 2015

Description									(Amount in Rupees)
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Revenue from operations	13,96,30,244	5,65,50,341	11,43,36,953	8,61,67,994	13,60,26,473	3,24,58,545	8,10,51,142	1,39,36,993	66,01,58,685
Expenses	15,26,85,442	3,64,11,027	8,10,32,081	7,38,33,886	6,06,41,349	2,11,46,634	3,53,06,650	87,94,894	46,98,51,963
Segment result	(1,30,55,198)	2,01,39,314	3,33,04,872	1,23,34,108	7,53,85,124	1,13,11,911	4,57,44,492	51,42,099	19,03,06,722
Unallocated corporate expenditure									24,37,73,749
Operating profit before taxation									(5,34,67,027)
Other income									5,66,86,301
Profit before taxation									32,19,274
Tax Expense									
Net current tax expense									78,44,468
Net deferred tax credit									(75,06,318)
									3,38,150

Profit for the quarter

28,81,124

c. For the half year ended 30 September, 2016

Description	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	(Amount in Rupees)
									Total
Revenue from operations	46,47,93,175	12,39,18,539	24,43,37,564	22,11,11,550	25,52,57,962	4,17,70,462	10,56,88,011	2,99,84,792	1,48,68,62,055
Expenses	28,61,20,149	6,33,80,673	18,31,04,391	16,56,31,329	14,20,43,939	2,58,44,777	5,47,25,696	2,40,10,018	94,48,60,972
Segment result	17,86,73,026	6,05,37,866	6,12,33,172	5,54,80,222	11,32,14,023	1,59,25,685	5,09,62,314	59,74,773	54,20,01,082
Unallocated corporate expenditure									44,39,63,008
Operating profit before taxation									9,80,38,074
Other income									12,19,68,146
Profit before taxation									22,00,06,219
Tax Expense									
Net current tax expense									3,80,66,807
Net deferred tax credit									(52,19,325)
									3,28,47,482

Profit for the quarter

18,71,58,737

d. For the half year ended 30 September, 2015

Description	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	(Amount in Rupees)
									Total
Revenue from operations	26,96,42,445	11,19,19,702	21,51,88,469	23,46,76,326	26,90,29,301	7,08,65,135	14,43,34,708	1,90,23,745	1,33,46,79,831
Expenses	28,35,47,754	7,23,17,103	16,01,92,483	15,73,73,870	12,36,33,706	4,23,02,656	6,61,23,274	2,12,36,733	92,67,27,579
Segment result	(1,39,05,309)	3,96,02,599	5,49,95,986	7,73,02,456	14,53,95,595	2,85,62,479	7,82,11,434	(22,12,988)	40,79,52,252
Unallocated corporate expenditure									48,39,19,173
Operating profit before taxation									(7,59,66,921)
Other income									22,22,54,473
Profit before taxation									14,62,87,552
Tax Expense									
Net current tax expense									2,63,44,468
Net deferred tax credit									(1,05,05,275)
									1,58,39,193

Profit for the period

13,04,48,359

Assets and liabilities of reportable primary segment are as follows:

a. As at 30 September, 2016

Description									(Amount in Rupees)
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Segment assets	42,89,55,201	5,15,22,290	7,91,10,938	6,54,12,843	11,60,62,593	2,84,73,539	2,73,47,472	2,60,58,903	82,29,43,778
Unallocated corporate assets									4,77,93,98,245
Total assets									<u>5,60,23,42,023</u>
Segment liabilities	50,28,76,917	3,88,02,259	21,55,25,151	6,76,30,482	17,48,40,838	6,02,07,328	2,65,34,326	1,62,24,159	1,10,26,41,460
Unallocated corporate liabilities									6,45,31,397
Total liabilities									<u>1,16,71,72,857</u>
Capital employed									<u>4,43,51,69,166</u>

b. As at 31 March, 2016

Description									(Amount in Rupees)
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Segment assets	60,93,77,072	6,95,45,062	10,58,07,950	8,07,54,721	14,32,94,859	5,60,85,800	1,02,02,151	3,10,44,457	1,10,61,12,072
Unallocated corporate assets									4,29,54,75,679
Total assets									<u>5,40,15,87,751</u>
Segment liabilities	35,66,94,255	5,20,78,395	24,38,32,486	7,86,10,935	23,13,02,592	8,11,51,477	4,34,28,241	2,20,56,308	1,10,91,54,689
Unallocated corporate liabilities									4,75,83,308
Total liabilities									<u>1,15,67,37,997</u>
Capital employed									<u>4,24,48,49,754</u>

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

a. For the quarter ended 30 September, 2016

(Amount
in Rupees)

Description	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Capital expenditure (unallocated)									1,04,67,993
Total capital expenditure									1,04,67,993
Depreciation expenditure (unallocated)									2,84,59,160
Total depreciation									2,84,59,160
Segment non-cash expense other than depreciation	(60,59,293)		(1,66,098)		24,91,850				(37,33,541)
Total non cash expenditure other than depreciation	(60,59,293)	-	(1,66,098)	-	24,91,850	-	-	-	(37,33,541)

b. For the quarter ended 30th September, 2015

Description	(Amount in Rupees)								
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Capital expenditure (unallocated)									1,62,83,532
Total capital expenditure									1,62,83,532
Depreciation expenditure (unallocated)									2,76,68,843
Total depreciation									2,76,68,843
Segment non-cash expense other than depreciation	1,14,54,413	1,43,618	6,06,354	-	(38,24,165)	38,49,233	-	-	1,22,29,453
Total non cash expenditure other than depreciation	1,14,54,413	1,43,618	6,06,354	-	(38,24,165)	38,49,233	-	-	1,22,29,453

c. For the half year ended 30 September, 2016

Description	(Amount in Rupees)								
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Capital expenditure (unallocated)									2,99,68,497
Total capital expenditure									2,99,68,497
Depreciation expenditure									5,51,96,962

(unallocated)									
Total depreciation									
Segment	(45,45,453)		(3,40,118)		23,16,860				(25,68,712)
non-cash expense other than depreciation									
Total non cash expenditure other than depreciation	(45,45,453)	-	(3,40,118)	-	23,16,860	-	-	-	(25,68,712)

d. For the half year ended 30 September, 2015

Description									(Amount in Rupees)
	India	Far East	South East Asia	Europe	Middle East	Africa	Australia	Others	Total
Capital expenditure (unallocated)									2,30,12,809
Total capital expenditure									2,30,12,809
Depreciation expenditure (unallocated)									5,49,95,244
Total depreciation									5,49,95,244
Segment	1,33,63,500	3,73,358	7,35,641	6,99,600	(39,34,494)	46,56,827	-	-	1,58,94,431
non-cash expense other than depreciation									
Total non cash expenditure other than depreciation	1,33,63,500	3,73,358	7,35,641	6,99,600	(39,34,494)	46,56,827	-	-	1,58,94,431

Information in respect of secondary segment

Information for business segments

Description			(Amounts in Rupees)
	Products	Software projects and services	Total

a. For Quarter ended 30 September, 2016			
Revenue	72,30,73,969	5,27,94,893	77,58,68,862
Carrying amount of segment assets	76,69,45,618	5,59,98,160	82,29,43,778
b. For Quarter ended 30 September, 2015			
Revenue	60,44,69,791	5,56,88,894	66,01,58,685
Carrying amount of segment assets	1,04,19,09,838	9,59,89,588	1,13,78,99,426
c. For the half year ended 30 September, 2016			
Revenue	1,38,99,61,877	9,69,00,178	1,48,68,62,055
Carrying amount of segment assets	76,69,45,618	5,59,98,160	82,29,43,778
d. For the half year ended 30 September, 2015			
Revenue	1,21,43,10,234	12,03,69,597	1,33,46,79,831
Carrying amount of segment assets	1,04,19,09,838	9,59,89,588	1,13,78,99,426

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

2.33 Employee Benefit Obligations

Defined contribution plans

An amount of Rs 75,942,046 for the year ended 31 March, 2016 (Year ended 31 March, 2015 Rs. 68,862,235), have been recognized as an expense in respect of Company's contribution for Provident Fund and Rs. 118,035 (Year ended 31 March, 2015 Rs, 50,172) 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 compensated absence has been determined using the Projected Unit Credit method, with actuarial valuations being carried out at the balance sheet date.

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, 2016 :

Particulars	As at 31 March, 2016 (Rupees)	As at 31 March, 2015 (Rupees)

a. **Change in defined benefit obligations (DBO) during the year**

Obligation at beginning of the year	12,22,48,328	10,13,31,144
Current service cost	1,83,82,179	1,50,68,104
Interest cost	99,56,441	92,45,148
Actuarial losses/(gains)	84,74,080	54,90,743
Benefits paid	(1,80,85,090)	(88,86,811)
Obligation at year end	14,09,75,938	12,22,48,328

b. **Change in plan assets**

Plan Assets at year beginning, at fair value	11,96,78,080	-
Expected return on asset plan	92,06,276	-
Contributions by employer	1,80,01,217	12,51,09,348
Actuarial (losses)/gains	11,88,995	34,55,543
Benefits paid	(1,80,85,090)	(88,86,811)
Plan assets at year end, at fair value	12,99,89,478	11,96,78,080

c. **Net asset / (liability) recognised in the Balance Sheet**

Present value of defined benefit obligation	14,09,75,938	12,22,48,328
Fair value of plan assets	12,99,89,478	11,96,78,080
Funded status- Surplus/ (Deficit)	(1,09,86,460)	(25,70,248)
Unrecognised past service costs	-	-
Net liability recognised in the Balance Sheet	(1,09,86,460)	(25,70,248)

e. **Gratuity cost for the year:**

Particulars	Year ended 31 March, 2016 (Rupees)	Year ended 31 March, 2015 (Rupees)
Current service cost	1,83,82,179	1,50,68,104
Interest cost	99,56,441	92,45,148
Expected return on asset plan	(92,06,276)	-
Actuarial losses/(gains)	72,85,084	20,35,200
Net gratuity cost	2,64,17,428	2,63,48,452

f. **Experience adjustment**

Particulars	Year ended 31 March, 2012 (Rupees)	Year ended 31 March, 2013 (Rupees)	Year ended 31 March, 2014 (Rupees)	Year ended 31 March, 2015 (Rupees)	Year ended 31 March, 2016 (Rupees)
Defined benefit obligation	8,35,57,616	9,10,32,223	10,13,31,144	12,22,48,328	14,09,75,938
Plan assets	-	-	-	11,96,78,080	12,99,89,478
Surplus/(Deficit)	(8,35,57,616)	(9,10,32,223)	(10,13,31,144)	(25,70,248)	(1,09,86,460)
Experience adjustment on plan liabilities	(13,40,985)	(27,81,491)	34,07,556	1,10,250	61,96,728

Experience adjustment on plan assets	-	-	-	34,55,543	11,88,995
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g. **Economic assumptions :**

	Actuarial assumptions for gratuity and long-term compensated absences	
	As at 31 March, 2016	As at 31 March, 2015
	Discount rate	7.55%
Salary escalation rate	8.00%	8.00%
Expected return on plan assets	8.00%	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	12,99,89,478	11,96,78,080
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Actuarial valuation of the Company's liability on account of gratuity as at 31 March 2016 was carried out by an independent actuary. The Company has a policy of getting the actuarial valuation done on a annual basis. Accordingly, the actuarial valuation has not been carried out for the quarter and half year ended 30 September 2016. Accordingly, disclosures required under AS 15 have been made for the year ended 31 March 2016.

2.34 **Forward contract and option in foreign currency**

a.	Forward contract outstanding	Buy/Sell	As at	Equivalent amount in Rupees	As at	Equivalent amount in Rupees
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		30 September, 2016	30 September, 2016	31 March, 2016	31 March, 2016
In USD	Sell	54,30,000	36,17,46,600	58,75,000	38,92,77,500
In AUD	Sell	4,50,000	2,28,37,500	-	-

- b. Short term loans & advances includes net marked to market gain of Rs. 5,547,275 (Previous year ended 31 March, 2016, gain : Rs. 31,200) relating to forward contracts which are outstanding as at half year ended 30 September, 2016. The gain on such forward contracts which are designated as effective, aggregating to Rs. 5,547,275 (Previous year ended 31 March 2016 : gain of Rs. 2,386,600) have been credited to Hedging Reserve. The loss on ineffective contracts aggregating to nil (Previous year ended 31 March 2016, loss: Rs. 2,355,400) 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 September, 2016		As at 31 March, 2016	
	Amount in foreign currency	Amount in Rupees	Amount in foreign currency	Amount in Rupees

Receivable

USD (Please refer note 1 below)	-	-	31,413	20,51,881
EURO	1,70,664	1,27,00,835	2,92,572	2,17,67,343
MYR	2,85,019	45,90,940	1,71,875	29,16,718
SGD	1,40,030	68,37,665	59,610	29,36,985
JPY	1,59,49,559	1,05,03,256	3,42,20,783	2,01,85,129
ZAR	8,40,641	40,57,601	58,93,060	2,65,18,768
AED	10,63,151	1,92,82,893	10,73,169	1,93,57,277
CHF	5,019	3,43,294	3,530	2,43,529
GBP	-	-	1,71,981	1,64,19,030
AUD	58,440	29,63,298	2,53,123	1,29,04,230
NGN				

Note 1-Forward contract outstanding USD 5,430,000 Rs 361,746,600 AUD 450,000 Rs 22,837,500 previous year 31 March, 2016 USD 5,875,000 Rs 389,277,500 have been adjusted with receivables)

Payable

USD	49,22,008	32,78,79,576	1,03,65,306	68,67,53,319
EUR	1,20,466	89,65,054	2,72,199	2,02,51,635
MYR	3,73,487	60,15,941	6,11,085	1,03,70,105
GBP	86,740	74,98,008	91,463	87,31,985
SGD	4,06,446	1,98,46,780	4,62,588	2,27,89,390
CHF	6,684	4,57,178	17,427	12,02,135
AED	7,63,227	1,38,43,022	3,28,342	59,22,469
ZAR	28,22,713	1,35,84,306	48,30,187	2,17,35,842
JPY	2,18,21,881	1,43,69,163	3,04,94,984	1,79,87,466
SEK	-	-	62,844	5,13,593
AUD	3,53,901	1,79,58,699	7,38,974	3,76,72,889
NGN	11,30,419	2,39,773	-	-

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

Particulars	Quarter ended 30th September, 2016 (Rupees)	Quarter ended 30 September, 2015 (Rupees)	Half year ended 30 September, 2016 (Rupees)	Half year ended 30 September, 2015 (Rupees)
Income from software services and products	77,58,68,862	66,01,58,685	1,48,68,62,055	1,33,46,79,831
Software development expenses	48,00,89,245	44,31,37,510	94,60,46,920	86,63,27,524
Gross Profit	29,57,79,617	21,70,21,175	54,08,15,135	46,83,52,307
Changes in inventories of stock-in-trade				
Selling and marketing expenses	11,92,75,782	13,37,06,679	23,96,00,727	28,94,97,165
General and administration expenses	7,43,55,320	10,91,12,680	14,79,79,374	19,98,26,819
Operating profit before depreciation	10,21,48,515	(2,57,98,184)	15,32,35,034	(2,09,71,677)
Depreciation and amortisation expense	2,84,59,160	2,76,68,843	5,51,96,961	5,49,95,244
Operating profit after depreciation	7,36,89,355	(5,34,67,027)	9,80,38,073	(7,59,66,921)
Other income	6,19,60,398	5,66,86,301	12,19,68,146	22,22,54,473
Profit before tax	13,56,49,753	32,19,274	22,00,06,219	14,62,87,552
Tax expense:				
Net current tax expense	2,12,00,000	(62,00,000)	3,28,00,000	1,23,00,000
MAT credit entitlement	-	(85,00,000)	(18,00,000)	(85,00,000)
Tax expense / (credit) relating to prior period	21,31,904	62,23,758	21,31,904	62,23,758
Withholding taxes charged off	(23,76,076)	1,63,20,710	49,34,903	1,63,20,710
Deferred tax (credit) /charge	22,85,343	(75,06,318)	(52,19,325)	(1,05,05,275)
	2,32,41,171	3,38,150	3,28,47,482	1,58,39,193
Profit for the year	11,24,08,582	28,81,124	18,71,58,737	13,04,48,359

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 half year ended 30 September, 2016 as per provision of Income-tax Act, 1961, the Company has taken credit of corporate dividend tax aggregating Rs. Nil (Year ended 31 March, 2016 Rs.17,304,300) on account of tax paid on dividend received from one of its subsidiaries.

2.38 EXPENDITURE ON CORPORATE SOCIAL RESPONSIBILITY

Particulars	Half year ended 30 September,	Half year ended 30 September,
-------------	----------------------------------	----------------------------------

	2016 (Rupees)	2015 (Rupees)
Gross amount required to be spent by Company during the year ended 31 March, 2017 / 31 March, 2016 :	1,10,07,798	1,39,04,433
Amount spent during the year on purposes other than Construction/acquisition of any asset	80,00,000	42,30,000
<u>Details of related party transactions:</u>		
Nucleus Software Foundation (See note 2.30)	80,00,000	42,30,000

- 2.39** On March 17, 2016, the Company has acquired 96% stake in Avon Mobility Solutions Pvt. Ltd. ('Avon'), a Mobile Technology Solutions provider for a purchase consideration of Rs 19,200,720. The Company has also taken over Avon's net liabilities aggregating to Rs. 12,504,061. Further, the Company has an option to acquire the remaining 4% shares of Avon as per terms and conditions of share purchase agreement executed with the shareholders of Avon. Subsequent to the year end, the Company has further subscribed 2,150,000 11% redeemable preference shares of face value of Rs. 10 per share, for a minimum tenor of 5 years and maximum tenor of 20 years.
- 2.40** Previous quarter/year figures have been regrouped/ reclassified wherever necessary to correspond with the current quarter/year classification/disclosure.

For B S R & ASSOCIATES LLP
Chartered Accountants
ICAI Firm Registration Number :
116231W/W-100024

For and on behalf of the Board of Directors

JANKI BALLABH
Chairman

VISHNU R DUSAD
Managing Director &
Chief Executive Officer

RAKESH DEWAN
Partner
Membership number : 092212

ASHISH NANDA
Chief Financial Officer

POONAM BHASIN
AVP (Secretarial) &
Company Secretary

Place : New Delhi
Date : 20 October, 2016

Place : New Delhi
Date : 20 October, 2016

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

NUCLEUS SOFTWARE EXPORTS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 30 September, 2016

	As at 30 Sep, 2016 (Rupees)	As at 31 March, 2016 (Rupees)
<u>EQUITY AND LIABILITIES</u>		
1. SHAREHOLDERS' FUNDS		
a. Share capital	32,38,52,240	32,38,52,240
b. Reserves and surplus	4,49,64,83,584	4,24,50,74,298
	4,82,03,35,824	4,56,89,26,538
2. NON-CURRENT LIABILITIES		
a. Deferred Tax liability	7,82,217	7,82,217
b. Other Long term liabilities	6,43,14,919	3,19,93,885
c. Long-term provisions	4,69,31,123	4,12,06,256
	11,20,28,259	7,39,82,358
3. CURRENT LIABILITIES		
a. Short-term borrowings	-	1,29,01,288
b. 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	29,41,29,468	27,72,69,585
c. Other current liabilities	81,34,38,870	81,94,14,460
d. Short-term provisions	4,75,34,761	5,63,92,916
	1,15,51,03,099	1,16,59,78,250
	6,08,74,67,182	5,80,88,87,146
<u>ASSETS</u>		
1. NON-CURRENT ASSETS		
a. Fixed assets		
- Tangible assets	45,25,60,365	46,53,40,822
- Intangible assets	2,98,07,578	4,77,63,920
- Capital work in progress	31,90,290	1,10,04,412
	48,55,58,233	52,41,09,154
b. Goodwill on consolidation	3,17,04,781	3,17,04,781
c. Non-current investments	1,30,62,61,791	1,19,89,87,000
d. Deferred tax assets (net)	2,77,88,046	2,21,05,925
e. Long-term loans and advances	24,08,01,211	19,64,13,808
f. Other non-current assets	22,86,24,433	22,63,61,159
	2,32,07,38,495	2,19,96,81,827
2. CURRENT ASSETS		
a. Current investments	1,82,86,08,689	1,24,76,53,340
b. Trade receivables	61,64,48,637	85,95,01,333
c. Cash and cash equivalents	89,61,02,482	1,12,71,39,608
d. Short-term loans and advances	10,95,46,549	14,79,87,653
e. Other current assets	31,60,22,330	22,69,23,385
	3,76,67,28,687	3,60,92,05,319
	6,08,74,67,182	5,80,88,87,146

NUCLEUS SOFTWARE EXPORTS LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER, 2016

Notes Ref.	Quarter ended		For the Half year ended	
	30 Sep, 2016	30 Sep, 2015	30 Sep, 2016	30 Sep, 2015

		(Rupees)	(Rupees)	(Rupees)	(Rupees)
1. REVENUE FROM OPERATIONS					
Income from software products and services	2.20	95,60,37,028	84,68,27,870	1,85,55,85,019	1,69,50,51,141
2. OTHER INCOME	2.21	6,07,80,234	7,00,81,677	12,64,85,210	14,74,95,962
3. TOTAL REVENUE (1+2)		1,01,68,17,262	91,69,09,547	1,98,20,70,229	1,84,25,47,103
4. EXPENSES					
a. Employee benefits expense	2.22	61,97,40,679	59,94,53,890	1,24,37,43,706	1,17,42,26,804
b. Operating and other expenses	2.23	19,35,95,187	22,88,40,750	37,60,03,425	45,79,55,708
c. Finance cost	2.24	12,07,656	15,41,051	27,61,605	32,07,611
d. Depreciation and amortisation expense	2.10	3,08,48,460	3,10,31,490	6,08,47,331	6,18,55,395
TOTAL EXPENSES		84,53,91,982	86,08,67,181	1,68,33,56,067	1,69,72,45,518
5. PROFIT BEFORE TAX (3-4)		17,14,25,280	5,60,42,366	29,87,14,162	14,53,01,585
6. TAX EXPENSE					
a. Current tax expense		3,23,22,239	45,49,976	5,23,97,375	3,20,57,377
b. MAT credit entitlement		-	(85,00,000)	(18,00,000)	(1,26,00,000)
c. Net Tax expense / (credit) relating to prior period		21,31,904	58,04,351	28,05,206	53,31,956
d. Withholding taxes charged off		(19,27,150)	1,65,30,951	58,53,706	1,74,37,147
Net current tax expense		3,25,26,993	1,83,85,278	5,92,56,288	4,22,26,480
e. Deferred tax (credit) /charge	2.3 & 2.12	20,50,885	(77,71,365)	(56,93,269)	(1,02,86,653)
NET TAX EXPENSE		3,45,77,878	1,06,13,913	5,35,63,019	3,19,39,827
7. PROFIT FOR THE QUARTER (5-6)		13,68,47,402	4,54,28,453	24,51,51,143	11,33,61,757

MANAGEMENT DISCUSSION AND ANALYSIS- CONSOLIDATED

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.

Nucleus Software is known for its world-class expertise and innovation in lending and transaction banking technology. We have inter-alia, two flagship products, built on the latest technology:

- FinnOne™, 10 time winner - World’s Best Selling Lending Solution.

- FinnAxia™, an integrated global transaction banking solution used by banks worldwide to offer efficient and Innovative global payments and receivables, liquidity management and business internet banking services.

PaySe™, the world’s first offline digital cash solution designed and created with the aim to democratize money. Along with PaySe™, we introduced PURSE™, a mobile to carry money, and PalmATM™ a bank teller application to democratize money.

PaySe™ utilizes the latest advances in mobility, big data, open source and crypto currency (primarily tokenization) to deliver the world’s first secure offline peer to peer payment solution. PaySe™ helps to reduce and offset the costs associated with cash by replacing physical cash notes with digital currency. With fewer notes in circulation, the cost of storing, transporting and processing cash will reduce dramatically. This will also increase the velocity of money.

PaySe™ helps address the access challenges faced by banks, micro finance institutions (MFIs) and non-banking finance companies (NBFCs) by making basic banking services accessible to the unbanked such as direct debit transfers (DBT), micro pension, saving deposits, loans, recurring deposits etc. while delivering financial services.

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 South Africa. 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 Group'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 Group'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 2016. 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:

- Named as a '**Model Bank Vendor 2016**' Award by **Celent** for helping multiple clients achieve technology or implementation excellence.
- Recognized amongst the '**World's top 5 Mobile Banking Solution Providers**' by **Forrester Research, Inc.** in The Forrester Wave™: Mobile Banking Solutions, Q4 2015.
- Corporate LiveWire – FinTech Excellence Awards 2015 in the category "**Excellence in Providing Banking Products**"
- FinnOne™ **10 time winner - World's Best Selling Lending Solution** by IBS Publishing, UK.
- 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 Triple A 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 Project" for introducing MARC, an innovative debt servicing solution that allows customers to make payment anytime, anywhere.

- The Company was inducted into the coveted **Hall of Fame** by the **Institute of Chartered Accountants of India**, in the category, Service sector (other than financial services) with turnover less than Rs. 500 crore, of the 'ICAI Awards for Excellence in Financial Reporting' in the year 2013.
- 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 Sept 30,	2016	% of Revenue	Growth (%)	2015	% of Revenue
Revenue From Operations	95.60	100%	12.9%	84.68	100%
Expenses					
a) Employee benefits expense	61.97	65%	3.4%	59.95	71%
b) Travel expenditure	3.11	3%	-40.1%	5.19	6%
c) Finance costs	0.12	0%	-21.6%	0.15	0%
d) Other expenses	16.25	17%	-8.2%	17.69	21%
Total Expenses	81.45	85%	-1.8%	82.98	98%
Operating Profit (EBITDA)	14.15	15%	732.8%	1.70	2%
Depreciation	3.08	3%	-0.6%	3.10	4%
Operating Profit after Interest and Depreciation	11.06	12%	-888.1%	(1.40)	-2%
Other Income	6.51	7%	5.6%	6.17	7%
Foreign Exchange Gain/ (Loss)	(0.43)	0%	-151.4%	0.84	1%
Profit Before Tax	17.14	18%	205.9%	5.60	7%
Taxation	3.46	4%	225.8%	1.06	1%
Profit After Tax	13.68	14%	201%	4.54	5%

Revenue from Operations

We derive our revenue from the following business segments:

- Products
- Projects and Services

During the quarter the total revenue is Rs. 95.60 crore against Rs. 84.68 crore for the corresponding quarter previous year.

Revenue from Products

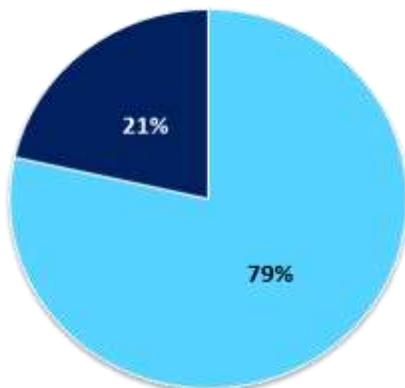
Product revenue arises from Products and related services comprising of license fees, revenue from customization and implementation of products and post production and maintenance support. Product revenue is Rs. 75.06 crore during the quarter, constituting 79% of the total revenue against Rs. 62.33 crore, 74% of total revenue, in the corresponding quarter previous year. This has increased by 20.42%. We are a Company focused on Product business.

Revenue from Projects and Services

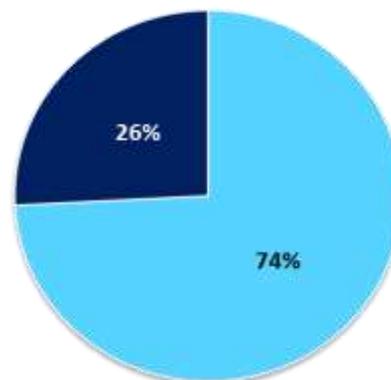
Software services rendered by the Company, classified under this segment, typically consist of development of software to meet specific customer requirements consisting of application development & maintenance, testing services, consulting and infrastructure management services with a strong banking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

Revenue from software projects and services segment during the quarter is Rs. 20.54 crore constituting 21% of the total revenue against Rs. 22.35 crore, constituting 26% of total revenue in the corresponding quarter previous year. This has decreased by 8%.

Q2 FY 17

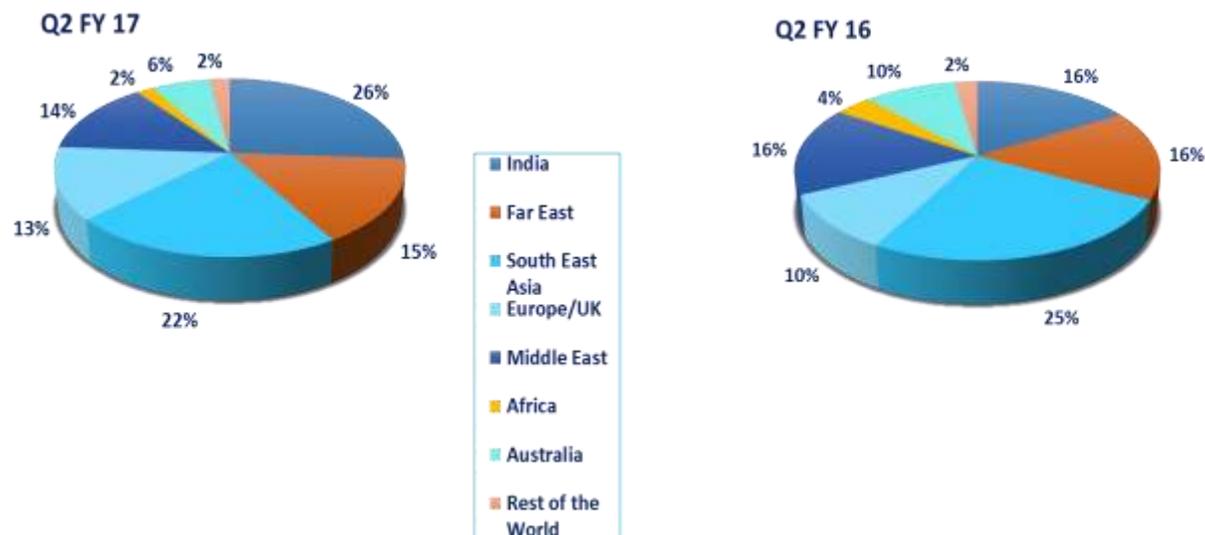


Q2 FY 16



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.



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 3% to Rs. 61.97 crore. For the corresponding quarter previous year, they were at Rs. 59.95 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 Sept 30,	2016	% of Revenue	Growth (%)	2015	% of Revenue
Salaries and bonus	57.38	60%	3.18%	55.61	66%
Contribution to provident and other funds	2.78	3%	10.40%	2.51	3%
Gratuity expense	0.80	1%	9.44%	0.73	1%
Staff welfare	1.02	1%	-6.68%	1.09	1%
Total Employee Benefit Expenses	61.97	65%	3%	59.95	71%
Revenue	95.60	100%	13%	84.68	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)

Operating and Other Expenses

For the Quarter Ended Sept 30,	% of			% of	
	2016	Revenue	Growth (%)	2015	Revenue
Software and other development charges	2.08	2%	-5%	2.20	3%
Cost of software purchased for delivery to clients	0.59	1%	-1%	0.59	1%
Power and fuel	1.33	1%	1%	1.32	2%
Rent	2.20	2%	-8%	2.38	3%
Repair and maintenance	1.04	1%	11%	0.93	1%
- Buildings	0.20	0%	55%	0.13	0%
- Others	0.83	1%	4%	0.80	1%
Insurance	0.17	0%	-31%	0.25	0%
Rates and taxes	0.09	0%	-60%	0.24	0%
Travel expenses	3.11	3%	-40%	5.19	6%
Advertisement and business promotion	0.18	0%	-68%	0.55	1%
Legal and professional	1.62	2%	-43%	2.83	3%
Directors remuneration	0.26	0%	86%	0.14	0%
Conveyance	0.50	1%	-4%	0.53	1%
Communication	0.71	1%	-8%	0.77	1%
Training and recruitment	0.82	1%	82%	0.45	1%
Conference, exhibition and seminar	1.20	1%	178%	0.43	1%
Information technology expenses	1.13	1%	7%	1.06	1%
Provision for doubtful debts/advances/other current assets	(0.37)	0%	-131%	1.22	1%
Commission to channel partners	0.25	0%	-29%	0.35	0%
Finance Cost	0.12	0%	-22%	0.15	0%
Expenditure on Corporate Social Responsibility	0.70	1%		0.27	0%
Miscellaneous expenses	1.75	2%	48%	1.18	1%
Total Operating and Other Expenses	19.5	20%	-15%	23.0	27%
Revenue	95.60	100%	13%	84.68	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. 14.15 crore, 15% of revenue against Rs. 1.70 crore, 2% of revenue in the corresponding quarter previous year.

Depreciation

Depreciation on fixed assets was Rs. 3.08 crore, for the quarter against Rs. 3.10 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)

Other Income

For the Quarter Ended Sept 30,	2016	2015
On Investments		
Capital Gain- Mutual Funds		-
Dividend on investment in Mutual fund units	2.52	1.07
Interest Income	3.62	4.38
Foreign Exchange differences on consolidation	(0.43)	0.84
Provisions written back	0.09	0.62
Others	0.28	0.09
Total	6.08	7.01

Other income for the quarter is Rs. 6.08 crore, against Rs. 7.01 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 loss of Rs. 0.43 crore against a gain of Rs. 0.84 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)

Taxation

For the Quarter Ended Sept 30,	2016	2015
- Withholding taxes charged off	(0.19)	1.65
- Current Tax	3.23	0.45
- MAT Credit Entitlement	-	(0.85)
- Deferred Tax Credit (net)	0.21	(0.78)
- Earlier Year Tax	0.21	0.58
Total	3.46	1.06

Profit after Tax

Our profit after tax for the quarter is Rs. 13.68 crore, 14% of revenue, against Rs. 4.54 crore, 5% 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 September 30, 2016 is 32,383,724 equity shares of Rs. 10 each.

Subsidiaries

The Company has nine 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 September 30, 2016 is as per the below table:

Name of Subsidiary Company	Currency	As at September 30, 2016		As at March 31, 2016	
		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 SGD 1 each.	SGD	6,25,000	1.63	6,25,000	1.63
Nucleus Software Inc., USA. 1,000,000 shares of US\$ 0.35 cents each (After provision for diminution)	USD	3,50,000	1.63	3,50,000	1.63
Nucleus Software Japan Kabushiki Kaiga, Japan. 200 equity shares of JPY 50,000 each	JPY	1,00,00,000	0.41	1,00,00,000	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. 7500 (4000) equity shares of Euro 100 each	Euro	7,50,000	4.89	4,00,000	4.89
Nucleus Software Limited, India 10,000,000 equity shares of Rs.10/- each	INR	-	10.00	-	10.00
Nucleus Software Australia Pty. Limited, Australia 100,000 equity shares of 1 AUD each	AUD	1,00,000	0.55	1,00,000	0.55
Nucleus Software South Africa (Pty.) Limited, South Africa 10 equity shares of ZAR 61,200 each	ZAR	6,12,000	0.32	-	0.32
Avon Mobility Solutions Private Limited 10,666 equity shares of Rs. 10 each	INR	-	1.92	-	1.92
Avon Mobility Solutions Private Limited 2,150,000 (Nil) Preference shares of Rs. 10 each	INR	-	2.15	-	-

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, 2016	Additions/ (Deletions) during the period	Closing Balance as on Sep 30, 2016
General Reserve	88.88	-	88.88
Securities Premium	2.19	-	2.19
Capital Reserve	0.89	-	0.89
Foreign Currency Translation Reserve	11.57	0.32	11.89
Hedging Reserve	0.33	0.31	0.64
Profit and Loss Account Balance	320.65	24.52	345.16
Total	424.51	25.14	449.65

Fixed Assets

As at Sep 30, 2016, gross block of fixed assets including investment in technology assets is Rs. 141.23 crore (Rs. 150.99 crore as on March 31, 2016)

As at	30-Sep-16	Inc/Dec (%)	31-Mar-16
Gross Block			
Freehold land	0.34	-	0.34
Leasehold land	18.78	-	18.78
Leasehold improvement	1.09	3.75	1.05
Building	28.72	0.77	28.50
Office and other equipment	19.46	(5.32)	20.55
Computers	33.32	(17.33)	40.30
Vehicles	2.83	23.21	2.30
Furniture and fixtures	6.82	27.38	5.35
Software	29.86	(11.67)	33.80
Total	141.23	(6.46)	150.99
Less: Accumulated Depreciation	92.99	(6.71)	99.68
Net Block	48.24	(5.99)	51.31
Add: Capital Work In Progress	0.32	(71.01)	1.10
Net Fixed Assets	48.56	(7.36)	52.41

Investments

a. **Non-current investments** totaling Rs.130.62 crore as on September 30, 2016 against Rs. 119.89 crore as on March 31, 2016

- 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. 77.73 crore.
- iii) **Investment in long-term fixed maturity plans of mutual funds** – Rs. 10 crore.
- iv) **Investment in Preference shares** – Rs. 42.64 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 September 30, 2016 the cash and bank balances stood at Rs. 89.61 crore and current investments in liquid schemes and Fixed Maturity Plans of mutual funds were Rs. 182.86 crore.

Total cash and current investments are thus at Rs. 272.47 crore on September 30, 2016.

(Rs. in crore)

Cash & Cash Equivalents as at	30-Sep-16	31-Mar-16
Balances with Bank		
In Current Accounts	28.81	24.01
In Fixed Deposit Account	60.80	88.70
Investments in Mutual Funds	181.86	124.77
Total	272.47	237.48

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 September 30, 2016 are Rs. 61.64 crore, against Rs. 85.95 crore as on March 31, 2015.

Days of sales receivables (DSR) are at 68 days as on September 30, 2016 against 94 days as on March 31, 2016.

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)

Loans and advances as on

For the Quarter Ended Sept 30,	30-Sep-16	31-Mar-16
Long term Loans and advances		
Capital advances	-	0.06
Security deposits	3.23	3.25
Advance income tax	13.54	9.61
Prepaid expenses	0.08	0.20
MAT credit entitlement	6.69	6.29
Staff Loans	0.55	0.23
Total	24.08	19.64
Short term Loans and advances		
Security deposits	0.16	0.10
Prepaid expenses	5.12	3.81
Supplier advances	0.68	2.61
Service tax / VAT credit receivable	2.03	1.65
MAT credit entitlement	0.33	0.55
Loans & advances to employees	0.55	1.42
Others	2.09	4.66
Total	10.95	14.80
Total Loans and Advances	35.03	34.44

Security Deposits, utilized primarily for hiring of office premises and staff accommodation, amounts to Rs. 3.38 crore as on September 30, 2016 against Rs. 3.35 crore as on March 31, 2016. MAT credits are Rs. 7.03 crore as on September 30, 2016 against Rs. 6.85 crore as on March 31, 2016.

Current Liabilities

Current Liabilities as on September 30, 2016 is Rs. 115.51 crore (Rs. 116.60 crore as on March 31, 2016).

(Rs. in crore)

Current Liabilities

As at	30-Sep-16	31-Mar-16
Short-term borrowings	-	1.29
Trade Payables	29.41	27.73
Advance from customers / Advance billings	35.88	36.42
Deferred Revenue	35.17	38.16
Unclaimed dividend	0.29	0.44
Book overdraft	0.13	-
Payable for purchase of fixed assets	0.13	0.13
Provision for gratuity	2.73	1.14
Interest accrued and due on borrowings	-	0.04
Other Payables- statutory liabilities	7.02	5.60
Short term provisions		
Compensated absences	2.86	2.68
Provision for tax	1.89	2.96
Total	115.51	116.60

Non-Current Liabilities

Non-current Liabilities as on September 30, 2016 are Rs. 5.26 crore (Rs. 7.40 crore as on March 31, 2016). The breakup of Non-current Liabilities at the quarter end is given below.

(Rs. in crore)

NON-CURRENT LIABILITIES

As at	30-Sep-16	31-Mar-16
Deferred Tax liability	0.08	0.08
Advance from customers	6.43	3.20
Long-term provisions-Leave Encashment	4.69	4.12
Total	11.20	7.40

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 third quarter Ending December 31, 2016	between 20 th to 31 st of January 2017
Financial reporting for the fourth quarter Ending March 31, 2017.	between 21 st to 31 st of April 2017
Financial reporting for the first quarter Ending June 30, 2017.	between 20 th to 31 st of July 2017
Financial results for the second quarter Ending September 30, 2017	between 21 st to 31 st of October 2017
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 17,644 shareholders as on September 30, 2016.
- 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
2015-16	50%	5.00	16.19
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

Karvy Selenium Tower B, Plot 31-32,

Gachibowli, Financial District,

Nanakramguda,

Hyderabad-500032

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, 2016. (Consolidated)**



CONSOLIDATED PROFIT AND LOSS FOR THE QUARTER ENDED SEPTEMBER 30, 2016

₹ In Lakhs

Particulars	Quarter Ended			Half Year Ended	
	September 30, 2016	June 30, 2016	September 30, 2015	September 30, 2016	September 30, 2015
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
1. INCOME FROM OPERATIONS					
Income from Software Products and Services	9,560.37	8,995.48	8,468.28	18,555.85	16,950.51
Total Income from operations (net)	9,560.37	8,995.48	8,468.28	18,555.85	16,950.51
2. EXPENSES					
a) Employee benefit expense	6,197.41	6,240.03	5,994.54	12,437.44	11,742.27
b) Travel expense	310.88	354.05	519.00	664.93	1,117.86
c) Finance cost (Bank Charges)	12.08	15.54	15.41	27.62	32.08
d) Other expenses	1,625.07	1,470.03	1,769.42	3,095.11	3,461.71
Total Expenses	8,145.44	8,079.65	8,298.37	16,225.09	16,353.92
3. PROFIT FROM OPERATIONS BEFORE DEPRECIATION (1-2)	1,414.93	915.83	169.91	2,330.76	596.59
4. Depreciation and amortisation expense	308.48	299.99	310.31	608.47	618.55
5. PROFIT FROM OPERATIONS AFTER DEPRECIATION (3-4)	1,106.45	615.84	(140.40)	1,722.29	(21.96)
6. Other Income	607.80	657.05	700.82	1,264.85	1,474.96
7. PROFIT BEFORE TAXES (5+6)	1,714.25	1,272.89	560.42	2,987.14	1,453.00
8. Tax expense	345.78	189.85	106.14	535.63	319.40
9. PROFIT AFTER TAXES (7-8)	1,368.47	1,083.04	454.28	2,451.51	1,133.60
10. Earnings Per Share (Rs.) (Par value Rs.10 each) (not annualised)					
Basic	4.23	3.34	1.40	7.57	3.50
Diluted	4.23	3.34	1.40	7.57	3.50

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 Center at NOIDA (U.P) 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 Regulation 40(9) of SEBI (LODR) Regulations 2015 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	8	8	Nil
2.	Non-receipt of Dividend Warrant	2	2	Nil
3.	Non-Receipt of Securities	1	1	Nil
4.	Non-Receipt of Shares after transfer	0	0	Nil
5.	Non-Receipt of Annual Report	4	4	Nil
6.	SEBI/Stock Exchange/Legal	1	1	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 Regulation 46 of the SEBI (LODR) Regulations, 2015, 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 Shareholdings**

Distribution Schedule As On 30/09/2016					
S.No.	Category	No. of Cases	% of Cases	Amount	% To Equity
1	1-5000	15132	85.76	16421770	5.07
2	5001- 10000	1254	7.11	9627890	2.97
3	10001- 20000	637	3.61	9293570	2.87
4	20001- 30000	201	1.14	5098980	1.57
5	30001- 40000	109	0.62	3859530	1.19
6	40001- 50000	80	0.45	3682890	1.14
7	50001- 100000	132	0.75	9393990	2.90
8	100001& Above	99	0.56	266458620	82.28
	Total:	17,644	100	3,23,83,724	100

11. **Categories of Shareholders**

Category	As on September 30, 2016		
	No. of Share Holders	Voting Strength (%)	No. of Shares Held
Promoter and Promoter Group	11	60.62	1,96,31,866
Individuals	16164	22.74	73,64,268
Bodies Corporate	416	3.01	9,73,446

Non-Resident Indians	435	2.13	6,88,838
Foreign Institutional Investors	8	7.90	25,58,527
Employee	94	0.33	1,07,297
Directors and Relatives	4	0.97	3,13,535
Mutual Funds	3	1.26	4,08,507
NBFC	1	0.00	175
Financial Institutions/ Banks	2	0.07	21,698
Clearing Members and Trusts	66	0.12	39,365
HUF	440	0.85	2,76,202
Total	17644	100	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 1,687 people as on September 30, 2016 as compared to 1,596 people as on June 30, 2016.

A. Distribution of the Employees:

	September 30,2016	June 30, 2016
Technical Employee's	1,436	1330
Non-Technical Employee's including Business Development Group	251	266
TOTAL	1,687	1,596
Male	1,257	1,230
Female	430	366
TOTAL	1,687	1,596

B. The Age Profile of The Employees Is:

	September 30,2016	June 30, 2016
Between 20 and 25 years	523	438
Between 26 and 30 years	422	403
Between 31 and 40 years	548	565
Between 41 and 50 years	166	160
51 years and above	28	30
Total	1,687	1,596

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 – CFO

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



**NUCLEUS
SOFTWARE**

CONSOLIDATED SEGMENT INFORMATION

₹ In Lakhs

REVENUE BY	Quarter Ended						Half Year Ended			
	Sep. 30, 2016	% of Revenue	June 30, 2016	% of Revenue	Sep. 30, 2015	% of Revenue	Sep. 30, 2016	% of Revenue	Sep. 30, 2015	% of Revenue
	Unaudited		Unaudited		Unaudited		Unaudited		Unaudited	
GEOGRAPHICAL SEGMENTS										
INDIA	2,486.74	26.01	2,225.23	24.74	1,396.30	16.49	4,711.97	25.39	2,696.42	15.91
FAR EAST	1,479.09	15.47	1,515.28	16.84	1,381.19	16.31	2,994.37	16.14	2,619.92	15.46
SOUTH EAST ASIA	2,061.23	21.56	2,112.83	23.49	2,131.67	25.17	4,174.06	22.49	4,128.60	24.36
EUROPE	1,246.40	13.04	970.38	10.79	863.52	10.20	2,216.78	11.95	2,353.51	13.88
MIDDLE EAST	1,291.83	13.51	1,261.56	14.02	1,360.26	16.06	2,553.39	13.76	2,690.29	15.87
AFRICA	178.35	1.87	239.50	2.66	324.59	3.83	417.85	2.25	708.66	4.18
AUSTRALIA	602.71	6.30	454.46	5.05	810.51	9.57	1,057.17	5.70	1,443.35	8.52
REST OF THE WORLD	214.02	2.24	216.24	2.40	200.24	2.36	430.26	2.32	309.76	1.83
TOTAL	9,560.37	100.00	8,995.48	100.00	8,468.28	100.00	18,555.85	100.00	16,950.51	100.00
BUSINESS SEGMENTS										
PRODUCTS	7,506.35	78.52	6,915.37	76.88	6,233.23	73.61	14,421.72	77.72	12,478.75	73.62
Own	7,436.73	77.79	6,840.74	76.05	6,174.63	72.91	14,277.47	76.94	12,358.42	72.91
Traded	69.62	0.73	74.63	0.83	58.60	0.69	144.25	0.78	120.33	0.71
PROJECTS & SERVICES	2,054.02	21.48	2,080.11	23.12	2,235.05	26.39	4,134.13	22.28	4,471.76	26.38
TOTAL	9,560.37	100.00	8,995.48	100.00	8,468.28	100.00	18,555.85	100.00	16,950.51	100.00

RATIO ANALYSIS

Consolidated Performance					
Particulars	Quarter Ended			Half Year Ended	
	Sep-16	Jun-16	Sep-15	Sep-16	Sep-15
Ratios- Financial Performance					
Export Revenue/ Revenue (%)	73.99%	75.26%	83.51%	74.61%	84.09%
Domestic Revenue/ Revenue (%)	26.01%	24.74%	16.49%	25.39%	15.91%
Total Operating Expenses/ Revenue (%)	85.20%	89.82%	97.99%	87.44%	96.48%
Operating Profit/ Revenue (%)	14.80%	10.18%	2.01%	12.56%	3.52%
Depreciation/ Revenue (%)	4.36%	4.43%	4.39%	3.28%	3.65%
Other Income/ Revenue (%)	7.99%	7.92%	7.43%	6.96%	8.19%
Tax/ Revenue (%)	24.44%	20.73%	62.47%	2.89%	1.88%
Effective Tax Rate - Tax/ PBT (%)	20.17%	14.91%	18.94%	17.93%	21.98%
PAT from Ordinary Activities/ Revenue(%)	7.50%	4.93%	-1.92%	6.26%	-1.50%
PAT from Ordinary Activities/Net Worth(%) (LTM)	1.49%	0.95%	-0.36%	13.77%	-3.48%
Ratios- Return					
ROCE(PBIT/ Average Capital Employed) (%) (LTM)	12.28%	10.18%	15.07%		
ROANW (PAT/Average Net Worth) (%) (LTM)	9.61%	7.89%	11.52%		
Ratios - Balance Sheet					
Debt-Equity Ratio	-	-	-		
Debtors Turnover (Days)	68	89	90		
Asset Turnover Ratio (LTM)	0.77	0.76	0.80		
Current Ratio	3.26	2.93	3.80		
Cash and Equivalents/Total Assets (%)	57.34%	56.80%	55.18%		
Cash and Equivalents/ Revenue (%) (LTM)	74.70%	74.26%	69.30%		
Ratios - Growth (YoY)					
Growth in Export Revenue (%)	0.02%	-5.73%	-4.65%	-2.88%	1.89%
Growth in Total Revenue (%)	12.90%	6.05%	-2.48%	9.47%	1.95%
Operating Expenses Growth (%)	-1.84%	0.30%	16.40%	-0.79%	16.32%
Operating Profit Growth (%)	732.75%	114.64%	-89.07%	290.68%	-76.76%
PAT Growth (%)	201.24%	59.43%	-64.64%	116.26%	-53.74%
EPS Growth (%)	201.24%	59.26%	-64.65%	116.12%	-53.71%
Per- Share Data (Period End)					
Earning Per Share from Ordinary Activities (Rs.)	2.22	1.37	(0.50)	3.58	(0.79)
Earning Per Share (Including Other Income) (Rs.)	4.23	3.34	1.40	7.57	3.50
Cash Earning Per Share from Ordinary Activities (Rs.)	3.17	2.30	0.46	5.46	1.12
Cash Earning Per Share (Including Other Income)(Rs.)	5.18	4.27	2.36	9.45	5.41
Book Value Per Share (Rs.)	148.85	144.61	138.77		
Price/Earning (Annualized)	10.39	16.86	42.03		
Price/ Cash Earning (Annualized)	8.48	13.21	24.97		
Price/Book Value	1.18	1.56	1.70		