

NUCLEUS SOFTWARE

Quarterly Report

September 30, 2020

Particulars	Consolidated Performance			Half Yearly	Half Yearly
	September 30, 2020	June 30, 2020	Sep 30,2019	Sep 30,2020	Sep 30,2019
Revenue from Operations	136.99	128.35	128.22	265.34	252.27
Operating Profit (EBITDA)	33.43	37.08	20.55	70.51	38.48
Profit after Tax (PAT)	29.45	36.33	21.09	65.78	37.66
EBITDA Margin	24%	29%	16%	27%	15%
PAT Margin	21%	28%	16%	25%	15%
EPS	10.14	12.51	7.26	22.65	12.97

At the end of the Period	As at		
	September 30, 2020	June 30, 2020	September 30, 2019
Share Capital	29.04	29.04	29.04
Other Equity	590.81	570.56	485.51
Net Worth	619.85	599.60	514.55
Total Assets	841.41	804.59	708.63
Current Assets	537.96	512.60	397.02
Cash and Cash Equivalents	431.11	409.37	287.27
Working Capital	334.22	321.73	218.12
Market Capitalization	1,946.74	764.21	921.75
No. of Shares (Face Value of Rs.10.00)	29,040,724	29,040,724	29,040,724

Notes:

- 1.) Market Capitalisation is calculated by considering the closing market price of the scrip at the close of the quarter which is Rs.670.35 at September 30' 2020; Rs. 263.15 at June 30' 2020 and Rs. 317.40 at Sep 30, 2019
- 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			Half Yearly	Half Yearly
	September 30, 2020	June 30, 2020	Sep 30,2019	September 30, 2020	Sep 30,2019
Revenue from Operations	18.56	17.30	18.32	35.86	35.97
Operating Profit (EBITDA)	4.53	5.00	2.94	9.53	5.49
Profit after Tax (PAT)	3.99	4.90	3.01	8.89	5.37
EBITDA Margin	24%	29%	16%	27%	15%
PAT Margin	21%	28%	16%	25%	15%
EPS	1.37	1.69	1.04	3.06	1.85
US \$/ INR Exchange Rate*	73.83	74.17	70.00	74	70.13

At the end of the Period	As at		
	September 30, 2020	June 30, 2020	September 30, 2019
Share Capital	3.94	3.85	4.10
Reserves and Surplus	80.09	75.56	68.50
Net Worth	84.02	79.41	72.59
Total Assets	114.06	106.55	99.98
Current Assets	72.92	67.89	56.01
Cash and Cash Equivalents	58.44	54.21	40.53
Working Capital	45.31	42.61	30.77
Market Capitalization	263.89	101.21	130.04
US \$/ INR Exchange Rate#	73.77	75.51	70.88

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 on September 30, 2020.

First the financial performance, consolidated revenue for the quarter was Rs. 136.99 crore against Rs. 128.35 crore in the corresponding quarter of the previous year. The consolidated EBITDA was Rs. 33.43 crore in comparison to Rs. 20.55 crore in the corresponding quarter of the previous year. Consolidated net profit was Rs. 29.45 crore in comparison to Rs. 21.09 crore in the corresponding quarter of the previous year. EPS for the quarter was Rs. 10.14 against Rs. 7.26 in the corresponding quarter of the previous year.

The Product business revenue was Rs. 114.73 crore against Rs. 101.28 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, etc. are at Rs. 645.6 crore as on 30th September, 2020, as against Rs. 613.0 crore on 30th June, 2020.

Our ongoing investment in the latest technologies, including Artificial Intelligence, Digital and Cloud, continues to add value to our customers' business. Our market-focused, roadmap-driven approach ensures that our customers can take advantage of those enhancements quickly and easily.

Apart from continuing to deliver value to all our customers in our conventional and new ways, we have created a platform where completely new ideas are being explored. We are confident with this new approach to looking at our role as solution providers, we will continue to not only enhance our award winning world class solutions, but also come up with new solutions as well.

Managing Director

Date: Oct 30, 2020

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, 2020	between 20 th to 31 st of January 2021
Financial reporting for the fourth quarter Ending March 31, 2021.	between 21 st to 31 st of April 2021
Financial reporting for the first quarter Ending June 30, 2021.	between 20 th to 31 st of July 2021
Financial results for the second quarter Ending September 30, 2021	between 21 st to 31 st of October 2021
 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.
 - 99.79 % of the Company's equity shares are in demat form.
 - The Company has not issued any GDRs / ADRs.
 - The dividend declared and paid in the previous financial years is given below:
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Financial Year	Dividend (%)	Dividend Per Share in Rs.	Dividend Pay Out in Rs. Crore
2020-21*	30%	3.00	9.71
2018-19	90%	9.00	26.13
2017-18	80%	8.00	23.23
2016-17	50%	5.00	16.19
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

*In 2020-21 , Interim Dividend was declared.

The dividend payout in 2004-05 was on the enhanced capital consequent to 1:1 bonus issue made during the year.

Notes

- 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

KFin Technologies 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

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), London (U.K) and USA.

Nucleus operates state-of-the-art Software Development Center at NOIDA (U.P) 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**

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.

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 one legal proceeding pending against the Company in the Court.

10. 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

11. Employee Strength of Nucleus

Nucleus employed 2,064 people as on September 30, 2020 as compared to 2,117 people as on June 30, 2020.

A. Distribution of the Employees:

	September 30, 2020	June 30, 2020
Technical Employee's	1,845	1893
Non-Technical Employee's including Business Development Group	219	224
TOTAL	2,064	2,117
Male	1,522	1563
Female	542	554
TOTAL	2,064	2,117

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

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

Vishnu R Dusad

Tel: +91 (120) 4031800

E Mail: vishnu@nucleussoftware.com

Poonam Bhasin - Company Secretary

Tel: +91 (120) 4031400

E Mail: poonam@nucleussoftware.com

Consolidated segment Information



CONSOLIDATED SEGMENT INFORMATION

In Lakhs ₹

REVENUE BY	Quarter Ended						Half Year Ended				Year Ended	
	September 30, 2020	% of Revenue	June 30, 2020	% of Revenue	September 30, 2019	% of Revenue	September 30, 2020	% of Revenue	September 30, 2019	% of Revenue	March 31, 2020	% of Revenue
	Unaudited		Unaudited		Unaudited		Unaudited		Unaudited		Audited	
GEOGRAPHICAL SEGMENTS												
INDIA	5,277	38.5	4620	36.0	4,293	33.5	9,897	37.3	7,767	30.8	18,057	34.7
FAR EAST	1,046	7.6	885	6.9	1,217	9.5	1,931	7.28	2,646	10.5	5,361	10.3
SOUTH EAST ASIA	2,635	19.2	2698	21.0	2,645	20.6	5,333	20.10	5,598	22.2	10,417	20.0
EUROPE	723	5.3	685	5.3	1,009	7.9	1,408	5.31	2,390	9.5	3,788	7.3
MIDDLE EAST	1,801	13.1	1933	15.1	1,858	14.5	3,734	14.07	3,958	15.7	7,763	14.9
AFRICA	583	4.3	301	2.3	408	3.2	884	3.33	951	3.8	1,719	3.3
AUSTRALIA	1,017	7.4	1061	8.3	673	5.2	2,078	7.83	1,046	4.1	2,738	5.3
REST OF THE WORLD	617	4.5	652	5.1	719	5.6	1,269	4.78	871	3.4	2,240	4.2
TOTAL	13,699	100.0	12,835	100.0	12,822	100.0	26,534	100.0	25,227	100.0	52,083	100.0
BUSINESS SEGMENTS												
PRODUCTS	11,473	83.8	10,707	83.4	10,128	79.0	22,180	83.6	19,850	78.7	41,433	79.5
Own	11,450	83.6	10,675	83.2	10,056	78.4	22,125	83.4	19,712	78.1	41,193	79.0
Traded	24	0.2	31	0.2	72	0.6	55	0.2	138	0.5	240	0.5
PROJECTS & SERVICES	2,226	16.2	2,128	16.6	2,694	21.0	4,354	16.4	5,377	21.3	10,650	20.5
TOTAL	13,699	100.0	12,835	100.0	12,822	100.0	26,534	100.0	25,227	100.0	52,083	100.0



Global offices: Amsterdam | Chennai | Dubai | Jaipur | Johannesburg | London | Manila
Mumbai | New Delhi | New Jersey | Noida | Singapore | Sydney | Tokyo