Report on

Corporate Governance

Strong corporate governance practices help to build an environment of trust, transparency and accountability necessary for fostering long-term investment, financial stability and business integrity, thereby supporting stronger growth and more inclusive societies. All these pillars are critical in successfully running an entity and forming solid professional relationships among its stakeholders which include board of directors, managers, employees, customers, suppliers, regulators and most importantly, shareholders.

Company's Philosophy on Corporate Governance

Nucleus has a strong legacy of fair, transparent and ethical governance practices. Integrity and transparency are key to Company corporate governance practices and performance to ensure that we gain and retain the trust of our stakeholders at all times.

Our commitment to adoption of best practices of corporate governance makes us fully compliant with the Companies Act 2013 as well as with the provisions of Corporate Governance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, not just in word but in spirit. Besides complying with the statutory guidelines, the Company has voluntarily adopted and evolved various practices of governance conforming to highest ethical and responsible standards of business, generating value creation for all.

The flow of content in this Report is as follows:

Report on Corporate Governance

A. Board of Directors

B. Committee of the Board of Directors

C. Shareholder Information

D. Disclosures

E. General Shareholder Information

F. Compliance with Non-Mandatory Requirements

Corporate Governance Framework at Nucleus

The Company's Corporate Governance practice is based on the following:

A. Board of Directors

The Company's Board of Directors plays a key role in providing direction in terms of strategy, target setting and performance evaluation of the top management. The primary role of the Board is that of trusteeship – to protect and enhance stakeholders' value through strategic direction to the Company.

Nucleus firmly believes that Board independence is essential to bring objectivity and transparency in the management of the Company.

a) Size and Composition of the Board

An ideal Board should ensure an appropriate balance of power, independence and authority. The key to good Corporate Governance is the optimum combination of the executive and non-executive Directors on the Board. As of March 31, 2023, the Board at Nucleus comprises ten members; five Board members are Non-Executive Independent Directors including two women Directors, and the other five are Executive Directors, including one woman director. All Independent Directors, with their diverse knowledge and expertise, provide valuable contribution in the deliberations and decisions of the Board, maintaining the requisite independence. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. The Company does not have any pecuniary relationship with any of the non-executive directors

Composition of the Board as on March 31, 2023:

Name of Director	Position	Age in years
Mr. S.M Acharya (DIN 00545141)	Non-Executive, Chairman, Independent Director	74
Mr. Vishnu R Dusad (DIN 00008412)	Managing Director, Promoter, Executive Director	66
Dr. Ritika Dusad (DIN: 07022867)	Executive Director	33
Mr. Prithvi Haldea (DIN 00001220)	Non-Executive, Independent Director	72
Mrs. Elaine Mathias (DIN 06976868)	Non-Executive, Independent Director	69
Prof. Trilochan Sastry (DIN 02762510)	Non-Executive, Independent Director	63
Mr. R. P. Singh (DIN 00008350)	Executive Director	60
Mr. Parag Bhise (DIN 08719754)	Executive Director & CEO	57
Mr. Anurag Mantri (DIN 09002894)	Executive Director & CFO	53
Mrs. Yasmin Javeri Krishan (DIN 08801422)	Non-Executive, Independent Director	63

Table 1

A brief profile of each of the Board members is presented below :

Mr. S M Acharya, Chairman, Independent Director

Mr. S M Acharya is a retired IAS officer of the Karnataka cadre. He has held various senior positions in both State and Central Governments in his long and distinguished career and retired as Secretary to the Government of India in the Ministry of Defense in 2009. Mr. S M Acharya went to school in Bangalore and Gwalior and graduated from the universities of Madras and Hong Kong obtaining Bachelor of Arts degrees. He also possesses a Masters Degree in Economics from the Victoria University of Manchester, UK. Having taught at a school for a year and a half, Mr. Acharya enrolled in an intensive course in Chinese language at the University of Delhi, and then sat for the civil service examinations in 1973. He served in the Indian Administrative Service for 35 years based in Karnataka for 20 years and in Delhi for 13 years and 2 years as a probationer in Mussoorie. During the course of these years he has had a variety of experiences that have helped him to gain an insight into the affairs of human beings. After retirement he had been retained by a leading education Trust to act the Chief Executive to help run their engineering and general sciences institutions. He also served as an Independent Director on the Board of the Bharat Electronics Ltd. His areas of expertise include Governance, Global Business, Strategy and Planning.

Mr. Acharya joined the Board of Directors of Nucleus Software Exports Ltd. in March 2016.

Mr. Vishnu R. Dusad, Managing Director

Mr. Vishnu R. Dusad is the co-founder of Nucleus Software and has led the company since inception with his vision "To make financial services accessible and enriching worldwide". He has been the guiding light and one of the early pioneers of Intellectual Property (IP) industry in India which now delivers cutting-edge technologies to the global BFSI space. With his prior experience in product development, his expertise in creating industry-leading alliances and strategic planning, Mr. Dusad has led Nucleus Software to take flight and expand across 50 countries.

During the late 1980s, when India's financial services sector was still in its nascent stage, he partnered and worked closely with banks and financial institutions, providing them the technology edge. Way before the inception of the current usage of the word 'Atmanirbharta' (Self-Reliant), Mr. Dusad grasped the importance of making India Atmanirbhar and created IP products for the BFSI industry on Indian soil saving the country billions of foreign exchange. His vision to use technology to enable efficient lending operations drove him to establish world-class teams, create expertise and expand.

His passion for building products to improve business processes created a huge impact. The vision that Mr. Dusad charted out during the formative years also helped roll out several customer-focused products. His commitment to building future-proofed products and services has led Nucleites to adopt best practices, which in turn enrich the value derived by customers. His mission is to inculcate excellence within every Nucleite, in their chosen work area. His expertise encompasses software development, creation of strategic alliances, business development and strategic planning. An alumnus of Indian Institute of Technology (IIT), Delhi, he completed his bachelors in 1980 and master's degree in 1982.

Mr. Prithvi Haldea, Independent Director

Mr. Prithvi Haldea did his MBA from Birla Institute of Technology & Science, Pilani in 1971. Over the next 18 years, years, he worked at senior positions in the corporate sector in the areas of exports, consulting and advertising. During late 70s and early 80s, he was also associated with the information industry and among various activities, worked as a consultant with The World Bank and the U.S. Department of Commerce.

In 1989, Mr. Haldea founded PRIME Database, the country's first and still the only database on the primary capital market. PRIME has a large subscriber base and is widely reported by the media. Spreading over more than 3 decades, Mr. Haldea has played a significant role in policy formulation for the primary market. In a recent effort, he has rewritten gratis for SEBI the entire ICDR Regulations, in an orderly manner, and in simple English.

Mr. Haldea is presently a member of several committees including SEBI Market Data Advisory Committee. Additionally, he is an Advisor to Gaja Capital, Inversion Management Services, Association of Investment Bankers of India, BGJC & Associates, and Association of Independent Directors of India.

In the past, Mr. Haldea has served, among others, as a Member of SEBI Primary Market Advisory Committee, Board Member of the Central Listing Authority-SEBI, First Trustee of the Pension Fund Regulatory & Development Authority, Government's Standing Council of Experts for the Financial Sector, Board of Governors of Indian Institute of Corporate Affairs, Member-Investment Board of Postal Life Insurance, Central Government Nominee on the Governing Council of Institute of Chartered Accountants of India and Central Government Nominee on the Governing Council of Institute of Company Secretaries of India. He was also a member of Ministry of Finance Task Force on Financial Redress Agency, Finance Minister's High-level Expert Committee on Corporate Bonds and Securitization, Quality Review Board-ICAI, FSDC Committee on Commission/ Incentive Structure of the Distributors of Financial Products, Advisory Committee on Individual Insolvency and Bankruptcy of the Insolvency and Bankruptcy Board of India, SEBI Secondary Market Advisory Committee, SEBI Committee on Disclosures & Accounting Standards, SEBI Committee for Reviewing Disclosures, SEBI Committee for Review for MAPIN, Rules Committee (for the Companies Act) of the Ministry of Corporate Affairs, MCA Committee on Review of Corporate Governance Norms, MCA Committee for Review of the Chartered Accountants Act, MCA Group on Review of Independent Directors and NISM National Securities Market Data Committee.

He has also served as a member of Listing Advisory Committee of NSE, Index Committee, Listing Committee and Delisting Committee of BSE and Delisting Committee of DSE, ICSI Standing Committee for Development of a

Model for Assessing Corporate Governance, Editorial Board of ICSI, and Financial Services Committee of ICSI. He was also a member of CII National Task Force on Financial Markets, FICCI Task Force on Development of Capital Markets and NASSCOM's Corporate Governance & Ethics Committee. Mr. Haldea was also the Chairman of the ASSOCHAM's National Council for Capital Markets, ASSOCHAM's awards committee for Corporate Governance and for Corporate Social Responsibility, and Chairman of PHDCCI Capital Markets Committee. Mr. Haldea was also on the boards of UTI Mutual Fund as an Independent Director for nearly 6 years and served as a Public Interest Director on the boards of Multi Commodity Exchange of India, OTC Exchange of India and Central Depository Services (India) Ltd. Mr. Haldea was also the founder-advisor of Invest India Foundation, Superbrands and Manupatra.

Mr. Haldea has been a visiting faculty at several institutions, including Masscom and has addressed hundreds of conferences in India and abroad on capital markets, IPOs, financial frauds, corporate governance and investor protection. As an investor protection activist and proponent of corporate governance, Mr. Haldea regularly raises issues with regulators and in the media. In the pursuit of this objective, he has also launched several unique websites which include www.watchoutinvestors.com, aggregating information on economic defaulters which now lists over 7,10,000 entities, www.primedirectors.com: a databank of professionals for listed companies to select independent directors, now hosting profiles of over 20,000 professionals, www.primeinfobase.com, a searchable database of information on listed companies, www.indianboards.com profiling directors of listed companies and www.msmementor.in, a national skills registry of professionals for the benefit of MSMEs. He had earlier designed and maintained www.directorsdatabase.com, covering detailed profiles of directors of Indian listed companies and www.iepf.gov.in, an investor education initiative of the Ministry of Corporate Affairs in English, Hindi and 9 regional languages. He also produced simply-written Investor Guides for the Ministry of Corporate Affairs. Mr. Haldea has also extended his skills of information management to other organizations, by creating www.bsepsu.com, a website for BSE dedicated to disinvestments, a revamped website www.divest.nic.in for the Department of Disinvestment, and the PE/VC Directory for the Indian Venture Capital Association His areas of expertise include Finance, Capital Markets, Governance, Global Business, Strategy, Planning and Sales and Marketing.

A lover of Urdu poetry, he is presently devoting a lot of his time to Ibaadat Foundation, which he founded for bringing poets and poetry back to life, through musical dramas. He is also the Founder-Advisor to Rekhta Foundation which has created the world's largest website on Urdu poetry and which conducts the Jashn-e-Rekhta festivals.

Mr. Haldea joined the Board of Directors of Nucleus Software Exports Ltd. in June 2001 and of Nucleus Software Ltd. in April 2008.

Mrs. Elaine Mathias, Independent Director

Mrs. Elaine Mathias is a B.Com (Hons.) graduate from Sydenham College of Commerce and Economics, Mumbai. She has a dual Professional qualification and is a Fellow member of the Institute of Chartered Accountants of India and also an Associate member of the Institute of Cost Accountants of India.

Mrs. Elaine Mathias is a highly reputed professional with thirty four years' experience in Bharat Electronics Limited (BEL), Bangalore, a Navratna Company under the Ministry of Defense, Government of India, from where she superannuated as Executive Director (Finance). At BEL she was in charge of various portfolios in Corporate Finance like Accounts, Taxation, Treasury, Budgeting and Pricing and introduced continuous improvements in systems and procedures in all these areas.

Besides her Finance role, she played a very active part in all Human Relations activities including negotiations with the Unions and framing of Personnel Policies within the Government Guidelines. She has proficiency in development of various financial systems, risk management, regulatory compliances, strategy implementation, talent management, best practices of Corporate Governance.

At the time of her superannuation, she was the Chairperson of various Trusts and Committees like the BEL Gratuity Trust, the BEL Superannuation Pension Trust and the Corporate Committee against Sexual Harassment of Women at the Workplace.

She has interacted and represented BEL at meetings with various external agencies like Bankers, Credit rating agencies, Statutory Auditors, Government Auditors, Cost Auditors, Government officials, Financial Analysts, Institutional Investors and Technology

Collaborators. Her areas of expertise include Finance, Governance, Strategy and Planning, Mrs. Elaine Mathias joined the Board of Directors of Nucleus Software Exports Ltd. in September 2014.

Professor Trilochan Sastry, Independent Director

Professor Trilochan Sastry, former Dean at IIM Bangalore, currently teaches at IIM Bangalore. A B.Tech from IIT, Delhi, an MBA from IIM, Ahmedabad, and a Ph.D. from MIT, USA, Professor Sastry has taught for several years at IIM, Ahmedabad after which he moved to IIM, Bangalore. A recipient of national award for research and teaching, Professor Sastry has taught in many prestigious Universities in India, Japan, Hong Kong and United States and has published several academic papers in Indian and International journals. He had earlier served on the Board of NABARD and also on the Board of IIM Bangalore for 5 years. He is currently a Director on the Board of India farm Foods Pvt. Ltd. His areas of expertise include Governance, Social Entrepreneurship and Operations Research. Prof. Trilochan Sastry joined the Board of Directors of Nucleus Software Exports Ltd. in July 2013. He is also on the Board of Nucleus Software Limited.

Mr. R. P. Singh, Executive Director

Mr. Ravi Pratap Singh or 'RP' started his career with Nucleus Software as a summer trainee in 1986 and grew with the company to become the Chief Executive Officer in 2018. He saw Nucleus Software transform from a 10 member startup to becoming a pioneer in software products in India with its leading Lending platform, FinnOne, having over 250 customers across 50 countries. He retired as CEO in 2021 and continues on the Board.

He held multiple key roles during the period.

As Global Delivery Head, he drove the operation with an intense focus on customer delight ensuring business value gets delivered to each customer. His area of expertise includes Global Business, Technology, Stratety and Planning, Governance Sales and Marketing. Being a natural mentor and a technocrat of high caliber himself, he started the Nucleus School of Banking Technology (NSBT) as a new division of Nucleus Software in 2010 with a vision of developing world class Banking (& Financial) Technology Professionals. Today, NSBT is key to campus onboarding and talent development at Nucleus. As Product head, he led the strategic initiative to re-build and re-architect the 15 year old Nucleus products. The renewed Cloud-ready FinnOne NEO is already a leader in India with over 50 Financial Institutions deriving value. He feels this was his most challenging responsibility.

As CEO, his key focus was to strengthen the core values at Nucleus as it expanded and to build a learning organization.

RP did his graduation in Economics from Shri Ram College of Commerce before doing his Post Graduation in Computer Applications. He is an alumni of Harvard Business School, completing the General Management Program (GMP) in 2014.

He is an outdoors man, into adventure activities, photography and an ardent golfer.

He joined the Board of Nucleus Software Export Ltd. in July 2014. He is also on the Board of Nucleus Software Ltd.

Mr. Parag Bhise, Executive Director & Chief Executive Officer

Mr. Parag Bhise, the CEO, has been a transformational leader and has successfully led Nucleus Software through the pandemic and post pandemic years. His three decades of experience in leveraging technology to solve business problems have been instrumental in the company's growth journey. He lays a strong focus on Operational Excellence across all domains, to continue providing greater value to customers and to expand global footprint.

Throughout his career, he has been responsible for a range of areas – including software development, delivery and quality assurance. Hence, he brings a unique perspective to ensure that the company's products are of high quality, resilient and future-proof. He has spent considerable time in global markets like Japan, Indonesia and Saudi Arabia, bringing in best practices from different countries to build the company's flagship products. Mr. Bhise led Nucleus Software's first initiative of creating, selling, and implementing a lending product in Indonesia in the early 1990s.

A strong advocate of lifelong learning and continuous improvement, Mr. Bhise has completed MIT's Professional courses in Digital Transformation and Innovation & Technology, which complement his master's degree in computer applications from BIT Mesra and his MBA from the Management Development Institute - Gurgaon. His areas of expertise include Technology, Global Business, Strategy and planning. In his most recent role as EVP Product Engineering, he has been responsible for ensuring that our flagship products, FinnOne Neo™ and FinnAxia™, are

developed using the latest technologies and techniques. He joined the Nucleus Board on March 16, 2020.

Dr. Ritika Dusad, Executive Director & Chief Innovation Officer

Dr. Ritika Dusad completed her undergraduate studies at University of California, Los Angeles and thereafter pursued a Ph.D. in Physics at Ivy League- Cornell University, USA. During her Ph.D., she worked on both theoretical and experimental aspects of magnetism and designed and built a novel cryogenic spectrometer to detect magnetic monopoles. She has been awarded the prestigious Springer Thesis Award which recognizes outstanding Ph.D. research to be published in a series that brings together the best Ph.D. thesis from around the world. After her Ph.D., she then worked on quantum magnetism as a postdoctoral researcher at Lawrence Berkeley National Lab, managed by UC Berkeley, as a postdoctoral researcher. As a researcher in Low Temperature Physics, a predominantly male dominated area, she lived and led innovation for seven years and created a benchmark by publishing her research paper in the renowned journal- Nature. She has been contributing to the board deliberations by highlighting the importance of diversity and fairness in creating the right environment for world class research. Her areas of expertise include Governance, Global Business and Technology. In her role as Chief Innovation Officer at Nucleus, she has been driving initiatives in product roadmap, innovation, marketing, recruitment, women empowerment and strategy.

She joined the Nucleus Board in July 2016 as a Non-Executive Director and was appointed as an Executive Director in August 2020.

Mrs. Yasmin Javeri Krishan, Independent Director

Ms. Yasmin has a multi-faceted global experience of more than 20 years in Financial Control, MIS, Treasury, Process rationalization, Business Intelligence & Executive Search. She is a rank-holding Chartered Accountant from the Institute of Chartered Accountants of India and an MBA (Finance and International Business) from the Stern School of Business, New York University. She has worked with large multinational institutions like Price Waterhouse (India), American Express (US, India and Korea), Citibank (Korea), a British educational institution (Saudi Arabia), start-ups in HR consultancy (India) as well as in Analytics (Singapore) and a boutique recruitment firm (Singapore). She was Head of Campus for S P Jain School of Global Management's Singapore Campus. Her work experience spans several industries: Retail Banking & Credit Cards, HR Consultancy & Search, Education, Accounting and Information Consultancy/ Decision Management. For the past 2 years, she served as Honorary Treasurer for a not-for-profit cultural organization called Friends of the Museums in Singapore, to give back to the Singapore cultural community by ensuring the financial security of the Society.

Ms. Yasmin joined the Board of Nucleus Software's wholly owned Singapore subsidiary in February 2016 and the Board of Nucleus Software Exports Ltd. in July 2020. Her areas of expertise include Finance, Governance, Strategy and Planning.

Mr. Anurag Mantri, Executive Director & CFO

Mr. Anurag Mantri started his career with Nucleus Software in 1994 and today heads the Company's Digital Services Business as well as Cloud Technology Business. In addition to providing executive oversight to Customer Engagements, Anurag is also responsible for the championing the strategy of both Services and Cloud Businesses. Anurag is also the Chief Financial Officer for Nucleus Software. Anurag also leads the Quality Assurance and Voice of Customer functions at Nucleus Software.

While working with Nucleus, Anurag has managed complex global and regional business transformation programs and Cutting-Edge Digital Transformation Initiatives. Anurag had also managed the Global Customer care Centre of Excellence for Transaction Banking and led sales for Nucleus's flagship products FinnOne Neo and FinnAxia in Southeast Asia. Anurag is a postgraduate in Statistics from prestigious Banaras Hindu University (BHU), and holds his second post-graduate degree in Computer Science, again from BHU.

Anurag strongly believes in providing thought partnership and high-quality experiential certainty to his customers. Anurag has joined the Board in December 2020. His areas of expertise include Business Transformation, Complex Program Management and Spawning successful Business Leaders.

He joined the Board of Nucleus Software Export Ltd. in December 2020 as an Executive Director and also appointed as Chief Financial Officer of The Company.

b) Board Membership Criteria

Our Board comprises of eminent professionals of integrity with relevant skills and experience. Their contribution is facilitated by:

- high quality Board documentation;
- expert opinions, wherever deemed necessary; and
- healthy debate especially on complex, contentious and critical issues.

The Board members are committed to ensure that Nucleus follows the highest standards of Corporate Governance.

Nomination and Remuneration/ Compensation Committee (NRC) of the Board assist in fulfilling the responsibilities relating to the size and composition of the Board.

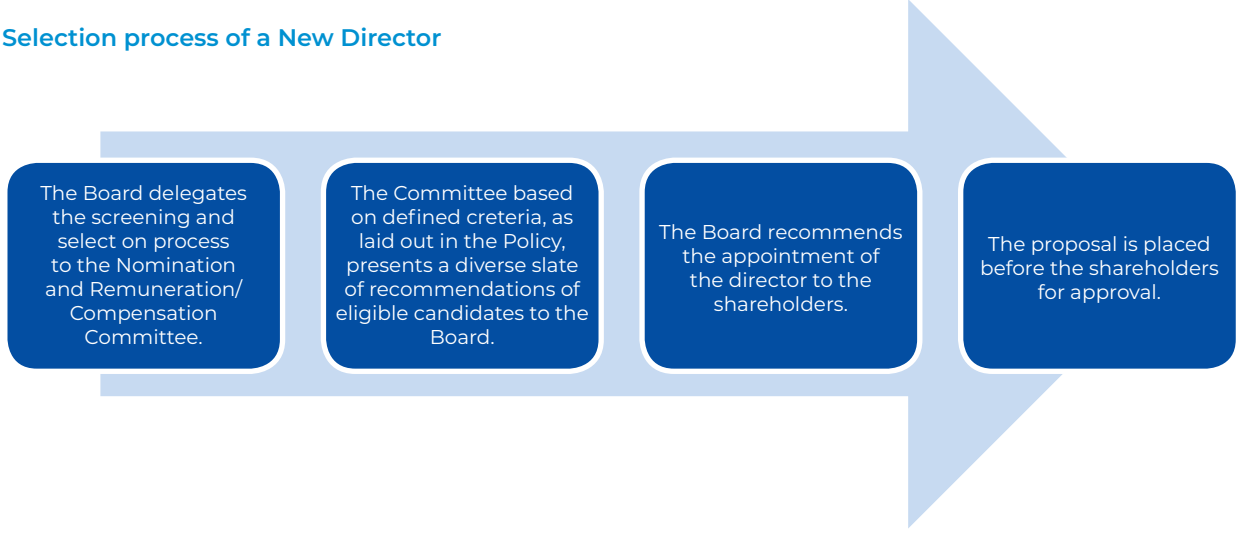
Certificate from Company Secretary in practice

A certificate from M/s PI & Associates, Company Secretary in practice has been taken as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Company by SEBI /Ministry of Corporate Affairs or any such statutory authority . The certificate is enclosed as **Annexure A.**

c) Selection of New Directors

The Board is responsible for the selection of new Directors and has delegated this to the Nomination & Remuneration/ Compensation Committee (NRC).

Selection process of a New Director



The aim is to secure a Boardroom which achieves the right balance between challenge and teamwork and fresh input and thinking.

Every Independent Director, at the first meeting of the Board in which he participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he/she meets the criteria of independence as provided under law.

The Company has received declarations from all the Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, 2015, and fulfill the conditions as specified in the regulations 16(1)(b) of the SEBI Listing Regulations, that they are independent of the management.

Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

d) Familiarization Programs for Board members

The Company has constituted familiarization programmers for its Directors (Independent and Non-Independent), with an objective to provide them with every opportunity to familiarize themselves with the Company, Nucleus's Board practices and processes, its management and its operations and above all the Industry perspective & issues.

The familiarization programs comprise of a combination of written information, presentations and activities, including meetings, site visits, etc. to enable them to familiarize with the Company management, operations and practices. The details on

programs can be accessed on the Company website link: https://investor.nucleussoftware.com/files/NucleusSoftware_Familiarisation_programme_for_directors.zip

e) Diversity in Board

Diversity, in all its aspects, serves an important purpose for Board effectiveness. It can widen perspectives while making decisions, avoid similarity of attitude and help companies better understand and connect with its stakeholders. The Board continues to recognize that an appropriate mix of diversity and skills is key for different perspectives into the Board discussions and for better anticipating the risks and opportunities in building a long-term sustainable business.

f) Separation of the Office of Chairman and the Managing Director/Chief Executive Officer (CEO)

At Nucleus, the role and office of the Chairman and Chief Executive Officer (CEO) have always been separate. This promotes the right balance and prevents unfettered decision making power with a single individual. For greater efficiency, there is also a clear demarcation of the role and responsibilities of the Chairman and the CEO.

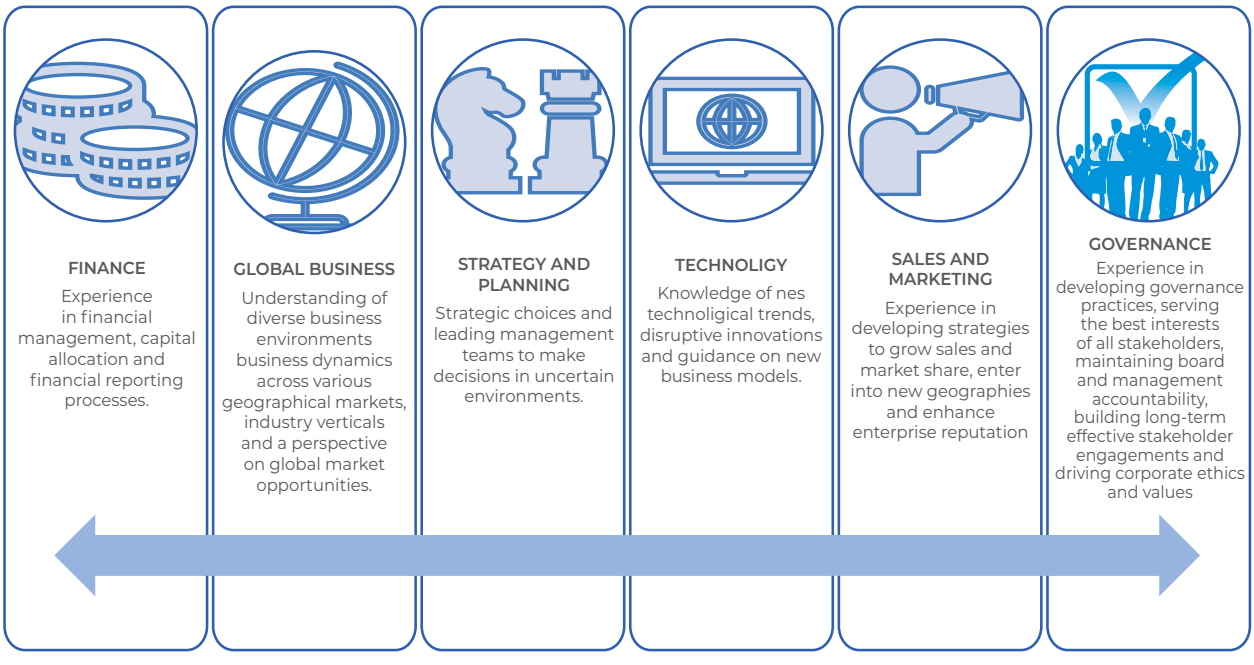
The primary role of the Chairman of the Company is to provide leadership to the Board. The Chairman of the Board presides over its meetings and leads and assists the Board in setting and realizing the Company's vision and related short and long term goals.

CEO is the principal executive of the Company and is accountable for the management and operations of the Company and implementation of business policies and strategies agreed to by the Board of Directors in a manner that is consistent with best business practices. CEO leads internally by adding value in strategy and structure and ensuring that the Company is represented with integrity to institutions, investors, analysts and other stakeholders.

g) Key Board qualifications, expertise and attributes

The Board comprised qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees.

The Board has identified the following skills/ expertise/ competencies fundamental for the effective functioning of the Company. The expertise of all Board members, is mentioned in their brief printed elsewhere in this Report.



h) Mechanism for Evaluating Board members

Pursuant to the provisions of the Companies Act, 2013 and Regulations 25 of the SEBI (LODR) Regulations, there is a formal Policy for Board Performance Evaluation which suggests process for evaluation of the performance of both the Board and individual Directors and the Committees.

The Board, along with the Nomination and Remuneration/Compensation Committee, laid down the criteria for evaluation of the performance of all Directors, which then became a part of the Board Effectiveness Survey. The Nomination and Remuneration/ Compensation committee in view of the Guidance Note issued by SEBI, drafted the evaluation criteria for the performance of the Chairman, the Board, Board committees and executive/non-executive/Independent Directors. The Chairman of the Committee circulated the evaluation forms to all the Directors, including Executive Directors. These filled-in forms had been received back by the Chairman and the responses were tabulated and analysed.

The performance of the Board was evaluated on the basis of various criteria such as composition and functioning of the Board, information flow between management and Board and its dynamism, effective participation in deliberations, strategic issues, flow of agenda and other related papers, updating the Board with the outcome of meeting of Board committees, remuneration framework for Independent Directors, etc. The performance of the Committees was evaluated after seeking the inputs of Committee members on the criteria such as composition and structure of Board committees, their functioning and effectiveness, conduct of meetings, understanding the terms of reference, Independence, flow of agenda & other related documents, etc.

Specifically, for Independent Directors, the key performance indicators based on which they were evaluated, besides their attendance in the Board/Committee meetings, included monitoring of the Company's Corporate Governance practices, improving policies and processes across all functions, and contribution to strategic planning. Further, the evaluation process was based on the affirmations received from Independent Directors that they meet the independence criteria as required under the Companies Act 2013 and listing regulations. The performance of the Board Chairman was evaluated after seeking the inputs from all the Directors other than the Board Chairman about the criteria such as vision for the Company, standards of Board's governance, experience and knowledge, interests of shareholders, other stakeholders and the Company during discussions and while taking decisions at the Board meetings, oversight on the business of the Company, etc. The evaluation of the Board and the Directors for fiscal 2023 has been completed

i) Compensation of the Board of Directors

The Nomination and Remuneration/ Compensation Committee determines and recommends to the Board the compensation payable to the Directors.

Non-Executive, Independent Directors are paid an amount not exceeding one percent of the net profits of the Company for the year, in accordance with section 197 of the Companies Act, 2013, and as approved by the shareholders vide a special resolution for a period of five years , at the Annual General Meeting held on July 8, 2019. As per the Companies Act, 2013, Independent Directors are not eligible to receive options under the various Employee Stock Option Plans (ESOP) launched by the Company from time to time. The annual compensation of the Executive Directors is approved by the Committee and placed before the shareholders at the shareholders' meeting.

All Board level compensation is disclosed separately in the financial statements.

Compensation Paid /Payable to the Directors for the period April 2022 to March 2023

(Amount in ₹)

Name of Director	Position	Salary	Company's Contribution to Provident and other funds	Perquisites/ Allowances	Commission	Sitting Fees	Total Compensation
Mr. S M Acharya	Chairman, Non-Executive, Independent Director	-	-	-	2,950,000	1,300,000	**4,250,000**
Mr. Vishnu R Dusad	Managing Director, Promoter, Executive Director	12,000,000	720,000	28,800	-	-	**12,748, 800**
Mr. Prithvi Haldea	Non-Executive, Independent Director	-	-	-	2,950,000	2,200,000	**5,150,000**
Mrs. Elaine Mathias	Non-Executive, Independent Director	-	-	-	2,950,000	2,300,000	**5,250,000**
Prof. Trilochan Sastry	Non-Executive, Independent Director	-	-	-	2,950,000	1,400,000	**4,350,000**
Mr. R. P. Singh	Executive Director	7,510,006	420,000	39,600	-	-	**7,969,606**
Dr. Ritika Dusad	Executive, Director	4,589,616	292,956	-	-	-	**4,882,572**
Mr. Parag Bhise	Executive Director	20,162,368	353,292	713,781	-	-	**21,229,441**
Mrs. Yasmin Javeri Krishan	Non-Executive, Independent Director	-	-	-	2,950,000	21,00,000	**5,050,000**
Mr. Anurag Mantri	Executive Director	17,064,370	-	-	-	-	**17,064,370**
Total		**61,326,360**	**1,786,248**	**782,181**	**14,750,000**	**9,300,000**	**87,944,789**

Table 2

None of the non-executive Directors received remuneration amounting to 50% of the total remuneration paid to non-executive directors during the year ended March 31, 2023.

The service contract of the Executive Directors is as below:

1. Mr. Vishnu R Dusad, Managing Director - for a period of 5 years that will expire on December 31, 2026
2. Mr. R. P. Singh, Executive Director - for a period of 5 years that will expire on July 25, 2024.
3. Mr. Anurag Mantri, Executive Director - for a period of 5 years that will expire on December 18, 2025
4. Dr. Ritika Dusad, Executive Director - for a period of 5 years that will expire on August 06, 2025
5. Mr. Parag Bhise, Executive Director - for a period of 5 years that will expire on July 30, 2025.

Remuneration of the Executive Directors included above, does not include provision for incremental liability on account of gratuity, compensated absences since actuarial valuation is done for the Company as a whole.

None of the above Directors are eligible for any severance package and do not hold any stock options of the Company as on March 31, 2023. The notice period for a Director is as mutually agreed between the Executive Director and the Board.

Formal letters of appointment were issued to all Independent and Non-Executive Directors and terms and conditions of the same are disclosed on the website of the Company.

The Board believes that the above compensation structure is commensurate with global and domestic best practices in terms of remunerating non-executive/ independent Directors of a Company of similar size, and it adequately compensates for the time and contribution made by the non-executive / independent Directors.

In accordance with the Listing Regulations, no employee, including key managerial personnel or Director or promoter of a listed entity, shall enter into any agreement for himself or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit-sharing in connection with dealings in the securities of the Company, without prior approval from the Board as well as from shareholders by way of

an ordinary resolution. No such instances were reported during fiscal 2023.

Details of Equity Shares held by Non-Executive Directors as on March 31, 2023

Name of Director	Position	No. of Equity Shares
Mr. S M Acharya	Chairman, Non-Executive and Independent Director	-
Mr. Prithvi Haldea	Non-Executive, Independent Director	-
Mrs. Elaine Mathias	Non-Executive, Independent Director	-
Prof. Trilochan Sastry	Non-Executive, Independent Director	-
Mrs. Yasmin Javeri Krishan	Non-Executive, Independent Director	-

Table 3

j) Memberships of other Boards

An Executive Director may, with the prior consent of the Chairman of the Board, serve on the Board of two other business entities, provided that such business entities are not in direct competition with Company operations. A Director shall not serve as Director in more than 20 companies of which not more than 10 shall be Public Limited Companies. A Director shall not serve as an Independent Director in more than 7 Listed Companies and not more than 3 Listed Companies in case he is serving as a Whole-time Director in any Listed Company. A Director shall not be a member in more than 10 Committees or act as Chairman of more than 5 Committees across all companies in which he holds Directorships. For the purpose of considering the limit of the Committees, Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies, whether listed or not, shall be included and all other companies including Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 shall be excluded.

The number of other Directorships and Chairmanship/ Memberships of Committees held by each of the Director as on March 31, 2023 is mentioned in the table below:

Name of Director	Position	Relationship with other Directors	Directorships Held of Other Companies			Committee Positions held as a		Directorship in other Listed Company
			Public	Private	Section 8 Company	Chairperson	Member	(Category of Directorship)
Mr. S M Acharya	Chairman, Independent Director	None	-	-	-	-	1	-
Mr. Vishnu R Dusad	Managing Director (MD), Promoter Executive Director	Father of Executive Director, Dr. Ritika Dusad	1	7	1	1	1	-
Dr. Ritika Dusad	Executive Director	Daughter of Managing Director	-	1	-	-	-	-
Mr. Prithvi Haldea	Non-Executive, Independent Director	None	2	3	-	1	2	-
Mrs. Elaine Mathias	Non-Executive, Independent Director	None	-	-	-	1	-	-
Prof. Trilochan Sastry	Non-Executive, Independent Director	None	1	1	-	-	1	-
Mr. R. P. Singh	Executive Director	None	1	2	-	-	1	-
Mr. Parag Bhise	Executive Director	None	-	1	-	-	-	-
Mrs. Yasmin Javeri Krishan	Non-Executive, Independent Director	None	-	1	-	-	1	-
Mr. Anurag Mantri	Executive Director	None	-	-	-	-	-	-

Table 4

In accordance with Regulation 26 of SEBI (LODR) Regulations, 2015 of the Listing Agreement:

i) Membership/Chairmanships of only the Audit Committee and Stakeholder Relationship Committee of all Public Limited Companies including Nucleus Software Exports Ltd. is considered.

ii) *None of our Directors are members of more than ten Board level committees, or Chairman of more than five committees in Companies in which they are Directors. All the Directors are, as such, fully compliant with the requirement.*

Furthermore, all our Directors besides informing the Company annually about their Committee positions in other companies, also notify changes as and when these take place.

None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority. A Certificate to this effect, duly signed by the Practicing Company Secretary is annexed to this Report.

k) Board Meetings

(i) Board Agenda

The Company Secretary, in consultation with the Chairman of the Company and Chairman of the respective Board Committees, prepares the agenda and supporting papers for discussion at each Board and Committee Meeting. The agenda and notes are circulated to Board/ Committee members in advance, and in the defined agenda format. Members of the Board or Committees are free to suggest any item to be included in the agenda, in addition to exercising their right to bring up matters for discussion at the meeting with permission of the Chairman.

(ii) Board Materials Distributed in Advance

Information and data that is important to the Board's understanding of matters on the agenda is distributed to the Board several days prior to the Board meetings in order to allow the members adequate time for a detailed review.

(iii) Minutes of Board meetings of the Company's unlisted subsidiary companies

Minutes of the Board meetings of the Company's unlisted subsidiary companies are also placed before the Board for information.

(iv) Scheduling of Board Meetings and Attendance during FY 2022-23

- A minimum of four Board Meetings are required to be held each year. Moreover, the gap between two Board Meetings should not exceed 120 days. During FY 2022-23, 09 Board meetings were held by your Company and the maximum gap between two Board meetings during the year was 87 days.
- The dates on which the Board meetings were held during FY 2022-23, and the attendance record of the members in these meetings is provided in a table.

Name of Directors	Attendance of the Board meeting Held in FY 2022-23									AGM held for FY 2021-22
	17 May 2022	06 June 2022	11 August 2022	07 November 2022	09 December 2022	31 January 2023	14 February 2023	02 March 2023	30 March 2023	8 July 2022
Mr. S M Acharya	☒	☒	☒	✓	👤	👤	✓	👤	👤	☒
Mr. Vishnu R Dusad	👤	👤	👤	✓	✓	👤	✓	✓	👤	👤
Dr. Ritika Dusad	🎥	🎥	🎥	✓	✓	🎥	✓	✓	🎥	🎥
Mr. Prithvi Haldea	👤	👤	👤	✓	✓	👤	👤	👤	👤	👤
Mrs. Elaine Mathias	🎥	🎥	🎥	✓	✓	🎥	✓	🎥	🎥	🎥
Prof Trilochan Sastry	👤	👤	👤	✓	✓	👤	👤	👤	👤	👤
Mr. R. P. Singh	👤	👤	👤	✓	✓	👤	✓	👤	👤	👤
Mr. Parag Bhise	👤	👤	👤	✓	✓	👤	✓	✓	👤	👤
Mrs. Yasmin Javeri Krishan	🎥	🎥	🎥	✓	✓	🎥	✓	🎥	🎥	🎥
Mr. Anurag Mantri	👤	👤	👤	✓	✓	👤	✓	👤	👤	👤

Table 5

✓ Physically available

👤 / 🎥 Through Web Conference

☒ Leave of Absence

(v) Remote e-voting and voting at the Annual General Meeting (AGM)

To allow the shareholders to vote on the resolutions proposed at the AGM, the Company has arranged for remote e- voting facility. The Company has engaged KFin Technologies Limited. to provide e-voting facility to all the members. Members whose names appear on the register of members as on July 7, 2023 shall be eligible to participate in the e-voting.

The facility for voting through ballot will also be made available at the AGM and the members who have not already cast their vote by remote e-voting can exercise their votes at the AGM.

(vi) Postal Ballot During the year

No Resolution was Passed through Postal Ballot during the Year.

(vii) Recording Minutes of Proceedings at Board/ Committee Meeting

The Company Secretary, who is present in each Board/Committee meeting, records the minutes of the proceedings. The draft minutes are circulated to all Board members for their comments.

Further all other requirements as per the Companies Act, 2013 and Rules made thereunder are duly observed regarding Board/Committee meeting Minutes.

(viii) Action Taken Report

All items discussed in the Board meetings which require an action are recorded separately and are circulated to the relevant persons for requisite action. The action taken by them is then reported through an "Action Taken Report", which is placed at each Board meeting.

I) Discussion with Independent Directors

Pursuant to Schedule IV of the Companies Act 2013 and the Rules made thereunder, the Independent Directors of the Company held a meeting during the year, in absence of the non-Independent Directors and members of management. The Independent Directors were present at this meeting and participated in the discussions. Your Company recognizes the crucial role that the Independent Directors play in ensuring a compliant, efficient and transparent work environment

In this meeting, the Independent Directors discuss, among other matters, the performance of the Company and risks faced by it, the flow of information to the Board, strategy, leadership strengths and weaknesses, governance and performance of the executive members of the Board, including the Chairman. During the year, the independent directors met once without the presence of the Management.

B. Committees of the Board of Directors

Committees are a means of improving Board effectiveness in areas where more focused, specialized and extensive discussions are required. Some of the Board functions are performed through specially constituted Board Committees consisting of Executive and Non-Executive / Independent Directors, which then report to the Board. The Board's Committees include Audit Committee, Stakeholder Relationship Committee, Nomination and Remuneration / Compensation Committee, Corporate Social Responsibility Committee, Risk management Committee and Culture Committee.

All Committees have formally established terms of reference/charter, subject to revision/amendment as and when required.

Nucleus Board Committees

The Board as on March 31, 2023 had six committees. The Composition of the Board Committees is as follows:

Name of Directors	Audit Committee	Nomination & Remuneration/ / Compensation Committee	Stakeholder Relationship Committee	Corporate Social Responsibility Committee	Culture Committee	Risk Management Committee
Mr. S M Acharya	●	●		●	●	●
Mr. Vishnu R Dusad			●		●	●
Mr. Prithvi Haldea	●		●			●
Mrs. Elaine Mathias	○	○				○
Prof. Trilochan Sastry		●		●		●
Mr. R P Singh			●		●	●
Dr. Ritika Dusad				○		○
Mr. Parag Bhise				●	●	●
Mrs. Yasmin Javeri Krishan	○			○		○
Mr. Anurag Mantri						●

Table 6

a) Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (LODR) Regulations 2015, read with section 177 of the Companies Act 2013.

The Audit Committee at Nucleus was formed in August 2001. To efficiently carry out its functions, the Audit Committee has the following roles and responsibilities as per its charter:

Audit committee shall along with such matter as may be referred by Board, be responsible for following:

With reference to the financial statements

- Examination of the financial statements and the auditors' report thereon,
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:-
  - ✓ Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - ✓ Changes, if any, in accounting policies and practices and reasons for the same
  - ✓ Major accounting entry, if any involving estimates based on the exercise of judgment by management
  - ✓ Significant adjustments, if any made in the financial statements arising out of audit findings
  - ✓ Compliance with listing and other legal requirements relating to financial statements
  - ✓ Disclosure of any related party transactions
  - ✓ modified opinion in the draft audit report, if any
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Review the financial statements, in particular, the investments made by the unlisted subsidiary company.

With reference to Auditors

- The recommendation for appointment, remuneration and terms of appointment of all Auditors of the Company including filling of casual vacancy,
- Reviewing and monitoring the Auditor's independence and performance and effectiveness of the Audit process,
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

With reference to related party transactions

- Approval or any subsequent modification of transactions of the company with Related Parties,

  The term "related party transactions" shall have the same meaning as provided in SEBI (LODR) Regulations, 2015 and also the provisions of Companies Act, 2013 read with relevant rules thereto.

Other references

- Scrutiny of Inter-Corporate Loans and Investments,
- Valuation of undertakings or assets of the company, wherever it is necessary,

- Evaluation of Internal Financial Controls and Risk Management Systems
- Monitoring the end use of funds raised through public offers and related matters.
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances/ investments.

Following information is required to be mandatory reviewed by Audit Committee

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee
- Statement of deviations:
  - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of SEBI Regulations
  - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of SEBI Regulations.

Additional responsibility of the Chairperson of the Audit committee

- Direct access to the Chairperson of the audit committee under the vigil mechanism process.
- The Chairperson of the Audit Committee shall be present at Annual General Meeting to answer shareholder queries.

a) Powers of the Audit committee

- Audit committee has been provided with following powers:
  - To investigate any activity within its terms of reference.
  - To seek information from any employee.
  - To obtain outside legal or other professional advice.
  - To secure attendance of outsiders with relevant expertise, if it considers necessary.

Composition of the Audit Committee and Meetings Held during FY 2022-23

Mrs. Elaine Mathias is Chairperson of the Audit Committee. The Company Secretary of the Company is the Secretary of the Committee.

The Audit Committee met 09 times during the year. As per the statutory requirement, the maximum gap between two Audit Committee Meetings did not exceed the mandatory 120 days. (The maximum gap between two meetings was 84 days).

The Composition of the Audit Committee as on March 31, 2023 and details of attendance of the members in the meetings are as follows:

Director	Position	No. of Meetings	
		Held	Attended
Mrs. Elaine Mathias	Committee Chairperson, Non-Executive, Independent Director	9	9
Mr. S.M Acharya	Non-Executive, Independent Director	9	3
Mr. Prithvi Haldea	Non-Executive, Independent Director	9	9
Mrs. Yasmin Javeri Krishan	Non-Executive, Independent Director	9	9

Table 7

The Chairperson of the Audit Committee was present at the previous year Annual General Meeting held on July 08, 2022 to answer shareholders' queries

In addition to the members of the Audit Committee, Management, the Chief Financial Officer, Internal Auditor, Statutory Auditors and other executives attend the meetings of the Committee upon invitation. Necessary information such as Management Discussion and Analysis of financial condition and results of operations, statement of significant related party transactions submitted by the management, management letters, internal audit reports relating to internal control weaknesses as per the requirement of law, are reviewed by the Committee. This ensures that we make timely disclosures and share accurate information regarding our financials and performance with the Audit Committee.

The Audit Committee provides periodic feedback and reports to the Board.

Separate Meetings of the Audit Committee Members with the Auditors

In line with the best Corporate Governance practices, meetings of the Audit Committee, independent of the Management, are scheduled every quarter, a few days prior to the Audit Committee's meeting to review the quarterly results. The main objective of such meetings is to allow the Statutory Auditor and the Internal Auditor to express any areas of concern with respect to any matter at the same time also raise issues of any disagreement with the Management.

b) Nomination and Remuneration/ Compensation Committee

The Nomination and Remuneration/ Compensation committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI (LODR) Regulations 2015, read with section 178 of the Companies Act 2013.

(i) Terms of Reference/Charter of the Nomination and Remuneration/ Compensation Committee

Primary responsibility of the Committee is to identify and nominate suitable candidates for Board membership, KMP and as members of senior Management of the Company. The Committee also formulated policies relating to the remuneration of Directors, Key Managerial Personnel and other employees of the Company.

This Committee is responsible for:

- Recommending desirable changes in the Board composition, size and diversity, committees structures and processes, and other aspects of the Board's functioning
- Formulating criteria for determining qualifications, positive attributes and independence of an Independent Director
- Conducting search and recommending new Board members in light of resignation of some current member/s or in case of a planned expansion of the Board
- Identifying persons who are qualified to become Directors and who may be appointed as senior management in accordance with the criteria laid down, and recommend to the Board for their appointment
- Recommending to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other senior employees, and while formulating such policy, to ensure that:
  - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the desired persons
  - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) remuneration to Directors, Key Managerial Personnel and senior management involves a balance

between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals

d) recommend to the board, all remuneration, in whatever form, payable to senior management and Key Managerial Personnel

- Formulating criteria for evaluation of Independent Directors and the Board and carrying out evaluation of each Director's performance
- Ensuring that there is an appropriate induction program in place for new Directors and members of senior management and reviewing its effectiveness
- Developing a succession plan for the Board and certain Key positions and regularly reviewing the plan
- Reviewing succession plans for the senior management
- Reviewing and Formulate Employee Stock Option Plan (ESOP)
  - Determine terms and conditions of ESOP plan, eligibility criteria, grant of options, vesting and exercise of options and such other adjustments in case of Corporate actions
  - Review the design of and approve the Company's other benefit plans (including retirement, medical and other employee benefit and perquisite plans)
  - Perform such functions as required by the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('ESOP Regulations') and its amendments, if any
- Carrying out any other function as is mandated by the Board from time to time and / or is enforced by any statutory notification, amendment or modification, as may be applicable.

(ii) Composition of the Nomination and Remuneration / Compensation Committee and Meetings Held during FY 2022-23

Prof. Trilochan Sastry is the Chairman of the Nomination and Remuneration / Compensation Committee. As of March 31, 2023, the Committee consisted of three members, all the members are Independent Directors. The composition of the Committee is in compliance with the applicable laws. The Company Secretary of the Company is the Secretary of the Committee.

Director	Position	No. of Meetings	
		Held	Attended
Prof. Trilochan Sastry	Committee Chairman, Independent Director	2	2
Mrs. Elaine Mathias	Independent Director	2	2
Mr. S.M Acharya	Independent Director	2	1

Table 8

The Chairman of the Nomination and Remuneration / Compensation Committee attended the previous year Annual General Meeting held on July 08, 2022.

(iii) Remuneration Policy

Remuneration policy for the members of the Board of Directors of the Company takes into consideration their role and responsibilities. The salient features of the policy are highlighted below:

- The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission to its Managing Director (an Executive Director).
- The Nomination and Remuneration/ Compensation Committee decides the commission payable to the Executive Directors and the Non-Executive Directors out of the profits for the financial year and within the ceilings prescribed under the

Companies Act, 2013 and as approved by the shareholders at a General Meeting.

- Non-Executive Directors of the Company are paid sitting fees for attending meetings of the Board and meetings of Committees of the Board, as per the Companies Act, 2013 and as prescribed in the Articles of Association of the Company.
- The Company reimburses expenditure reasonably incurred by the Directors in the performance of their duties as per the provisions of the applicable laws Companies Act 2013 and in conjunction with the rules and policies of the Company.
- The Nomination and Remuneration/ Compensation Committee reviews and finalizes the remuneration of the key executives on an annual basis, or earlier if deemed necessary.

c) Stakeholder Relationship Committee

The Stakeholders' Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI (LODR) Regulations read with section 178 of the Act. The Stakeholder Relationship Committee has been constituted to assist the Board in safeguarding the interests of and redressing the grievances of the security holders of the Company.

(i) Terms of Reference/Charter of Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Board is constituted with powers and responsibilities including, but not limited to. :

- To approve/ reject registration of transfer/transmission/transposition of shares.
- To authorize issue of Duplicate Share Certificates and Share Certificates after Split/Consolidation/Rematerialization and in Replacement of those which are defaced, mutilated, torn or old, decrepit or worn out
- To monitor and review the performance and service standards of the Registrar and Share Transfer Agents of the Company and provide continuous guidance to improve the service levels.
- To monitor and review the mechanism for redressal of shareholders'/ investors' grievances
- To authorise Managers/Officers/ Signatories for signing Share Certificates;
- To appoint and seek outside advice from professionals, consultants or advisors as deemed appropriate to assist the Committee in discharging its functions efficiently.
- Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the company.
- Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.

The Committee meets as often as required to discharge its functions. The status on complaints and share transfers is reported to the Board.

(ii) Composition of the Stakeholder Relationship Committee and Meetings Held during FY 2022-23

Mr. Prithvi Haldea is the Chairman of the Stakeholder Relationship Committee. The composition of the Committee is in compliance with the applicable laws. Ms. Poonam Bhasin, Company Secretary of the Company is the Secretary of the Committee and also the Compliance officer of the Company. The Board has also appointed the Company Secretary as the Nodal Officer to ensure compliance with the IEPF Rules.

Director	Position	No. of Meetings	
		Held	Attended
Mr. Prithvi Haldea	Committee Chairman, Independent Director	1	1
Mr. Vishnu R Dusad	Managing Director, Promoter, Executive Director	1	1
Mr. R P Singh	Executive Director	1	1

Table 9

The Chairman of the Stakeholder Relationship Committee attended the previous year Annual General Meeting held on July 08, 2022.

(iii) Details of investor complaints/requests received and resolved during FY 2022-23 are as follows:

Nature of complaints /requests	No. of complaints/requests			
	Received during the year	Resolved during the year	Pending at the year end	Number of complaints not solved to the satisfaction of shareholders)
Non- Receipt of Dividend Warrant	11	11	**Nil**	**Nil**
Duplicate/Revalidation of Dividend warrants	15	15	**Nil**	**Nil**
Issue of duplicate share certificates	04	04	**Nil**	**Nil**
Non receipt of share certificate	01	01	**Nil**	**Nil**
Non-Receipt of Annual Report	01	01	**Nil**	**Nil**

Table 10

d) Corporate Social Responsibility (CSR) Committee

The CSR Committee is responsible for overseeing the activities/functioning of the Nucleus Software Foundation, in identifying areas of CSR activities and programs, and execution of the initiatives as per its defined guidelines. The Foundation updates the Committee by reporting the progress of deployed initiatives, and making appropriate disclosures on a periodic basis

(i) Terms of Reference/Charter of the CSR Committee

The purpose of the Committee is to assist the Board in setting Company Corporate Social Responsibility policies and programs and assessing Company Corporate Social Responsibility performance.

The responsibilities of the Corporate Social Responsibility Committee are:

1. To formulate and recommend to the Board, a CSR policy for undertaking permissible CSR activities.
2. To identify and bring to the attention of the Board key Social Responsibility issues that may affect the business operations, brand image or reputation of the Company.
3. To recommend the amount of expenditure to be incurred on CSR activities.
4. To re-evaluate Social Responsibility, from time to time, in light of changes in public perception, industry best practices, and evolving priorities and needs in the communities where the Company does business

5. To provide oversight of Social Responsibility
6. To monitor and review the operation and effectiveness of Company's Corporate Social Responsibility policies and programs
7. To update Board at each regularly scheduled meeting and make relevant recommendations in relation to matters arising for consideration by the Committee
8. To appoint and seek outside advice from professionals, consultants or advisors as deemed appropriate to assist the Committee in discharging its functions efficiently
9. To make any amendments or modifications in CSR Policy as required by law or otherwise
10. Perform such functions as the Board may from time to time assign to it

The CSR Policy of the Company, as approved by the Board, is available on our website https://investor.nucleussoftware.com/files/CSRPolicyNucleus.zip.

(ii) Composition of the Corporate Social Responsibility Committee as on March 31, 2023 and details of attendance of the members in the meetings are as follows:

Mrs. Yasmin Javeri Krishan is the Chairperson of the Committee as on March 31, 2023. The composition of the Committee is in compliance with the applicable laws. The Company Secretary of the Company acts as the Secretary to the Committee.

Director	Position	No. of Meetings	
		Held	Attended
Mrs. Yasmin Javeri Krishan	Committee Chairperson, Independent Director	2	2
Dr. Ritika Dusad	Executive Director	2	2
Mr. Parag Bhise	CEO and Executive Director	2	2
Prof. Trilochan Sastry	Independent Director	2	2
Mr. S. M. Acharya	Independent Director	2	-

Table 11

e) Culture Committee

The Board of Directors during FY 2020-21 formed a "Culture Committee" for considering the important matter of Culture and Values that Nucleus Software should abide by, to build an organization of repute and regard.

Mr. S M Acharya is the Chairman of the Culture Committee. The Company Secretary of the Company is the Secretary of the Committee. Mr. Janki Ballabh, Ex-Chairman of the Company, with his diverse and rich experience guides this committee as a Mentor.

The Composition of the Culture Committee as on March 31, 2023 and details of attendance of the members in the meetings are as follows:

Director	Position
Mr. S M Acharya	Committee Chairman, Independent Director
Mr. R P Singh	Executive Director
Mr. Vishnu R Dusad	Managing Director (MD), Promoter & Executive Director
Mr. Parag Bhise	CEO and Executive Director

Table 12

No meeting of the Committee was held during FY 2022-23.

f) Risk Management Committee

The Board of Directors had constituted a Risk Management Committee , in compliance with the Regulation 21(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and other applicable statutory provisions.

(i) Terms of Reference/Charter of the Risk Management Committee

The Key Objective of the Committee is to identify and assess significant risk exposures of the Company as well as plan and assess management's actions to manage and mitigate the risks and the related exposures in a timely manner.

This Committee is responsible for:

- Provides executive oversight to Company's Enterprise risk management framework (ERMF), process, procedures and controls.
- Formulating a detailed risk management policy including the framework for identification of risks with a special focus to compliance, regulatory, cyber and info security, financial, operational, business

continuity, and reputational risk; measures for risk mitigation; systems of internal control and business contingency plans.

- Oversee Company's process and policies for determining risk threshold/ tolerance and review management's measurement and comparison of overall risk tolerance to established levels.
- Reviewing the Risk Management at the required frequency, considering the changing dynamics.
- Coordinate its activities with the Audit Committee in the instances of overlap with audit activities (e.g. internal or external audit issue relating to risk management policy or practice)
- Keeping the Board informed about nature and content of discussions, recommendations and actions to be taken.

(ii) Composition of the Risk Management Committee and Meetings Held during FY 2022-23 and details of attendance of the members in the meetings are as follows

Director	Position	No. of Meetings	
		Held	Attended
Mr. S. M. Acharya	Committee Chairman, Independent Director	2	2
Mr. Vishnu R Dusad	Managing Director (MD), Promoter & Executive Director	2	2
Mrs. Elaine Mathias	Independent Director	2	2
Prof. Trilochan Sastry	Independent Director	2	2
Mr. Prithvi Haldea	Independent Director	2	2
Mrs. Yasmin Javeri Krishan	Independent Director	2	2
Dr. Ritika Dusad	Executive Director	2	2
Mr. R P Singh	Executive Director	2	2
Mr. Parag Bhise	CEO & Executive Director	2	2
Mr. Anurag Mantri	CFO & Executive Director	2	2

Table 13

C. Shareholder Information

a) Means of Communication

(i) Quarterly/Annual Results

- The Company communicates quarterly/annual financial results via email to all its shareholders who have valid e-mails ids registered with their Depository Participants (DP).
- Earnings conference calls are conducted after announcement of quarterly/annual financial results wherein the Management updates the investor community on the progress made by the Company and also answers their queries. The audio as well as the transcript of the call is uploaded on the website www.nucleussoftware.com/investors, for public information.
- The Company publishes official news releases and they are also uploaded on the website www.nucleussoftware.com/investors.

The Company uses a wide array of communication tools including face-to-face, online and offline channels to ensure that information reaches all the stakeholders in their preferred medium.

(ii) Newspapers for publication of financial results

The Company's financial results are published in Business Standard, the leading national financial daily and in the Hindi edition of Business Standard for regional circulation.

(iii) Investor Section at Company's website

The investor section at our website www.nucleussoftware.com/investors provides comprehensive information about the Company. Our goal is to enable shareholders and potential investors (as also media and researchers) to easily find or navigate pertinent information about us, including:

- Company Overview, Financials, Board of Directors, Stock Exchange filings, Shares, Corporate Governance, Corporate Social Responsibility, Awards, Investor contact, Investor related Frequently Asked Questions (FAQ) and various forms for shareholder assistance.

- The important events such as AGM etc. and official press releases of the Company are also updated on the Company's website regularly.
- Interested persons, who register on the Company's website, receive alerts and updates on financial events, financial results, press releases and annual and quarterly reports.

The Company also issues press releases from time to time.

(iv) Annual Report

The Company's Annual Report containing, inter alia, Letter from the Chairman, Letter from the CEO, Letter from Managing Director, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report, Report on Corporate Governance, Business Responsibility and sustainability Report, Financial Highlights, Management Discussion and Analysis and other important information is circulated to all the members. The Annual Report of the Company is also available on the Company's website; in a downloadable pdf format.

(v) Dedicated Email id for shareholders

investorrelations@nucleussoftware.com is the email id exclusively devoted for shareholders' queries.

(Vi) Letters/e-mails to Investors:

The Company continuously send investor-centric letters / e-mails to its shareholders reminding them for claiming unclaimed/ unpaid dividend from the Company, dematerialization of shares, updating e-mail, PAN, address and bank account details.

(vii) Investor Relations - Our communication with the Investor Community

The Company values transparent relationship with the shareholders, prospective investors and the wider investment community. The Investor Relations (IR) team at Nucleus manages these relationships with high standards of clarity and transparency. It proactively interacts with the investors through meetings, investor conference calls, investor meets, conferences and mails. Dedicated Investors' page on corporate website of the Company provides an efficient medium of information to the investors. The IR team can be reached at ir@nucleussoftware.com.

(viii) NSE Electronic Application Processing System (NEAPS)

NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding pattern, Corporate Governance report, media releases, among others are filed electronically by the Company on NEAPS.

(ix) BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, Corporate Governance report, media releases, among others are also filed electronically by the Company on the Listing Centre.

(x) SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralized web-based complaints redressal system. The salient features of this system are Centralized database of all complaints, online upload of Action Taken Reports by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

b) Corporate Identity Number (CIN)

Corporate Identity Number (CIN), allotted by the Ministry of Corporate Affairs, Government of India is L74899DL1989PLC034594 and the Company Registration Number is 55-034594. The Company is registered in the State of New Delhi.

c) General Body Meetings

(i) Particulars of Annual General Meetings (AGM) held during the previous three years is as follows:

Financial Year, Date, Time	Venue	Ordinary Resolution	Special Resolution
FY-21-22, July 08 2022, 11.00 a.m.	VIA VIDEO CONFRENCING/ AUDIO VISUAL MEANS	Adoption of Annual Accounts for the year ended March 31, 2022 Declare Final Divided on Equity Shares To Re-appoint Mr. Anurag Mantri (DIN 09002894), as Director of the Company who retires by rotation and being eligible offers himself for re-appointment. To Re-appoint Dr. Ritika Dusad (DIN 07022867), as Director of the Company who retires by rotation and being eligible offers herself for re-appointment. Appointment of Statutory Auditor	To consider and approve the payment of remuneration to Mr. Parag Bhise, Whole Time Director and CEO of the Company, in the event of inadequacy or absence of profits in any financial year during his tenure. To consider and approve the payment of remuneration to Mr. Anurag Mantri, Whole Time Director and CFO of the Company, in the event of inadequacy or absence of profits in any financial year during his tenure. To consider and approve the payment of remuneration to Mr. Vishnu R Dusad, Managing Director of the Company, in the event of inadequacy or absence of profits in any financial year To consider and approve the payment of remuneration to Dr. Ritika Dusad, Whole Time Director of the Company, in the event of inadequacy or absence of profits in any financial year during her tenure To consider and approve the payment of remuneration to Mr. R. P. Singh, Whole Time Director of the Company, in the event of inadequacy or absence of profits in any financial year during his tenure

Financial Year, Date, Time	Venue	Ordinary Resolution	Special Resolution
FY-20-21, July 23 2021,11.00 a.m.	VIA VIDEO CONFRENCING/ AUDIO VISUAL MEANS	Adoption of Annual Accounts for the year ended March 31, 2021 To take note of Interim Dividend Declared To Declare Final Dividend for the Year. To re-appoint Mr. R P Singh (DIN 00008350), as Director of the Company who retires by rotation and being eligible offers himself for re-appointment To re-appoint Mr. Parag Bhise (DIN 8719754), as Director of the Company who retires by rotation and being eligible offers himself for re-appointment. To appoint Retiring Auditors M/s BSR & Associates LLP, Chartered Accountants as Statutory auditors.	To consider and approve Re-appointment of Mr. S M Acharya (DIN: 00545141) as an Independent Director To consider and approve appointment of Mrs. Yasmin Javeri Krishan (DIN: 08801422) as an Independent Director To consider and approve the appointment of Dr. Ritika Dusad (DIN 07022867), as a Whole Time Director To consider and approve Re-Appointment of Mr. Vishnu R Dusad (DIN: 00008412) as Managing Director of the Company To consider and approve the appointment of Mr. Anurag Mantri, as a Whole Time Director.
FY-19-20, July 31 2020,11.00 a.m.	VIA VIDEO CONFRENCING/ AUDIO VISUAL MEANS	Adoption of Annual Accounts for the year ended March 31, 2020 Take Note of Revocation of Interim Dividend Declared by Company for FY-19-20. Re-appoint Mr. Vishnu R Dusad (DIN:00008412), as Director of the Company who retires by rotation and being eligible offers himself for re-appointment.	To consider and approve the appointment of Mr. Parag Bhise, as a Whole Time Director and consider payment of remuneration in case of inadequacy of profits of the Company, if thought fit To consider and approve the payment of remuneration to Mr. Vishnu R Dusad, Managing Director of the Company in the event of inadequacy or absence of profits in any financial year during his tenure. To consider and approve the payment of remuneration to Mr. Ravi Pratap Singh, Whole Time Director and CEO of the Company, in the event of inadequacy or absence of profits in any financial year during his tenure

Table 14

D. Disclosures

(a) Disclosure on materially significant related party transactions:

The Company has not entered into any material transaction with any of its related parties. Detailed information on related party transactions is enclosed in Annexure A to the Directors' Report.

(b) Compliances by the Company of Capital Market Guidelines

The Company has complied with all requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters relating to the capital market during the past, including the preceding three years.

(c) Whistle Blower Policy

Nucleus is committed to conduct its business in accordance with the applicable laws, rules and regulations, and with highest standards of business ethics. Nucleus does not tolerate any malpractice, impropriety, abuse or wrongdoing. The Company has a well-established whistle blower policy (available on the Company's website https://investor.nucleussoftware.com/files/Whistle_Blower_Policy.zip as part of a vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct or ethics policy. This mechanism also provides for adequate safeguards against victimization of Director(s) / employee(s) who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee in exceptional cases.

In accordance with the Companies Act 2013 and Rules made there under and SEBI (LODR) Regulations, 2015, the Board adopted a revised Whistle Blower Policy. The Whistle Blower Policy was amended and adopted by the Board, in line with SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018 , enabling employees to report any violations under the Insider Trading Regulations and leak of Unpublished Price Sensitive Information.

No complaint was received under the Policy, during the year. We affirm that :

- Provision is made for adequate safeguards to employees against their victimization on reporting to the Ombudsperson and
- No personnel was denied access to the Audit Committee.

(d) Policy against Sexual Harassment

Nucleus values the dignity of individuals and strives to provide a safe and respectable work environment to all its employees. The Company is committed to providing an environment, which is free of discrimination, intimidation and abuse. Nucleus prohibits any employee of the Company from making any unwelcome and unsolicited sexually determined behavior (whether directly or by implication). Such kind of harassment can have potential legal and moral pitfalls not only for the individuals involved but also for the Organization as a whole. We at Nucleus believe that it is the responsibility of the organization to protect the integrity & dignity of its employees and also to avoid conflicts & disruptions in the work environment due to such cases.

The Company has put in place a 'Policy against Sexual Harassment', complaint with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Sexual Harassment Act"). As per the policy, any employee may report his/her complaint to the Committee by various modes i.e. in person, through email, in writing or by calling on mobile no. as mentioned. The Committee would then make enquiries and submit its recommendation to the HR Head. He would further take a decision on the same and report to the Board. We affirm that adequate access was provided to any complainant who wished to register a complaint under the policy, during the year. The details of the complaints received, disposed and pending during the financial year is as below:

a. number of complaints filed during the financial year - nil

b. number of complaints disposed of during the financial year-nil

c. number of complaints pending as on end of the financial year.-nil

(e) Code of Conduct

The Company has in place a Code of Conduct which helps to maintain high standards of ethics for the Company's employees. In terms of Code of Conduct, the Directors and Senior Management must act within the boundaries of the authority conferred upon them and with a duty to make and enact informed decisions and policies in the best interests of the Company and its shareholders and stakeholders. The Company obtains the affirmation compliance of the Code of Conduct from its Directors and Senior Management on an annual basis.

The Company has obtained declaration from its Directors and Senior Management affirming their compliance to the Code of Conduct for the current year.

A copy of the Code of Conduct is made available on the website of the Company i.e. https://investor.nucleussoftware.com/CorporateGovernance.aspx

(f) Prevention of Insider Trading

The Company has the "Code of Conduct for prevention of Insider Trading "to regulate, monitor and report trading by insiders, in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations 2018. The code also includes practices and procedures for fair disclosure of unpublished Price sensitive information. There is quarterly update placed before Board for any disclosures received under the Code. The policy is available on our website *https://investor.nucleussoftware.com/CorporateGovernance.aspx*

(g) Risk Management and Internal Control Policies adopted by the Company

A report on Risk Management and Internal Control Policies adopted by the Company has been discussed later as a separate chapter in this Annual Report.

(h) Adherence to Accounting Standards

The Company follows the mandatory Accounting Standards prescribed by The Institute of Chartered Accountants of India and to the best of its knowledge; there are no deviations in the accounting treatment that require specific disclosure.

(i) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

During the period under review, no such fund is raised by the Company

(j) Management Discussion and Analysis

As required by SEBI (LODR) Regulations 2015, the Management Discussion and Analysis is provided in this Annual Report. As a voluntary initiative, the Company also prepares and publishes Management Discussion and Analysis for the consolidated financials in the Annual Report, which is also provided later in this Annual Report.

(k) Subsidiary Companies

The Company has Seven subsidiaries across the globe. The Company does not have any material non-listed Indian subsidiary companies. The Company has a policy for determining 'material subsidiaries' which is disclosed on its website i.e. https://investor.nucleussoftware.com/files/Nucleus_Policy_on_material_subsidiaries_April_2019.zip

The following table provides a list of all these subsidiaries as on March 31, 2023

Nuclues Software Limited	Nucleus Software Solutions Pte Ltd	Nucleus Software Inc.	Nucleus Software Japan Kabushiki Kaisha	Nucleus Software Australia Pty Ltd	Nucleus Software South Africa Pty. Ltd	Nucleus Software Netherlands B.V
Location-India	Location-Singapore	Location-USA	Location-Japan	Location-Australia	Location-South Africa	Location-Netherland
Wholly Owned Subsidary	Wholly Owned Subsidary	Wholly Owned Subsidary	Wholly Owned Subsidary	Wholly Owned Subsidary	Wholly Owned Subsidary	Wholly Owned Subsidary
(DOI- April 21, 2008)	(DOI- Feb 25, 1994)	(DOI- August 5, 1997)	DOI- November 2, 2001	DOI- Feb 3, 2014	DOI- Feb 10, 2015	DOI- Feb 3, 2006

(l) Unlisted Indian Subsidiary Companies

The Company has one Indian Subsidiary Company i.e. Nucleus Software Limited as on March 31, 2023. The investment of the Company in the subsidiary does not exceed twenty per cent of its consolidated net worth as per the audited balance sheet of the previous financial year. Also, the subsidiary has not generated twenty per cent of the consolidated income of the Company during the previous financial year.

(i) Mr. Prithvi Haldea and Prof. Trilochan Sastry, Independent Directors on the Board of Directors of the Company, are Directors on the Board of Directors of Nucleus Software Ltd.

(ii) The Audit Committee of the Company reviews the financial statements, in particular, the investments made by Nucleus Software Ltd.

(iii) The minutes of the Board meetings of Nucleus Software Ltd. are placed at the Board meetings of the Company.

The management periodically brings to the attention of the Board of Directors of the Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies.

The Company policy for determining 'material' subsidiaries' and policy on Related Party Transactions, as approved by the Board can be accessed on the Company website link: https://investor.nucleussoftware.com/files/Nucleus_Policy_on_material_subsidiaries_April_2019.zip and https://investor.nucleussoftware.com/files/Policy_on_Related_Party_Transactions.zip

(iv) During the period under review, the NSE and BSE imposed penalty of ₹ 82,600 each on the account of delay in filing under Regulation 23 of SEBI (LODR) which is paid on time. No penalty was imposed in previous years.

(m) Policy on Archival and Preservation of Documents as per Regulation 9 of SEBI Listing Regulations is adopted by the Company and available on the Company's website at https://investor.nucleussoftware.com/CorporateGovernance.aspx

(n) The Board of Directors have adopted Dividend Distribution Policy in terms of the requirements of Listing Regulations. The Policy is available on the website of the Company at https://investor.nucleussoftware.com/files/Nucleus_Dividend_Policy.zip

(o) The Terms of Appointment of Independent Directors as per Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV of the Act are available on the Company's website https://investor.nucleussoftware.com/files/CODE-OF-CONDUCT-FOR-DIRECTORS-SENIOR-MGT.zip

(p) During the year under review, there was no such recommendation which the Board had not accepted of any committee of the board which is mandatorily required.

E. General Shareholder Information

• **Date of incorporation**	9th January, 1989
• **Registered Office**	33-35, Thyagraj Market, New Delhi-110 003 India
• **Corporate Office**	A-39, Sector 62 Noida, 201307 India
• **Date and time of Annual General Meeting**	July 14, 2023 at 11.00 a.m.
• **Venue of Annual General Meeting**	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated December 28, 2022 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
• **Date of Book Closure for AGM**	July 8,2023 to July 14, 2023
Annual General Meeting for the year ending March 31, 2024	July 2024
• **Listing on Stock Exchanges**	**Scrip Symbol/Code**

	National Stock Exchange of India Limited (NSE) w.e.f. December 19, 2002 #Exchange Plaza, Bandra-Kurla Complex Bandra (E), Mumbai-400051	NUCLEUS
	BSE Ltd. (BSE) w.e.f. November 6, 1995 Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai-400001	531209
•	**International Securities Identification Number**	INE096B01018
•	**Registrars of Company & Share Transfer Agents**	**Kfin Technologies Ltd.** Selenium Tower B, Plot number 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India Tel: 040-67162222/18003094001 E-mail: einward.ris@kfitech.com
•	**Dividend Payment Date**	Within 30 days from date of Annual General meeting

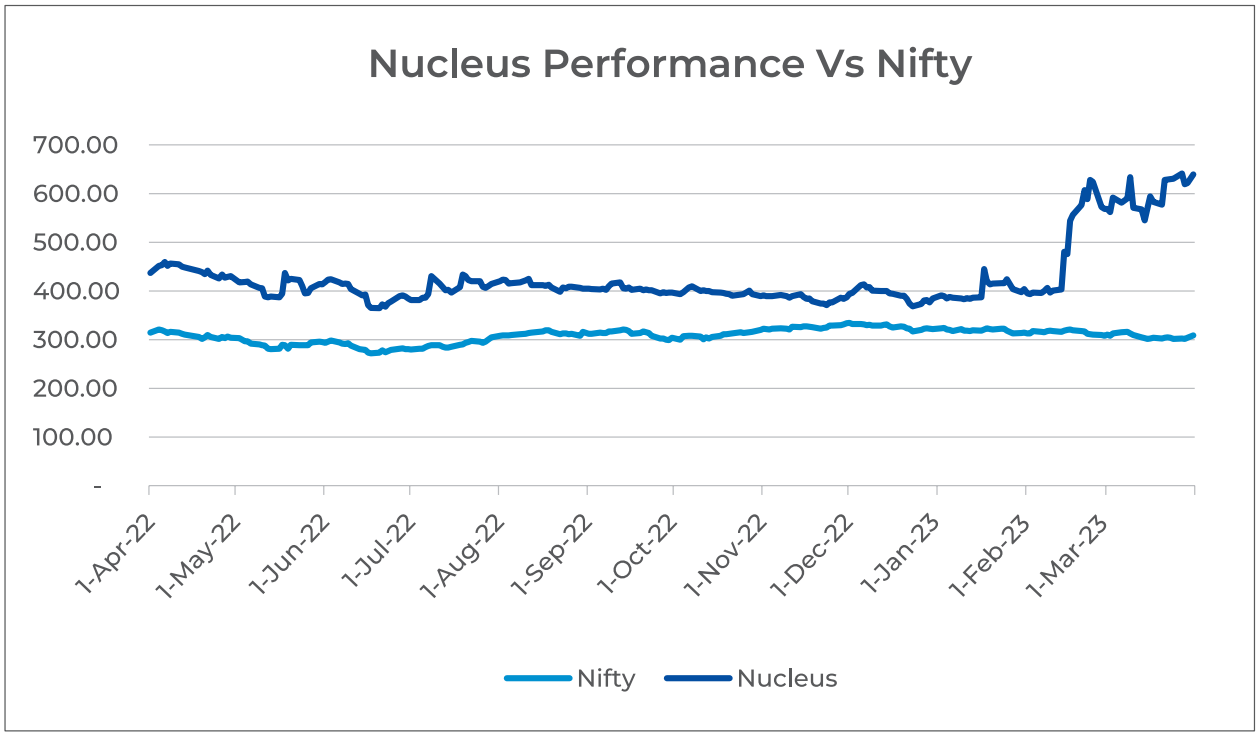
The annual listing fees for 2023-24 have been paid to both the Stock Exchanges.

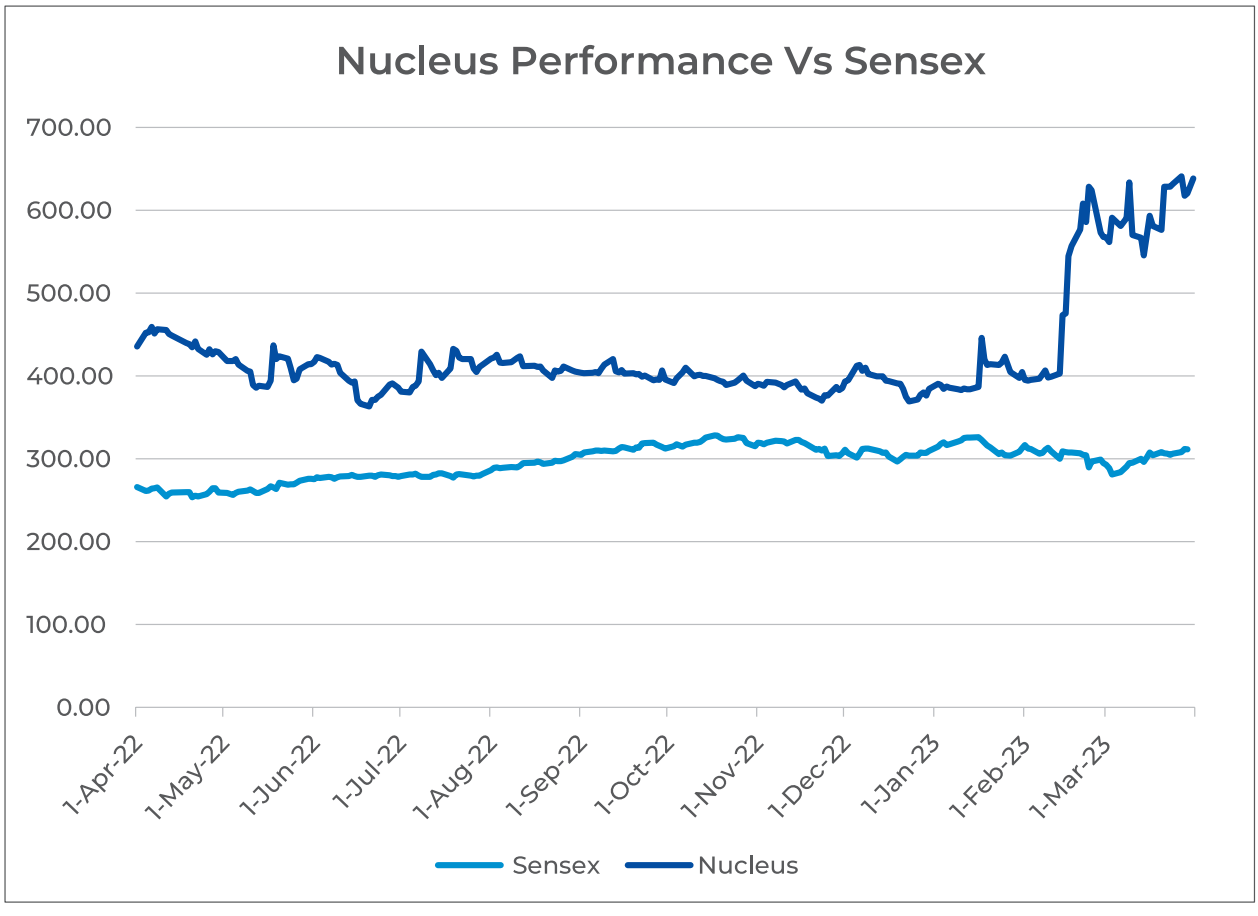
a) Market Price Data on NSE & BSE for the financial year 2022-23

Month	NSE					BSE				
	Open (₹)	High (₹)	Low (₹)	Close (₹)	Total Volume	Open (₹)	High (₹)	Low (₹)	Close (₹)	Total Volume
Apr-22	416.90	466.00	416.05	430.25	585,672	417.45	465.00	417.45	429.00	80,772
May-22	428.00	460.00	380.35	413.50	754,953	425.20	459.65	381.00	414.20	66,715
Jun-22	413.50	436.75	351.35	384.30	243,536	414.20	437.40	355.10	385.70	32,478
Jul-22	380.00	481.00	375.25	413.90	1,370,999	379.15	450.55	375.00	413.25	88,522
Aug-22	419.00	450.00	373.65	404.90	858,565	424.00	440.55	391.00	405.10	55,745
Sep-22	406.95	421.70	391.10	396.25	389,254	403.05	424.90	390.00	395.60	41,500
Oct-22	391.10	416.50	386.00	388.90	232,258	393.00	413.50	385.00	387.85	29,362
Nov-22	390.85	400.00	368.95	386.55	345,400	388.90	400.00	368.10	385.40	29,790
Dec-22	391.00	419.20	365.00	376.05	426,097	389.00	419.95	365.00	384.15	44,053
Jan-23	386.60	454.00	378.00	404.15	669,960	387.10	452.00	381.20	404.80	50,241
Feb-23	406.00	641.95	389.65	568.00	7,763,671	405.00	642.50	388.70	567.65	481,170
Mar-23	577.00	668.85	534.05	639.30	5,260,851	562.15	668.15	534.05	638.50	444,515
Total Shares traded during the year					**18,901,216**					**1,444,863**

Table 16

Equity shares of the Company are traded in "Group B" category and are a constituent of the Small Cap Index on BSE Ltd.





b) 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 Company obtains from a Company Secretary in practice, yearly certificate of compliance with the share transfer formalities as required under Regulation 7(3) of SEBI (LODR) Regulations, 2015 and files a copy of the certificate with the Stock Exchanges.

c) Reconciliation of share capital

The Company obtains from a Company Secretary in practice, a quarterly certificate of reconciliation of share capital audit with regard to the total admitted equity share capital with the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital under Regulation 55A of The Securities and Exchange Board of India (Depositories and Participants) Regulation, 1996. The audit report confirms that the total issued / paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

d) Dematerialization of Shares

The Equity shares of the Company are under compulsory dematerialization ("Demat") category and can be traded only in electronic form. The Company has De-materialised 26,721,954 shares (99.81%) of the paid up share capital) as at March 31, 2023.

The procedure for converting the shares in dematerialized mode is as under:

- Share certificate(s) along with Demat Requisition Form (DRF) is to be submitted by the shareholder to his Depository Participant (DP)
- DP processes the DRF and generates a unique number viz. DRN.
- DP forwards the DRF and share certificates to the Company's Registrar & Shares Transfer Agent.
- The Company's Registrar & Shares Transfer Agent after processing the DRF confirm or reject the request to the Depositories.
- Upon confirmation, the Depository gives the credit to shareholder in his/her depository account maintained with DP.

The process of dematerialization takes around 15 days from the date of receipt of DRF by the Registrar & Shares Transfer Agent of the Company.

Since the trading in the shares of the Company can be done only in electronic form, it is advisable that the shareholders who have the shares in physical form get their shares dematerialized.

e) Electronic Clearing Services (ECS)/National Electronic Clearing Services (NECS) facility

The divided remittances to shareholders happen predominantly through ECS / NECS as per the locations approved by RBI from time to time. If the shareholders are located at any of the ECS/NECS centers and have not registered their ECS/NECS, they may forward their ECS/ NECS mandate to their depository participant if the shares are held in demat form, or to the Company/Registrars, if the shares are held in physical form, immediately.

f) Shareholding Pattern of the Company as at March 31, 2023

Category	As on March 31, 2023		
	Share Holders	Share Holding	Share Holding (%)
Promoter and Promoter Group	11	19,618,176	73.28
Public Share Holding			
Individuals/ Clearing Members/ Trusts/Director or Director's Relatives/HUF	30,611	5,260,059	19.65
Bodies Corporate/NBFC Registered with RBI/IEPF	210	4,07,147	1.52
NRI's and Foreign Nationals	729	274,886	1.03
FII's	43	1,124,859	4.20
Banks and Financial Institutions	2	88,197	0.32
Total	**31,606**	**26,773,324**	**100.00**

g) Depository Receipts / Global Depository Receipts / Warrants

As on March 31, 2023, the Company has no American Depository Receipts / Global Depository Receipts / Warrants or any such convertible instruments outstanding and there is no likely impact on the Company's Equity Shares in the financial year 2022-23.

h) Employee Stock Option Plans (ESOP)

The ESOP 2015 has been formulated in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. ESOP 2015 contemplates dealing in/ acquisition of secondary shares through an Employee Welfare Trust (Trust) route.

The Company has got shareholders' approval vide postal ballot in Jan 2015 , in respect of ESOP 2015 and grant of Stock Options to the eligible employees/ Directors of the Company and that of its Subsidiary Company(ies) as decided by the Nomination and Remuneration/ Compensation Committee from time to time. No Options have been granted under ESOP (2015) during the year.

i) Investor Education and Protection Fund ("IEPF")

As per Section 124(5) and 124(6) of the Act read with the IEPF Rules as amended, any dividend which remains unpaid or unclaimed for a period of seven years, shall be transferred by the Company to the IEPF fund.

Also all shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are required to be transferred to an IEPF Demat Account. In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends / shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website

Members are requested to claim the same on or before the respective dates as mentioned in the reminder letters. In case the dividends are not claimed by the said date, necessary steps will be initiated by the Company to transfer such dividend and/or shares without further notice. No claim shall lie against the Company in respect of the shares so transferred to IEPF Demat Account. In the event of transfer of shares and the unclaimed dividends to IEPF, members are entitled to claim the same from IEPF Authority by submitting an online application in the prescribed Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same duly signed to the Company along with the requisite documents enumerated in the Form IEPF- 5.

Unclaimed dividends for the financial years, 2001-2002, 2002-03, 2003-04, 2004-05 2005-06, 2006-07, 2007-08, 2008-09, 2009-10 , 2010-11, 2011-12 ,2012-13 , 2013-14, 2014-15 and 2015-16 have been transferred to the IEPF.

j) Equity shares in the suspense account:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follows:

ParticularS	Number of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2022	Nil	Nil
Shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
Shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	17	871
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2023	Nil	Nil

The voting rights on the shares outstanding in the suspense account as on March 31, 2023 shall remain frozen till the rightful owner of such shares claims the shares

k) Details of total fees paid to Statutory Auditors

ASA & Associates LLP, Chartered Accountants have been appointed as the Statutory Auditors of the Company at the Annual General meeting held on July 8, 2022. The particulars of payment of Statutory Auditors' fees, on consolidated basis to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

(Amt in Lacs)

Particulars	Amount
Services as statutory auditors (including quarterly audits)	36.00
For other Services	2.00
Re-imbursement of out-of-pocket expenses	2.00
Total	**40.00**

l) Locations

Nucleus services its clients through a network of domestic and international offices. At the year-end, Nucleus had wholly-owned subsidiaries in India, Japan, Netherlands, Singapore, South-Africa, U.S.A, Australia and branch offices in Mumbai, Pune and Chennai in India and Dubai (UAE) London (UK) and Overseas.

Nucleus operates state-of-the-art Software Development Centers at Noida (U.P.). The Noida Centre is under the Software Technology Park Scheme of the Government of India.

Nucleus Software Limited (NSL), wholly owned subsidiary operates from a Special Economic Zone, Mahindra World City, Jaipur Ltd. (MWCJL).

PARENT COMPANY	
Nucleus Software Exports Ltd.	
Registered Office 33-35, Thyagraj Nagar New Delhi-110 003 **India**	**Corporate Office** A-39 Sector 62 Noida-201 307 **India**

SUBSIDIARIES

Nucleus Software Solutions Pte. Ltd.
300, Tampines Avenue-5#04-06,
Tampines Junction
Singapore-529653

Nucleus Software Japan Kabushiki Kaisha
Mitsubishi Building
11F, 5-2 Marunouchi, 2 Chome
Chiyoda Ku
Tokyo 100-0005
Japan

Nucleus Software Inc.
505, Thornall State, Suite 401,
Edison, NJ 08837-2260
USA

Nucleus Software Netherlands B.V.
Cuserstaat 93, Floor 2nd & 3rd
Amesterdam 1081CN
Netherland

Nucleus Software Ltd.
Plot No. IT- A - 017,
Mahindra World City (Jaipur) Ltd.
IT/ITES Special Economic Zone
Jaipur 302 037
India

Nucleus Software Australia Pty. Ltd.
Suite 4, 96-98 Wigram Street
Harris Park
NSW 2150
Australia

Nucleus Software South Africa (Pty) Ltd.
28 Front Street, Brinam, Gauteng
2196
South Africa

Branch Offices in India

A. **Mumbai**
Wellington Business Park
405-408,4th Floor,
Near S.M Centre,
Marol Naka, Andheri Kurla Road
Andheri (East)
Mumbai - 400 059

B. **Chennai**

SKCL Triton Square,5th floor, unit#C3-C7,
CIPET Road, Thiru-Vi-Ka Industrial Estate,
Guindy,
Chennai - 600032

C. **Pune**
Kumar Business Court,
7th Floor, K B C, S. No. 362/3,
Bund Garden Road,
Pune - 411001

Branch Offices in Overseas Locations

A. **London (UK)**
Nucleus Software Exports Ltd.
4.01 288 Bishops Gate, London
EC2M4QP, **UK**

B. **Dubai (U.A.E)**
Nucleus Software Exports Ltd
Office #305, EIB Building # 05,
Dubai Internet City (DIC),
Dubai, U.A.E.

m) Investor Correspondence may be addressed to:

Ms. Poonam Bhasin
The Company Secretary and Compliance Officer
Nucleus Software Exports Ltd.,
33-35, Thyagraj Market
New Delhi-110003.
India
Tel: +91-(120)-4031400
Fax: +91-(120)-4031672
Email: investorrelations@nucleussoftware.com

n) Other General Shareholder Information

The other mandatory and additional information of interest to investors is voluntarily furnished in a separate chapter "Shareholders' Referencer" of this Annual Report.

o) Auditors' Certificate on Corporate Governance

As required by Schedule V of the SEBI (LODR) Regulations 2015, the Auditors' certificate on Corporate Governance is annexed to Director's Report as Annexure A.

p) CEO/CFO Certification

As required by SEBI (LODR) Regulations, 2015, the CEO/CFO certification is provided as Annexure B to the report on Corporate Governance, in this Annual Report.

q) Secretarial Audit

As per the Companies Act 2013, Secretarial Audit by a practicing Company Secretary has become mandatory for prescribed companies, and they are required to annex the Secretarial Audit report with their Board Report in the Annual Report.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed PI & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report in the prescribed Form MR 3, is provided as Annexure F to the Directors' Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Secretarial Auditor has made certain recommendations for adopting additional Best Practices, which are now being implemented.

r) Compliance with the Code of Conduct

All Directors and Senior Management personnel of the Company have affirmed compliance with the code for the financial year ended March 31, 2023. A declaration to this effect signed by the Managing Director has been published as *Annexure C* to this report on Corporate Governance.

s) Green Initiatives by the Ministry of Corporate Affairs, Government of India

The Company whole-heartedly supported the 'Green Initiative' of the Ministry of Corporate Affairs, Government of India enabling electronic delivery of documents to the shareholders at their e-mail addresses registered with the Depository participants/ Registrar & Share Transfer Agent. This year also the Company is actively pursuing this initiative by sending Annual Reports in a soft copy form.

t) Commodity price risk or foreign exchange risk and hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities,

Please refer to Management Discussion and Analysis Report for the same.

u) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

No such credit rating taken by Company during the Financial year under review.

F. Compliance with Non-Mandatory Requirements of Regulation 27 (1) of SEBI (LODR) Regulations, 2015

Regulation 27 (1) of SEBI of the Listing Agreement mandates us to obtain a certificate from either the statutory auditors or practicing Company secretaries regarding compliance of conditions of Corporate Governance as stipulated in the Clause and annex the certificate with the Directors' report, which is sent annually to all our shareholders. We have obtained a certificate to this effect and the same is given as Annexure to the Directors' report.

The Company has complied with all mandatory requirements of Schedule II of SEBI (LODR) Regulations 2015. The Company has also adopted discretionary requirements as specified in Part E of Schedule II as follows:

a. Shareholder Rights

- We communicate with investors regularly through e-mail, telephone in investor

conferences. We also leverage the Internet in communicating with our investor base.

- The announcement of quarterly/annual results is followed by:
  - Media interactions, wherein business television channel in India telecasts discussions with our Managing Director.
  - Earnings conference calls are conducted after announcement of quarterly/annual results wherein the Management updates investor community on the progress made by the Company and answers their queries. The audio as well as the transcript of the call is uploaded on the website www.nucleussoftware.com/investors for investors' information.
  - The Company also sends results via email to all its shareholders who have valid e-mails ids registered with their Depository Participants (DP).
  - Highlights of the results along with a comparison with previous quarters/ years, all financial press releases, information on Board of Directors, FAQ for shareholders and other related information on Corporate Governance etc. are also available on the Company website.

b. Modified opinion(s) in audit report

The Company is in the regime of unmodified audit opinion.

c. Reporting of Internal Auditor

The Internal auditor reports directly to the Audit Committee.

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Nucleus Software Exports Limited
33-35, Thyagraj Nagar Market
New Delhi -110003

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Nucleus Software Exports Limited** having CIN: **L74899DL1989PLC034594** and having registered office at 33-35, Thyagraj Nagar Market , New Delhi -110003 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	DIN	Name of Director	Initial Date of Appointment	Date of Appointment in Current Term (incl. date of re-appointment)
1.	00545141	Mr. Siddhartha Mahavir Acharya	19/03/2016	19/03/2021
2.	00008412	Mr. Vishnu Rampratap Dusad	09/01/1989	01/01/2022
3.	07022867	Dr. Ritika Dusad	20/07/2016	07/08/2020
4.	00001220	Mr. Prithvi Pal Singh Haldea	22/06/2001	26/07/2019
5.	02762510	Prof. Sadhu Trilochan Sastry	27/04/2013	26/07/2019
6.	06976868	Mrs. Elaine Mathias	20/09/2014	20/09/2019
7.	08719754	Mr. Parag Bhise	16/03/2020	31/07/2020
8.	08801422	Mrs. Yasmin Javeri Krishan	30/07/2020	30/07/2020
9.	09002894	Mr. Anurag Mantri	19/12/2020	19/12/2020
10.	00008350	Mr. Ravi Pratap Singh	26/07/2014	26/07/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For PI & Associates,
Company Secretaries

Sd/-
Nitesh Latwal
Partner
ACS No.: A32109
C P No.: 16276
UDIN: A032109E000342782

Date: 26th May 2023
Place: New Delhi

Annexure B

CERTIFICATION BY CHIEF EXECUTIVE OFFICER & CHIEF FINANCIAL OFFICER OF THE COMPANY PURSUANT TO REGULATION 17(8) OF SEBI (LODR) REGULATIONS, 2015

We, Parag Bhise, Chief Executive Officer (CEO) and Anurag Mantri, Chief Financial Officer (CFO), of Nucleus Software Exports Limited ("the Company"), to the best of our knowledge and belief, certify that:

1. We have reviewed the financial statements for the Quarter & Financial Year ended March 31, 2023 along with its schedules and notes on accounts, as well as the cash flow statements;
2. These statements do not contain any untrue statements of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, misleading with respect to the statements made;
3. These financial statements, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and applicable laws and regulations;
4. Based on our knowledge and information, no transactions entered into by the Company during the period, are fraudulent, illegal or violative of the Company's code of conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee of the Company's Board of Directors, deficiencies in the design or operation of internal controls and steps proposed to be taken to rectify these deficiencies.
6. We have disclosed, based on our most recent evaluation, to the Company's Auditors and the Audit Committee of the Company's Board of Directors:
   a. Significant changes in internal control over financial reporting during the period, if any;
   b. There are no significant changes in accounting policies during the period; and
   c. There are no instances of fraud of which we have become aware and the involvement, therein, of the management or an employee having significant role in the Company's internal control system over financial reporting.

	Sd/-	Sd/-
Noida	Parag Bhise	Anurag Mantri
26 May 2023	CEO	CFO

Annexure C

DECLARATION BY CEO REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

I, Parag Bhise, Chief Executive Officer (CEO) of Nucleus Software Exports Limited ("the Company") confirm that the Company has adopted a Code of Conduct ("Code") for its Board Members and senior management personnel and the Code is available on the Company's Website.

I, further confirm that the Company has in respect of the financial year ended March 31, 2023, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

Sd/-
Parag Bhise
CEO

Noida
26 May 2023