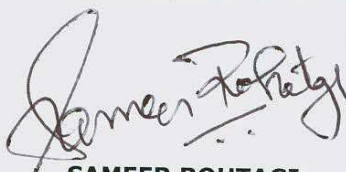


**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
NUCLEUS SOFTWARE EXPORTS LIMITED**

1. We have audited the accompanying Statement of Standalone Financial Results of **Nucleus Software Exports Limited** ("the Company") for the Quarter and Six months ended 30 September, 2014 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement has been prepared on the basis of the related interim financial statements, which is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement, based on our audit of the related interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS-25) on Interim Financial Reporting specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the Statement. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall Statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Clause 41 of the Listing Agreements with the Stock Exchanges; and
 - (ii) gives a true and fair view in conformity with the accounting principles generally accepted in India of the net profit and other financial information of the Company for the Quarter and Six months ended 30 September, 2014.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged / encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding, in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to the investor complaints disclosed in Part II - Select Information for the Quarter and Six months ended 30 September, 2014 of the Statement, from the details furnished by the Registrars.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No. 015125N)



SAMEER ROHTAGI
Partner
(Membership No. 094039)

Noida
1 November, 2014



**PART I : STATEMENT OF CONSOLIDATED PROFIT AND LOSS OF NUCLEUS SOFTWARE EXPORTS LIMITED AND SUBSIDIARIES
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014**

	Particulars	(Amount in Rupees lakhs)					
		Quarter ended		Half year ended		Year ended	
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	March 31, 2014
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1.	INCOME FROM OPERATIONS Income from software products and services	8,683.47	7,942.65	8,225.16	16,626.12	16,857.47	34,622.21
	Total Income from operations (net)	8,683.47	7,942.65	8,225.16	16,626.12	16,857.47	34,622.21
2.	EXPENSES						
	a) Changes in inventories of stock-in-trade	4,948.50	4,829.76	4,430.38	9,778.26	494.86	494.86
	b) Employee benefits expense	293.62	286.19	178.40	579.81	8,895.76	18,077.51
	c) Depreciation and amortisation expense	477.73	428.94	505.83	906.67	334.96	793.56
	d) Travel expense	1,688.39	1,657.60	1,995.12	3,345.99	976.79	1,990.08
	e) Other expenses	7,408.24	7,202.49	7,109.73	14,610.73	3,760.78	7,349.84
	Total Expenses	1,275.23	740.16	1,115.43	2,015.39	14,463.15	28,705.85
3.	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS AND TAXES (1-2)	1,275.23	740.16	1,115.43	2,015.39	2,394.32	5,916.36
4.	Other Income	683.66	675.17	408.33	1,358.83	941.97	2,455.34
5.	PROFIT FROM OPERATIONS BEFORE FINANCE COSTS AND TAXES (3+4)	1,958.89	1,415.33	1,523.76	3,374.22	3,336.29	8,371.70
6.	Finance costs	14.74	13.64	11.49	28.38	25.04	51.48
7.	PROFIT BEFORE TAXES (5-6)	1,944.15	1,401.69	1,512.27	3,345.84	3,311.25	8,320.22
8.	Tax expense	659.24	236.28	417.85	895.52	1,100.24	1,886.34
9.	PROFIT AFTER TAXES (7-8)	1,284.91	1,165.41	1,094.42	2,450.32	2,211.01	6,433.88
10.	Minority Interest	-	-	-	-	-	-
11.	NET PROFIT FOR THE PERIOD (9-10)	1,284.91	1,165.41	1,094.42	2,450.32	2,211.01	6,433.88
12.	Paid-up Equity Share Capital (Face Value Rupees 10 each)	3,238.52	3,238.52	3,238.52	3,238.52	3,238.52	3,238.52
13.	Reserves excluding Revaluation Reserves						36,462.18
14.	Earnings Per Share (Rupees) (Par value Rupees 10 each) (not annualised)						
	Basic	3.97	3.60	3.38	7.57	6.83	19.87
	Diluted	3.97	3.60	3.38	7.57	6.83	19.87

For Nucleus Software Exports Ltd.

Vishnu D. Desai
Managing Director

**PART I : STATEMENT OF PROFIT AND LOSS OF NUCLEUS SOFTWARE EXPORTS LIMITED
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014**

		(Amount in Rupees lakhs)					
	Particulars	Quarter ended		Half year ended		Year ended	
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	March 31, 2014	
		Audited	Audited	Audited	Audited	Audited	
1.	INCOME FROM OPERATIONS Income from software products and services	6,847.53	5,953.56	5,541.55	12,801.09	11,856.48	24,111.07
	Total Income from operations (net)	6,847.53	5,953.56	5,541.55	12,801.09	11,856.48	24,111.07
2.	EXPENSES						
	a) Changes in inventories of stock-in-trade	-	-	-	-	494.86	494.86
	b) Employee benefits expense	3,499.24	3,428.82	3,128.79	6,928.06	6,260.41	12,480.32
	c) Depreciation and amortisation expense	260.57	259.34	146.92	519.91	273.97	676.03
	d) Travel expense	388.61	351.82	446.44	740.43	865.22	1,737.85
	e) Other expenses	1,467.75	1,259.70	1,143.44	2,727.45	2,356.24	4,905.14
	Total expenses	5,616.17	5,299.68	4,865.59	10,915.85	10,250.70	20,294.20
3.	PROFIT FROM OPERATIONS BEFORE OTHER INCOME, FINANCE COSTS AND TAXES (1-2)	1,231.36	653.88	675.96	1,885.24	1,605.78	3,816.87
4.	Other income	616.26	613.26	428.12	1,229.52	1,870.79	2,993.92
5.	PROFIT FROM OPERATIONS BEFORE FINANCE COSTS AND TAXES (3+4)	1,847.62	1,267.14	1,104.08	3,114.76	3,476.57	6,810.79
6.	Finance costs	11.20	10.09	7.34	21.29	16.63	35.00
7.	PROFIT BEFORE TAXES (5-6)	1,836.42	1,257.05	1,096.74	3,093.47	3,459.94	6,775.79
8.	Tax expense	523.74	206.53	331.37	730.27	933.75	1,267.01
9.	NET PROFIT FOR THE PERIOD (7-8)	1,312.68	1,050.52	765.37	2,363.20	2,526.19	5,508.78
10.	Paid-up Equity Share Capital (Face Value Rupees 10 each)	3,238.52	3,238.52	3,238.52	3,238.52	3,238.52	3,238.52
11.	Reserves excluding Revaluation Reserves						32,322.29
12.	Earnings Per Share (Rupees) (Par value Rupees 10 each) (not annualised)						
	Basic	4.05	3.24	2.36	7.30	7.80	17.01
	Diluted	4.05	3.24	2.36	7.30	7.80	17.01

For Nucleus Software Exports Ltd.

Vishnu R. D. Sreedhar
Managing Director

NUCLEUS SOFTWARE EXPORTS LIMITED

PART II : SELECTED INFORMATION FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2014

	Particulars	Quarter ended		Half year ended		Year ended
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	March 31, 2014
A	PARTICULARS OF SHAREHOLDING					
1.	Public shareholding					
	- Number of Shares	12,751,858	13,773,058	13,773,058	12,751,858	13,773,058
	- Percentage of Shareholding	39.38%	42.53%	42.53%	39.38%	42.53%
2.	Promoters and Promoter Group Shareholding					
	a) Pledged / Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non - encumbered					
	- Number of shares	19,631,866	18,610,666	18,610,666	19,631,866	18,610,666
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	60.62%	57.47%	57.47%	60.62%	57.47%

	Particulars	3 months ended September 30, 2014
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	6
	Disposed of during the quarter	6
	Remaining unresolved at the end of the quarter	-

V

For Nucleus Software Exports Ltd.

Managing Director

NUCLEUS SOFTWARE EXPORTS LIMITED

SEGMENT REPORTING (STANDALONE)						
(Amount in Rupees lakhs)						
Particulars	September 30, 2014	Quarter ended June 30, 2014	September 30, 2013	Half year ended September 30, 2014	September 30, 2013	Year ended March 31, 2014
a) Revenue by geographical segment						
India	1,266.77	1,369.93	1,654.59	2,636.70	3,838.26	6,985.31
Far East	668.44	575.01	769.70	1,243.45	1,648.73	3,098.53
South East Asia	1,025.73	825.06	874.89	1,850.79	1,691.17	3,588.25
Europe	975.19	693.88	445.73	1,669.07	826.71	2,150.08
Middle East	1,760.80	1,571.41	973.54	3,332.21	2,477.87	4,976.61
Africa	779.90	425.11	593.25	1,205.01	929.17	2,030.33
Others	370.70	493.16	229.85	863.86	444.57	1,281.96
Total	6,847.53	5,953.56	5,541.55	12,801.09	11,856.48	24,111.07
Less :- Inter segment revenue	-	-	-	-	-	-
Net revenue from operations	6,847.53	5,953.56	5,541.55	12,801.09	11,856.48	24,111.07
b) Segment profit before tax						
India	198.50	328.10	607.00	526.60	1,169.03	2,234.00
Far East	384.38	327.16	368.29	711.54	875.27	1,746.49
South East Asia	463.24	330.40	141.87	793.64	306.66	1,044.62
Europe	611.14	404.85	220.87	1,015.99	396.12	995.63
Middle East	1,183.43	1,006.13	406.24	2,189.56	1,336.95	3,014.35
Africa	533.56	294.80	347.86	828.36	513.10	1,157.94
Others	265.05	346.15	115.94	611.20	225.32	766.63
Total	3,639.30	3,037.59	2,208.07	6,676.89	4,822.45	10,959.66
Add :- Other income	616.26	613.26	428.12	1,229.52	1,870.79	2,993.92
Less :- Other unallocable expenditure	2,419.14	2,393.80	1,539.45	4,812.94	3,233.30	7,177.79
Operating profit before tax	1,836.42	1,257.05	1,096.74	3,093.47	3,459.94	6,775.79
c) Capital employed (Refer note 6 below)	37,631.94	36,492.91	34,247.25	37,631.94	34,247.25	35,560.81

OTHER INFORMATION (STANDALONE)						
(Amount in Rupees lakhs)						
Particulars	September 30, 2014	Quarter ended June 30, 2014	September 30, 2013	Half year ended September 30, 2014	September 30, 2013	Year ended March 31, 2014
Details of other income:						
Interest received	223.75	213.75	258.26	437.50	481.02	795.36
Dividend received from non-trade investments	115.36	161.69	121.05	277.05	233.06	574.02
Dividend received from subsidiary company	-	-	-	-	939.32	939.32
Profit on sale of investments	138.30	160.01	17.78	298.31	28.32	497.11
Foreign exchange gain/(loss)	25.38	17.71	29.23	43.09	182.52	117.31
Miscellaneous income	113.47	60.10	1.80	173.57	6.55	70.80
Total	616.26	613.26	428.12	1,229.52	1,870.79	2,993.92

For Nucleus Software Exports Ltd.

Nishu D. Dnsal

Managing Director

AUDITED STATEMENT OF ASSETS AND LIABILITIES (STANDALONE)

(Amount in Rupees lakhs)

		As at	
Particulars		September 30, 2014	March 31, 2014
A	EQUITY AND LIABILITIES		
1.	SHAREHOLDERS' FUNDS		
a)	Share capital	3,238.52	3,238.52
b)	Reserves and surplus	34,393.42	32,322.29
		37,631.94	35,560.81
2.	NON-CURRENT LIABILITIES		
a)	Long-term provisions	1,160.01	1,063.44
		1,160.01	1,063.44
3.	CURRENT LIABILITIES		
a)	Trade payables	2,548.95	1,620.62
b)	Other current liabilities	5,587.50	5,122.53
c)	Short-term provisions	405.23	2,644.13
		8,541.68	9,387.28
	TOTAL - EQUITY AND LIABILITIES	47,333.63	46,011.53
B	ASSETS		
1.	NON-CURRENT ASSETS		
a)	Fixed assets	4,555.82	4,518.75
b)	Non-current investments	5,246.52	3,735.62
c)	Deferred tax assets (net)	458.59	613.85
d)	Long-term loans and advances	2,499.00	2,523.51
e)	Other non current assets	57.65	46.88
		12,817.58	11,438.61
2.	CURRENT ASSETS		
a)	Current investments	15,046.30	18,902.49
b)	Trade receivables	6,472.44	3,193.35
c)	Cash and bank balances	8,654.68	7,198.73
d)	Short-term loans and advances	1,231.43	1,671.59
e)	Other current assets	3,111.20	3,606.76
		34,516.05	34,572.92
	TOTAL - ASSETS	47,333.63	46,011.53

For Nucleus Software Exports Ltd.

Vishnu R. Desai
Managing Director

NOTES:

1. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on November 1, 2014.
2. The Auditors have carried out an audit of standalone results of the Company for quarter and half year ended September 30, 2014. There are no qualifications in the Auditors' report on these financial statements.
3. Pursuant to the Companies Act, 2013, ("The Act"), being effective from April 1, 2014, the Company has revised depreciation rates in respect of computers and data processing unit (end user devices such as desktop, laptops etc.) as per the useful life specified in Part "C" of Schedule II of the Act. As a result of this change, the depreciation charge for the quarter and half year ended September 30, 2014 is higher by Rs. 7.70 lakhs and Rs. 25.87 Lakhs respectively.
5. Tax expenses include current tax, deferred tax, taxes pertaining to earlier years and withholding taxes charged off.
6. Fixed assets used in the Company's business cannot be specifically identified with any of the reportable segments, as these are used interchangeably between various segments. The Management believes that it is not practicable to provide segment-wise disclosures relating to total assets and liabilities since a meaningful segregation of the available data is not possible.
7. Previous period/year figures have been redounded /reclassified, wherever necessary.

By Order of the Board
For Nucleus Software Exports Limited



Vishnu R Dusead
CEO & Managing Director

Place: Noida
Date : November 1, 2014

