

**NUCLEUS
SOFTWARE**

NUCLEUS SOFTWARE EXPORTS LTD.

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Corporate Office

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July 20, 2017

The Listing Department The National Stock Exchange of India Ltd. Exchange Plaza, Bandra-Kurla Complex Bandra (E) Mumbai-400051. Fax Nos. 022-26598236/237/238	The Listing Department Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street Mumbai-400001 Fax No. 022-22722061/41/39
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Dear Sirs,

Sub: Financial Results for the First Quarter Ended June 30, 2017

**Ref: Regulation 33 and 30(2) of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015**


In term of the Regulation 33 and 30(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find the enclosed herewith Audited Standalone Financial Results and Unaudited Consolidated Financial Results with Limited Review Report for the First Quarter Ended 30th June 2017 duly reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 20th, 2017.

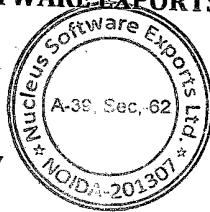
You are requested to take the above information on record.

This is for your information and records.

Thanking You

Yours Sincerely
FOR NUCLEUS SOFTWARE EXPORTS LIMITED


(Poonam Bhasin)
Company Secretary



Encl : As above

TIMMINGS OF MEETING
- BEGINNING: 1:00 P.M
CONCLUSION: 6:40 P.M

Regd. Office

33-35 Thyagraj Market, New Delhi, 110003. India.

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B S R & Associates LLP

Chartered Accountants

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Limited Review Report on Quarterly Consolidated Financial Results of Nucleus Software Exports Limited pursuant to the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of
Nucleus Software Exports Limited

We have reviewed the accompanying statement of unaudited consolidated financial results of Nucleus Software Exports Limited and its subsidiaries (collectively referred to as 'the Group') for the quarter ended 30 June 2017 attached herewith, being submitted by the company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These unaudited consolidated financial results are the responsibility of the Company's Management and have been approved by the Board of Directors. Our responsibility is to issue a report on these unaudited consolidated financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the unaudited consolidated financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards i.e. Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Attention is drawn to the fact that we did not review the financial results of certain subsidiaries. These subsidiaries account for 3.6% of the total assets as at 30 June 2017 and 16.6% of the total revenues for quarter then ended for the Group. Of the above:

- (a) the financial results and other financial information of a subsidiary incorporated outside India, which accounts for 3.3% of the total assets as at 30 June 2017 and 15.3% of the total revenues for the quarter then ended, for the Group have been reviewed by other auditor duly qualified to act as auditors in that country, whose report has been furnished to us by the other auditor. For the purpose of preparation of these unaudited consolidated financial results, the aforesaid local GAAP financial results have been restated by the management of the said entity so that these conform to the generally accepted accounting principles in India. This has been done on the basis of a reporting package prepared by the Company which covers accounting and disclosure

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-6182) with effect from October 14, 2013

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Mumbai - 400 011

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requirements applicable to the unaudited consolidated financial results under the generally accepted accounting principles in India. Our opinion on the unaudited consolidated financial results, insofar as it relates to this entity, is based on the aforesaid review report of the other auditors; and

- (b) the financial results and other financial information of the remaining subsidiaries have not been subjected to review either by us or by other auditors, and therefore, unaudited financial results for the quarter ended 30 June 2017 of these entities have been furnished to us by the management. These subsidiaries account for 0.3% of total assets as at 30 June 2017 and 1.3% of the total revenues for the quarter then ended as shown in these unaudited consolidated financial results, and therefore are not material to the unaudited consolidated financial results, either individually or in aggregate. Our opinion is not qualified in respect of this matter.

For B S R & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 116231W/W-100024



Rakesh Dewan

Partner

Membership number: 092212

Place: New Delhi
Date: 20 July 2017

B S R & Associates LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
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Auditor's Report on Quarterly Financial Results of Nucleus Software Exports Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Board of Directors of
Nucleus Software Exports Limited

We have audited the quarterly standalone financial results of Nucleus Software Exports Limited for the quarter ended 30 June 2017, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

These quarterly standalone financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) for Interim Financial Reporting (Ind AS 34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, as applicable and other accounting principles generally accepted in India.

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

Based on our audit conducted as above, in our opinion and to the best of our information and according to the explanations given to us these quarterly standalone financial results:

- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5 July 2016 in this regard; and
- (ii) give a true and fair view of the financial performance including other comprehensive income and other financial information for the quarter ended 30 June 2017.

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




Rakesh Dewan
Partner
Membership number: 092212

Place: New Delhi
Date: 20 July 2017

**PART I : STATEMENT OF CONSOLIDATED FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LIMITED AND SUBSIDIARIES
FOR THE QUARTER ENDED JUNE 30, 2017**

Particulars	Quarter ended				Rupees in lakhs
	June 30, 2017	March 31, 2017	June 30, 2016	Year ended	
	Unaudited	Unaudited	Unaudited	March 31, 2017	Audited
1. REVENUE FROM OPERATIONS					
Income from software products and services					
2. OTHER INCOME	9,431.87	9,369.06	8,995.48		37,239.24
3. TOTAL REVENUE (1+2)	759.70	689.90	733.38		3,213.55
4. EXPENSES	10,191.57	10,058.96	9,728.86		40,452.79
a) Employee benefits expense.					
b) Operating and other expenses	6,421.39	6,117.80	6,209.09		24,454.85
c) Finance cost	1,979.03	1,807.51	1,778.11		7,396.51
d) Depreciation and amortisation expense	12.50	14.31	15.61		54.68
Total Expenses	177.34	188.97	300.18		1,121.73
5. PROFIT BEFORE TAX (3-4)	8,590.27	8,128.59	8,302.99		33,027.77
6. TAX EXPENSE	1,601.30	1,930.37	1,425.87		7,425.02
Net current tax expense					
Deferred tax (credit) /charge	443.38	294.42	267.29		1,259.79
NET TAX EXPENSE	6.43	(403.57)	(86.27)		(450.73)
7. PROFIT FOR THE PERIOD/ YEAR (5-6)	449.81	(109.15)	181.02		809.06
8. OTHER COMPREHENSIVE INCOME	1,151.49	2,039.52	1,244.85		6,615.96
A) (i) Items that will not be reclassified to profit or loss					
Remeasurement of the net defined liability/asset					
Equity instruments through other comprehensive income - net change in fair value	(17.16)	(11.00)	(17.13)		(62.39)
(ii) Deferred tax relating to items that will not be reclassified to profit or loss	(285.87)	255.50	486.50		547.25
B) (i) Items that will be reclassified subsequently to profit or loss					
Exchange differences on translation of foreign operations	(6.94)	(48.95)	21.13		(141.48)
The effective portion of gains and loss on hedging instruments in a cash flow hedge	(63.11)	145.45	(12.46)		123.03
TOTAL OTHER COMPREHENSIVE INCOME	(373.08)	341.00	526.79		515.15
9. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	778.41	2,380.52	1,771.64		7,131.11
Profit for the period attributable to					
-Shareholders of the Company					
-Non-controlling interest	1,151.49	2,039.52	1,244.85		6,615.96
Total comprehensive income attributable to					
-Shareholders of the Company	778.41	2,380.52	1,771.64		7,131.11
-Non-controlling interest					
10. Paid-up Equity Share Capital (Face Value Rupees 10 each)	3,238.52	3,238.52	3,238.52		3,238.52
11. Other Equity					
12. Earnings Per Share (Rupees) (Par value Rupees 10 each) (not annualised)					50,257.46
Basic	3.56	6.30	3.84		20.43
Diluted	3.56	6.30	3.84		20.43



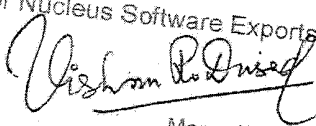
For Nucleus Software Exports Ltd.

 Managing Director

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**PART I : STATEMENT OF STANDALONE FINANCIAL RESULTS OF NUCLEUS SOFTWARE EXPORTS LIMITED
FOR THE QUARTER ENDED JUNE 30, 2017**

Particulars	Rupees in lakhs			
	Quarter ended		Year ended	
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Audited	Audited	Audited	Audited
1. REVENUE FROM OPERATIONS				
Income from software products and services				
2. OTHER INCOME	7,577.10	7,555.42	7,109.93	29,934.57
3. TOTAL REVENUE (1+2)	2,123.65	694.55	710.81	3,182.85
4. EXPENSES	9,700.75	8,249.97	7,820.74	33,117.42
a) Employee benefits expense				
b) Operating and other expenses	4,898.38	4,272.07	4,481.65	17,589.93
c) Finance cost	2,044.21	2,427.10	2,030.03	8,790.69
d) Depreciation and amortisation expense	7.65	10.11	8.86	34.72
Total expenses	160.53	170.08	267.38	1,026.53
5. PROFIT BEFORE TAX (3-4)	7,110.77	6,879.36	6,787.92	27,441.47
6. TAX EXPENSE	2,589.98	1,370.61	1,032.83	5,675.95
Net current tax expense				
Deferred tax (credit) /charge	331.00	271.57	171.11	910.21
NET TAX EXPENSE	6.10	(411.40)	(78.29)	(412.60)
7. PROFIT FOR THE PERIOD (5-6)	337.10	(139.83)	92.82	497.60
8. OTHER COMPREHENSIVE INCOME	2,252.88	1,510.44	940.01	5,178.35
A) (i) Items that will not be reclassified to profit or loss				
Remeasurement of the net defined liability/asset	(16.11)	(10.05)	(16.18)	(58.59)
Equity instruments through other comprehensive income - net change in fair value	(285.87)	255.50	486.50	547.25
(ii) Deferred tax relating to items that will not be reclassified to profit or loss			(48.75)	(48.75)
B) (i) Items that will be reclassified subsequently to profit or loss				
Effective portion of gain (loss) on hedging instruments of effective cash flow hedges, net	(56.68)	127.54	0.86	112.42
9 TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD	(358.66)	372.99	519.93	649.83
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,894.22	1,883.43	1,459.94	5,828.17
10. Paid-up Equity Share Capital (Face Value Rupees 10 each)	3,238.52	3,238.52	3,238.52	3,238.52
11. Other Equity				45,837.18
Earnings Per Share (Rupees) (Par value Rupees 10 each) (not annualised)				
Basic	6.96	4.66	2.90	15.99
Diluted	6.96	4.66	2.90	15.99

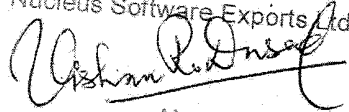


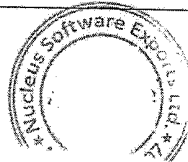
For Nucleus Software Exports Ltd.

 Managing Director.

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NUCLEUS SOFTWARE EXPORTS LIMITED

SEGMENT REPORTING (CONSOLIDATED)				
Particulars	Rupees in lakhs			
	Quarter ended			Year ended
	June 30, 2017	March 31, 2017	June 30, 2016	March 31, 2017
	Unaudited	Unaudited	Unaudited	Audited
a) Revenue by geographical segment				
India				10,079.91
Far East	2,686.01	2,774.68	2,225.23	
South East Asia	1,477.33	1,489.71	1,515.28	5,958.21
Europe	2,073.84	1,825.91	2,112.83	7,843.78
Middle East	1,112.08	1,171.14	970.38	4,622.55
Africa	1,405.66	1,351.21	1,261.56	5,213.52
Australia	208.40	313.77	239.50	911.44
Others	263.50	223.10	454.46	1,745.97
Total	205.05	219.54	216.24	863.86
Less :- Inter segment revenue				
Net revenue from operations	9,431.87	9,369.06	8,995.48	37,239.24
	9,431.87	9,369.06	8,995.48	37,239.24
b) Segment profit / (loss) before tax				
India				4,199.83
Far East	1,135.85	1,369.33	641.53	2,359.83
South East Asia	618.22	675.52	520.32	673.03
Europe	103.03	(421.65)	507.32	1,350.01
Middle East	277.35	365.61	144.90	2,438.46
Africa	583.28	643.84	511.50	489.11
Australia	166.48	236.38	119.43	877.30
Others	97.59	47.83	246.85	493.47
Total	109.85	89.74	145.71	12,881.04
Add :- Other income	3,091.65	3,006.60	2,837.56	3,213.55
Less :- Other unallocable expenditure	759.70	689.90	733.38	8,669.57
Profit before tax	2,250.05	1,766.13	2,145.07	7,425.02
	1,601.30	1,930.37	1,425.87	7,425.02
c) Segment Assets				
India				3,368.76
Far East	3,294.10	3,368.76	5,982.48	1,060.45
South East Asia	1,568.14	1,060.45	1,321.45	3,383.56
Europe	2,921.58	3,383.56	2,957.13	788.96
Middle East	684.67	788.96	606.09	1,153.15
Africa	922.53	1,153.15	1,035.09	319.89
Australia	475.90	319.89	296.47	149.97
Others	47.27	149.97	313.97	1,001.36
Total	652.76	1,001.36	923.16	11,226.10
Unallocated corporate assets	10,566.95	11,226.10	13,435.83	55,333.47
Total assets	57,744.73	55,333.47	48,356.76	66,559.57
d) Segment Liabilities				
India				4,539.21
Far East	4,738.81	4,539.21	5,138.14	210.64
South East Asia	612.76	210.64	429.19	908.14
Europe	2,626.28	908.14	2,757.42	750.65
Middle East	782.63	750.65	802.82	2,128.36
Africa	2,023.61	2,128.36	2,006.31	670.08
Australia	713.41	670.08	441.18	392.40
Others	208.75	392.40	385.02	92.05
Total	231.08	92.05	220.82	9,691.53
Unallocated corporate assets	11,937.33	9,691.53	12,180.90	3,377.06
Total liabilities	2,206.74	3,377.06	1,405.70	13,068.59
	14,144.07	13,068.59	13,586.60	13,068.59

For Nucleus Software Exports Ltd.

 Managing Director



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NUCLEUS SOFTWARE EXPORTS LIMITED

SEGMENT REPORTING (STANDALONE)				
Particulars	Quarter ended			Rupees in Lakhs
	June 30, 2017	March 31, 2017	June 30, 2016	Year ended March 31, 2017
	Audited	Audited	Audited	Audited
a) Revenue by geographical segment				
India				
Far East	2,657.77	2,752.96	2,206.58	9,966.17
South East Asia	642.74	653.46	638.90	2,497.63
Europe	1,168.20	938.94	1,188.60	4,386.97
Middle East	1,111.94	1,169.40	967.30	4,611.51
Africa	1,405.67	1,347.93	1,260.75	5,208.69
Australia	208.40	313.36	239.35	910.77
Others	263.50	222.81	454.17	1,745.11
Total	118.88	156.56	154.28	607.77
Less :- Inter segment revenue	7,577.10	7,555.42	7,109.93	29,934.57
Net revenue from operations	7,577.10	7,555.42	7,109.93	29,934.57
b) Segment profit / (loss) before tax				
India				
Far East	1,162.71	618.85	690.61	3,548.63
South East Asia	329.77	357.79	289.13	1,266.59
Europe	(31.84)	(6.93)	338.94	622.05
Middle East	278.60	364.50	147.74	1,352.92
Africa	583.28	640.57	510.69	2,433.63
Australia	159.19	235.99	119.30	465.49
Others	84.86	36.29	229.52	775.39
Total	29.99	16.93	18.67	140.77
Add:- Other income	2,596.56	2,263.99	2,344.60	10,605.47
Less:- Other unallocable expenditure.	2,123.65	694.55	710.81	3,182.85
Profit before tax	2,130.23	1,587.93	2,022.58	8,112.37
	2,589.98	1,370.61	1,032.83	5,675.95
c) Segment Assets				
India				
Far East	3,962.86	3,372.98	6,739.30	3,372.98
South East Asia	580.10	481.17	764.63	481.17
Europe	1,047.24	776.52	937.80	776.52
Middle East	656.79	761.47	572.56	761.47
Africa	899.87	1,119.02	1,035.08	1,119.02
Australia	453.77	296.24	256.40	296.24
Others	10.37	117.41	286.63	117.41
Total	194.11	229.91	87.55	229.91
Unallocated, corporate assets	7,805.11	7,154.72	10,679.95	7,154.72
Total assets	56,003.50	53,615.06	46,760.04	53,615.06
	63,808.61	60,769.78	57,439.99	60,769.78
d) Segment Liabilities				
India				
Far East	5,524.67	4,566.99	4,940.18	4,566.99
South East Asia	418.38	439.36	435.45	439.36
Europe	2,015.08	1,953.80	2,553.12	1,953.80
Middle East	777.67	756.25	795.24	756.25
Africa	2,023.19	2,128.36	2,006.31	2,128.36
Australia	739.05	720.33	447.97	720.33
Others	311.41	509.15	481.36	509.15
Total	166.16	150.87	194.37	150.87
Unallocated corporate assets	11,975.61	11,225.11	11,854.00	11,225.11
Total liabilities	863.08	468.96	878.52	468.96
	12,838.69	11,694.07	12,732.52	11,694.07

For Nucleus Software Exports Ltd.

Vishnu Reddy
Managing Director



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NOTES:

- The above financial results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on July 20, 2017. The financial results are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder.
- The Auditors have carried out an audit of standalone and a limited review of consolidated results of the Company for the quarter ended June 30, 2017. There are no qualifications in the Auditors' report on these financial results.
- The Company has adopted Indian Accounting Standards (Ind-AS) with effect from 1st April, 2017 (transition date being 1st April, 2016) pursuant to notification issued by Ministry of Corporate Affairs dated 16th February, 2015 notifying the Companies (Indian Accounting Standards) Rules, 2015. Accordingly, the financial results have been prepared in accordance with Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder. Consequently the results for the quarter ended 31 March 2017, 30 June 2016 and previous year ended 31 March 2017 have been restated to comply with Ind AS to make them comparable.
- Reconciliation between financial results reported under previous GAAP and Ind AS for quarter presented are as under:

Rupees in lakhs

Particulars	Standalone			Consolidated		
	For the quarter ended June 30, 2016	For the quarter ended March 31, 2017	For the year ended March 31, 2017	For the quarter ended 30 June, 2016	For the quarter ended 31 March, 2017	For the year ended 31 March, 2017
Profit for the period/year as per Previous GAAP	747.50	1,668.73	4,781.84	1,083.04	2,226.26	6,269.42
Gain/(loss) arising on recognition of investments at amortised cost	111.14	(216.09)	199.19	111.14	(216.09)	199.19
Gain on discounting of long term financial assets and liabilities, net	53.78	106.50	234.87	37.75	21.18	101.47
Gain/(Loss) arising on fair value accounting of investments	8.16	(38.52)	(11.07)	8.09	(37.12)	(4.49)
Actuarial valuation of defined benefit plans reclassified in other comprehensive income	16.18	10.05	58.59	17.13	11.00	62.39
(Gain) or loss on integral foreign operation transfer to FCTR, reclassified in other comprehensive income	-	-	-	(21.14)	48.95	26.76
Deferred tax (credit)/charge on above adjustment	(3.25)	20.23	85.07	(8.83)	14.65	38.78
Net Profit for the period/year as per Ind AS	940.01	1,510.44	5,178.35	1,244.85	2,039.52	6,615.96
Other Comprehensive Income, net of taxes	519.93	372.99	649.83	526.79	341.00	515.15
Total Comprehensive Income as per Ind AS	1,459.94	1,883.43	5,828.17	1,771.64	2,380.52	7,131.11

- The Board of Directors recommended a Final Dividend of Rs. 5 per share (on equity share of par value of Rs. 10 each) for the year ended March 31, 2017. The payment is approved in the Annual General Meeting held on 8th July 2017.
- 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.
- Tax expenses include current tax, deferred tax, adjustments pertaining to earlier years, MAT credit and withholding taxes charged off.
- The losses applicable to the minority in a consolidated subsidiary exceed minority interest in the equity of the subsidiary.
- Previous period/year figures have been regrouped /reclassified, wherever necessary, to conform to current period's classification as per Ind AS.



By the order of the Board
For Nucleus Software Exports Limited

Vishnu R. Dusad

Vishnu R. Dusad
CEO and Managing Director

Place : New Delhi
Date : July 20, 2017

Asst