

Nucleus Software Exports Ltd.
Consolidated Cash Flow Statement for the Quarter ended 30 June 2008

	For the quarter ended 30 June 2008	30 June 2007	For the year ended 31 March 2008
A. Cash flow from operating activities			
Net profit before tax	74,782,443	146,811,125	644,626,277
<i>Adjustment for:</i>			
Depreciation	33,737,092	24,829,014	118,463,957
Exchange difference on translation of foreign currency accounts	57,457,896	(29,751,011)	(2,087,636)
Dividend received from non trade investments	(4,181,450)	(2,451,717)	(21,405,254)
Interest on fixed deposits	(348,424)	(239,900)	(1,378,783)
Profit on sale of investments	(51,051,725)	(19,484,525)	(24,833,708)
Amortisation of employees compensation expenses	1,665,764	1,913,580	5,990,268
Profit on sale of fixed assets (net)	-	(492,709)	(907,591)
Loss on assets discarded	-	-	-
Bad debts / advances written off	-	-	-
Advances and other current assets written off	-	-	6,609,696
Provision for doubtful debts / advances	943,031	46,875	6,838,935
Provision for diminishing in value of investment	-	-	-
Operating profit before working capital changes	113,004,627	121,180,733	731,916,160
Decrease / (increase) in debtors	(23,530,213)	(98,615,172)	(129,881,015)
Decrease / (increase) in loans and advances	(173,171,963)	(1,203,090)	(73,086,724)
Decrease / (increase) in other current assets	(87,102,990)	(32,837,814)	(150,102,474)
(Decrease) / increase in current liabilities	139,906,888	(18,427,936)	(112,621,714)
	(30,893,650)	(29,903,278)	266,224,233
Direct taxes paid	(7,291,261)	(5,616,015)	(12,286,599)
Fringe benefit tax paid	(1,800,000)	(1,995,000)	(9,969,688)
Net cash from operating activities (A)	(39,984,911)	(37,514,293)	243,967,947
B. Cash flow from investing activities			
Purchase of fixed assets/capital work in progress	(134,935,840)	(67,991,879)	(159,203,099)
Sale of fixed assets	-	582,855	4,350,823
Purchase of current investments	(499,720,495)	(546,674,454)	-
Proceeds on sale of current investments	789,967,099	547,698,156	(190,757,464)
	-	-	-
Interest on fixed deposits	209,694	111,928	1,371,927
Tax paid	(137,568)	(1,545,851)	(2,067,602)
Dividend received from non trade investments	4,181,450	2,451,717	21,405,254
Net cash used in investing activities (B)	159,564,340	(65,367,528)	(324,900,161)
C. Cash flow from financing activities			
Dividend paid (including corporate dividend tax thereon)	-	-	(16,995,000)
Advance pursuant to employee stock option scheme	-	-	5,191,800
Net cash used in financing activities (C)	-	-	(11,803,200)
Net (decrease) / increase in cash and cash equivalents	119,579,430	(102,881,820)	(92,735,413)
Opening cash and cash equivalents	175,019,463	268,251,436	268,251,436
Effect of exchange rate change	692,571	(743,999)	(496,560)
Closing cash and cash equivalents *	295,291,464	164,625,617	175,019,462

*include fixed deposits amounting to Rs. 6,712,120 (Rs. 9,954,311) under lien with bank on account of guarantees issued on behalf of the Company

Notes:

- The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' prescribed under Companies (Accounting Standard) Rules, 2006.
- Cash and cash equivalents consist of cash on hand and balances with scheduled banks / non-scheduled banks.